



NATIONAL PROVIDENT

ANNOTATED TRUST DEED for DBP CONTRIBUTORS SCHEME

This is an Annotated Trust Deed for the Scheme and is not the official signed trust deed that governs the Scheme. The Scheme trust deed is subject to change. Therefore, if you wish or need to rely on the terms of the trust deed, please contact the Scheme administrator for a copy of the signed trust deed.

Marginal dates indicate that text in the clause (including any subsequent clauses included under that clause) beside which they are placed was amended with effect from the dates stated. If you wish to consult the terms of the trust deed as it applied in the past, please contact the Scheme Administrator.

HISTORY OF THE DEED

- A.** The Defined Benefit Schemes as defined in the National Provident Fund Restructuring Act 1990 (“the Act”) were established under the National Provident Fund Act 1950 and include the following:
- (1) The NPF Defined Benefit Plan, which was established on 1 April 1986 (the “Existing Defined Benefit Plan”);
 - (2) The Fire Services Superannuation Scheme which is one of four sections of the Standard Scheme for Local Authorities Superannuation as adopted on 7 August 1988 (the “Existing Fire Services Superannuation Scheme”);
 - (3) The NPF Superannuation Scheme for Permanent Representatives which was established as an employer subsidised superannuation scheme on 16 September 1965 (the “Existing Superannuation Scheme for Permanent Representatives”);
 - (4) The Nursing Services Superannuation Scheme which is one of four sections of the Standard Scheme for Local Authorities Superannuation as adopted on 7 August 1988 (the “Existing Nurses Services Superannuation Scheme”); and
 - (5) The Standard Scheme for Local Authorities Superannuation (including Harbour Masters and (Ships’) Pilots) Scheme which is one of four sections of the Standard Scheme for Local Authorities Superannuation as adopted on 7 August 1988 (the “Existing Local Authorities Scheme”);
- B.** On 1 April 1991, the Defined Benefit Schemes were amalgamated into one superannuation scheme under s 41 of the Act. The amalgamated scheme was then immediately divided into two separate schemes, one being the DBP Annuitants Scheme and the other being the DBP Contributors Scheme;
- C.** By section 45 of the Act the Board was required to prepare a trust deed for the DBP Contributors Scheme. This trust deed was effective 1 April 1991 (“the Deed”). By section 41 of the Act the DBP Contributors Scheme was deemed to be registered under the Superannuation Schemes Act 1989 on 1 April 1991;
- D.** Since 1991 the Deed has been amended as follows:
- Deed of amendment dated 30 March 1993 (“Past Practice” amendments);
 - Deed of amendment dated 28 January 1994 (Amendments to allow transfers);
 - Deed of amendment dated 29 February 1996 (Fire Services Section; Local Authorities Section; Nursing Services Section; Permanent Representatives Section);
 - Deed of amendment dated 31 March 1998 (Amendments relating to elections to transfer);
 - Deed of amendment dated 1 July 2005 (Missing persons amendments);
 - Deed of amendment dated 29 March 2006 (Minimum CPI Adjustments and Spousal

Annuities amendments);

- Deed of amendment dated 21 September 2016 and effective 20 October 2016 (Financial Markets Conduct Act 2013 compliance);
- Deed of amendment dated 1 April 2021 (Trust Act 2019 compliance; and enabling members in sections A, D and E to receive their pension from age 65 without having to cease employment);
- Deed of amendment dated 3 October 2023 (Amendments relating to benefit elections).

THIS ANNOTATED DEED

The purpose of this annotated Deed is to provide all amendments that have been made to the Deed since 1991.

- (1) This Deed shall consist of the following sections:

Section A – The Defined Benefit Plan Section

Section B – The Fire Services Section

Section C – The Permanent Representatives Section

Section D – The Nursing Services Section

Section E – The Local Authorities Section

Section F – The General Provisions Section

- (2) Section F shall contain certain provisions which are common to Sections A to E of the DBP Contributors Scheme and which shall apply to each of Sections A to E.
- (3) This Deed shall come into force on 1 April 1991.



NATIONAL PROVIDENT

DEFINED BENEFIT PLAN SECTION OF THE DBP CONTRIBUTORS SCHEME

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SECTION A

THE DEFINED BENEFIT PLAN SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED

TABLE OF CONTENTS

SECTION A	1
PART I	1
A1 TITLE	1
A1A FMC ACT	1
A2 DEFINITION AND CONSTRUCTION	1
A3 APPLICATIONS AND ELECTIONS TO BE IN WRITING	4
PART II	4
CONTRIBUTORS & CONTRIBUTORY SERVICE	4
A4 CONTRIBUTORS	4
A5 APPLICATION TO CONTRIBUTE IN RESPECT OF PREVIOUS SERVICE	5
A6 TRANSFERS FROM THE STANDARD SCHEME NOT PERMITTED	5
A7 APPLICATION TO COUNT PREVIOUS SERVICE	5
A8 CONTINUITY OF SERVICE	6
A9 RIGHT TO CEASE TO CONTRIBUTE	6
PART III	7
CONTRIBUTIONS	7
A10 DEFINITION OF SALARY	7
A11 CONTRIBUTIONS TO BE DEDUCTED FROM SALARY	8
A12 LESSER-CONTRIBUTING MEMBERSHIP	8
A13 ELECTION TO CONTRIBUTE ON HIGHER SALARY IF SALARY REDUCED	9
A14 PAYMENT FOR PURCHASE OF ADDITIONAL SERVICE	9
A15 CONTRIBUTING EMPLOYER MAY PAY PORTION OF SUM PAYABLE FOR PURCHASE OF ADDITIONAL SERVICE	10
A16 PAYMENT OF BALANCE DUE UPON RETIREMENT OR EARLIER DEATH OF CONTRIBUTOR	10
A17 CONTRIBUTIONS TO BE PAID BY CONTRIBUTING EMPLOYER	10
PART IV	11
WITHDRAWAL	11
A18 RIGHTS AND BENEFITS ON RESIGNATION FROM THE SERVICE OF A CONTRIBUTING EMPLOYER	11
PART V	14
BENEFITS OF RETIREMENT	14
A19 ENTITLEMENT TO A PENSION	14
A20 PENSION WHERE CONTRIBUTOR MEDICALLY UNFIT	15
A21 COMPUTATION OF PENSION	16
A22 ELECTION TO SURRENDER PORTION OF PENSION AND RECEIVE CASH PAYMENT	20
A23 ELECTION TO RECEIVE VARIABLE PENSION	21
A24 ELECTION TO SURRENDER PORTION OF PENSION TO PROVIDE ANNUITY FOR SPOUSE OR DEPENDANT AFTER DEATH	22
A25 REJOINING NOT PERMITTED ON RE-EMPLOYMENT AFTER PAYMENT OF A PENSION HAS COMMENCED	22

SECTION A

THE DEFINED BENEFIT PLAN SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED

PART VI	22
DEATH BENEFITS	22
A26 BENEFITS WHERE A CONTRIBUTOR DIES BEFORE BECOMING ENTITLED TO PAYMENT OF A PENSION AND LEAVES A SURVIVING SPOUSE	22
A27 BENEFITS WHERE A CONTRIBUTOR DIES AFTER BECOMING ENTITLED TO PAYMENT OF A PENSION AND LEAVES A SURVIVING SPOUSE	24
A28 BENEFIT WHERE CONTRIBUTOR DIES WITHOUT LEAVING A SURVIVING SPOUSE	26
A29 CHILDREN'S ALLOWANCE	26
A30 PROVISIONS APPLYING TO ANNUITY TO SPOUSE OR DEPENDANT ON DEATH OF CONTRIBUTOR	27
PART VII	27
FINANCIAL	27
A31 PROVISION FOR ANNUAL ADJUSTMENT	27
A32 AMOUNT OF ANNUAL ADJUSTMENT	28
A33 PERCENTAGE OF ANNUAL ADJUSTMENT	28
A34 INITIAL ADJUSTMENT	28
A35 REDUCTION OF PENSION OR ANNUITY WHERE CONTRIBUTIONS PAID AT LESS THAN FULL RATE	29
A36 PAYMENT OF PENSIONS, ANNUITIES OR ALLOWANCES	29
A37 REDUCTIONS UNDER PART III OF THE SUPERANNUATION SCHEMES ACT 1989 (AS IT WAS PRIOR TO ITS REPEAL)	29

SECTION A
THE DEFINED BENEFIT PLAN SECTION OF THE DBP CONTRIBUTORS
SCHEME TRUST DEED

PART I

A1 TITLE

30/3/93 This Section A of this Deed shall be known as the “Defined Benefit Plan Section” of the DBP Contributors Scheme (this or the “Scheme”).

A1A FMC ACT

20/10/16 A1A.1 For the purposes of the FMC Act:

A1A.1.1 this Scheme is treated as a trust established and governed by a trust deed interpreted and administered in accordance with New Zealand law;

A1A.1.2 and for the purposes of any other enactment, this Scheme must be treated as if it were registered on the register of managed investment schemes under the FMC Act as a restricted scheme that is a Superannuation Scheme; and

A1A.1.3 the Board is the 'manager' and the 'issuer' of the Scheme.

A2 DEFINITION AND CONSTRUCTION

A2.1 In this Section A, unless inconsistent with the context, -

“**Act**” means the National Provident Fund Restructuring Act 1990;

30/3/93 “**Actuary**” means a person who is a Fellow of the New Zealand Society of Actuaries who has been appointed by the Board under **clause F26** of Section F of this Scheme, and whose appointment has not been terminated

“**Annuitants Scheme**” means the DBP Annuitants Scheme established under section 41 of the Act;`

30/3/93 “**Beneficiary**” means any natural person who is eligible to receive a Benefit from this Section A or from the Annuitants Scheme calculated in accordance with this Scheme under this Section A;

“**Benefit**” means any lump sum, annuity, pension, allowance, refund, or other payment arising from membership of this Section A and payable from this Scheme under this Section A or from the Annuitants Scheme;

“**Board**” means the National Provident Fund Board established under section 9 of the National Provident Fund Act 1950; as continued in existence by section 12 of the Act and renamed from 1 April 1991 by that section as the Board of Trustees of the National Provident Fund;

30/3/93 “**Child**” in relation to any Contributor means a child of that Contributor’s family and
 29/2/96 “**Children**” shall be construed accordingly;

SECTION A

THE GENERAL PROVISIONS SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED

- 30/3/93 **“Contributing Employer”** means an employer who is or was subsidising the Contributor’s contributions to this Scheme in accordance with **clause A17** after acceptance by the Board as a Contributing Employer;
- 30/3/93 **“Contributor”** means any person who is a Member of this Scheme under this Section A and includes -
- (a) any person who has suspended the payment of contributions under clause A9; and
- (b) any person who was on 1 April 1991 a Contributor under this Section A by virtue of membership of the Existing Defined Benefit Plan operated by the Board prior to 1 April 1991 and who was on or after that date transferred to the Annuitants Scheme;
- 30/3/93 **“Contributory Service”** means:
- (a) service with a Contributing Employer after an election to become a Contributor has taken effect pursuant to clause 4.1 of the Existing Defined Benefit Plan and for which contributions have been paid to this Section A; and
- (b) service counted as Contributory Service pursuant to **clause A5, clause A6, clause A7 or clause A8** and for which contributions have been paid or agreed to be paid to this Section A,
- but does not include any period in respect of which a lump sum payment is made in lieu of accrued annual leave or holiday or retiring leave or in respect of which a gratuity is paid;
- 30/3/93 **“Dependant”** in relation to a Contributor, means a person of the Contributor’s family (other
29/2/96 than a Spouse or a Child of the Contributor) who is acknowledged by the Board as being financially dependent upon the Contributor;
- “elect”** means to elect in writing in accordance with the provisions of **clause A3**; and
“election” has a corresponding meaning;
- 20/10/16 **“FMC Act”** means the Financial Markets Conduct Act 2013;
- “Lesser-Contributing Member”** means a Contributor whose rate of contributions to this Scheme has been agreed and approved in terms of **clause A12**;
- 30/3/93 **“Local Authority”** -
20/10/16
- (a) means a local authority within the meaning of Section 5 of the Local Government Act 2002 and
- (b) includes any body that is declared by an enactment to be a local authority for the purposes of the National Provident Fund Act 1950 or the Act;
- 30/3/93 **“Member”** means a natural person who has been admitted to membership of this Scheme under this Section A and who is, or may become, entitled to any Benefits;
- 30/3/93 **“Permanent Employee”** means a person who is in continuous employment with a Contributing Employer for at least one year (including former employment with a Contributing Employer or with the Government of New Zealand being government service

as defined in the Government Superannuation Fund Act 1956) and who is employed for not less than twenty percent of a normal working week, unless the Board decides otherwise; but any person who has been in continuous employment for less than one year may be deemed a Permanent Employee at the discretion of the Contributing Employer;

30/3/93

“Refundable Contributions” means in respect of a Contributor those contributions paid to this Section A of this Scheme in respect of the Contributor’s Contributory Service as have been deducted from Salary or paid by the Contributor under **clause A7, clause A8, clause A11, clause A12, clause A13 or clause A14** but do not include any interest paid or payable in respect of those contributions;

PROVIDED THAT in respect of Actual Contributory Service under the Standard Scheme as defined in the Standard Scheme immediately before 1 April 1991 for the period or any part of the period between 1 April 1975 and 15 December 1975 there shall be included an amount of 1 percent of the Contributor’s gross taxable earnings in lieu of the Contributing Employer’s contributions for that period or part period;

30/3/93

“Salary” has the meaning assigned to it in or under **clause A10** and where applicable includes any notional salary on which contributions are payable under **clause A13**;

“Section A” and **“this Section A”** mean this Section A of the DBP Contributors Scheme and where necessary or appropriate includes the Existing Defined Benefit Plan operated by the Board prior to 1 April 1991;

30/3/93
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“Spouse”, in relation to a Contributor who is alive, means a woman or man to whom the Contributor is married and may include, whether or not the Contributor is legally married to another person, a woman or man whom the Board in its discretion regards as being the wife or husband or partner of the Contributor, being a woman or man who, although not legally married to the Contributor, has lived as that Contributor’s wife or husband or partner on a permanent domestic basis for such period as the Board determines;

30/3/93

“Standard Scheme” means the 1968 Standard Scheme for Local Authorities Superannuation authorised under the National Provident Fund Act 1950, and the following allied schemes (the first 3 of which are amalgamated with this Scheme in accordance with section 41 of the Act):

- (a) The Existing Fire Services Superannuation Scheme;
- (b) The Existing Nursing Services Superannuation Scheme;
- (c) The Existing Standard Scheme for Local Authorities Superannuation (including Harbourmasters’ and (Ships’) Pilots Schemes); and
- (d) The Existing Aircrew Superannuation Scheme;

and any other scheme or subscheme that immediately before 1 April 1991 formed part of the Standard Scheme;

20/10/16

“Superannuation Scheme” has the meaning given to it in the Act;

30/3/93
29/2/96

“Surviving Spouse”, in relation to a Contributor that has died, means a woman or man to whom that Contributor was married immediately before the Contributor’s death and may include, whether or not the Contributor was legally married to another person, a woman or man whom the Board in its discretion regards as having been the wife or husband or partner

SECTION A

THE GENERAL PROVISIONS SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED

of the Contributor immediately before death, being a woman or man who, although not legally married to the Contributor, had lived as that Contributor's wife or husband or partner on a permanent domestic basis for such period as the Board determines;

PROVIDED THAT where under the provisions of this Section A more persons than one have claims as the Surviving Spouse of any Contributor the total amount of any payment payable to them in respect of any Benefit to which one Surviving Spouse would be entitled may be divided by the Board between them in such shares and proportions as the Board from time to time thinks fit and in any case where they disagree regarding the making of an election under this Section A the Board may deem them to have made an election and the provisions of this Section A shall apply accordingly.

- 30/3/93 A2.2 Unless inconsistent with the context, terms not defined in this Section A but defined in the Act shall have the same meaning as in the Act, whether specific reference is made to the Act or not.
- 30/3/93 A2.3 In the construction of this Section A, unless inconsistent with the context, -
- A2.3.1 references to **clauses** and Parts are to clauses and parts of this Section A;
- A2.3.2 references to any statute, are references to the statute as from time to time amended and include substituted provisions that substantially correspond to those referred to and also include any regulations, Orders in Council and other instruments from time to time issued thereunder;
- A2.3.3 the singular includes the plural and vice versa, and words importing any gender include the other genders;
- A2.3.4 the headings and sub-headings appear as a matter of convenience and shall not affect the construction of this Section A.

A3 APPLICATIONS AND ELECTIONS TO BE IN WRITING

- 30/3/93 A3.1 Every application, election, notice of withdrawal and other notification given or required to be given by any person for the purposes of this Section A shall be in writing signed by the person and delivered to the Board, and shall be deemed to be made or given when it is received by the Board.
- 30/3/93 A3.2 Every notification given or required to be given by a Contributing Employer to the Board for the purposes of this Section A shall be in writing signed by an officer on behalf of the Contributing Employer and delivered to the Board.

PART II

CONTRIBUTORS & CONTRIBUTORY SERVICE

A4 CONTRIBUTORS

- 30/3/93 A4.1 Subject to the terms of this Section A of this Scheme, persons who satisfy the requirements of section 38 of the Act may be Contributors to this Scheme. For ease of reference, a copy of section 38 (in the form as at 8 May 1992) is annexed to this Deed.
- 30/3/93 A4.2 Only contributors (within the meaning of section 41(4) of the Act) can be members of this Section A of this Scheme.

SECTION A

THE GENERAL PROVISIONS SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED

29/2/96 A4.3 This Section A is closed to new Contributors and to rejoining Contributors as from 1 January 1996.

A5 APPLICATION TO CONTRIBUTE IN RESPECT OF PREVIOUS SERVICE

30/3/93 A5.1 On the application of a Contributor before attaining the age of 50 or within six months after becoming a Permanent Employee, whichever is the later, and subject to the payment of the sums payable under **clause A14** and **clause A15** the Board may in its discretion allow to be counted as Contributory Service such service, period of study, or experience as is specified in **clause A5.2** and **clause A5.3**;

PROVIDED THAT nothing in this **clause A5.1** shall prevent the Board in its discretion from accepting and approving an application in that regard from a Contributor whose age exceeds 50 if in the opinion of the Board there are exceptional circumstances.

A5.2 The whole or any part of service in the employment of:

A5.2.1 any past or present Contributing Employer; or

A5.2.2 the New Zealand Government being government service as defined in the Government Superannuation Fund Act 1956.

A5.3 The whole or any part (not exceeding in the aggregate five years) of:

A5.3.1 service in the employment of the Government of any territory within the Commonwealth other than New Zealand;

A5.3.2 a course of study leading to some recognised degree or diploma or certificate and including apprenticeships which in the opinion of both the Contributing Employer and the Board is or has been of substantial benefit to the performance of the applicant's duties while a Contributor; or

A5.3.3 experience as a practitioner, tradesman, or employee in a type of work providing a specialised skill or knowledge which in the opinion of both the Contributing Employer and the Board is or has been of substantial benefit to the performance of the applicant's duties while a Contributor.

A6 TRANSFERS FROM THE STANDARD SCHEME NOT PERMITTED

30/3/93 No person may transfer to this Section A from Section B, Section D or Section E of this
29/2/96 Scheme after 1 January 1996.

30/3/93 **A7 APPLICATION TO COUNT PREVIOUS SERVICE**

30/3/93 A7.1 A Contributor who:

20/10/16 A7.1.1 was previously contributing to the Government Superannuation Fund or to a Superannuation Scheme recognised by the Board as providing benefits substantially equivalent to those under this Section A; and

A7.1.2 has not taken a refund of contributions from that Fund or other scheme; and

A7.1.3 is not receiving a pension from that Fund or other scheme;

may apply to the Board within six months of the commencement of service with the Contributing Employer, or such longer period as the Board may determine, to transfer contributions to this Section A and to have such previous service in relation to which contributions have been paid counted as Contributory Service.

- A7.2 Where **clause A18.1.1, clause A18.4.1 or clause A18.4.2** subsequently apply to former Contributors to the Government Superannuation Fund the references to 1 April 1986 in those **clauses** shall be supplemented by “or such earlier date as would have applied had that Contributor remained a Contributor to the Government Superannuation Fund, as may be appropriate”.

A8 CONTINUITY OF SERVICE

Where the Contributory Service of any Contributor has been interrupted it shall, to the extent that the Board so determines, and subject to such conditions including payment of contributions at such rate or rates as it thinks fit, be deemed not to be interrupted.

30/3/93 **A9 RIGHT TO CEASE TO CONTRIBUTE**

- 30/3/93 A9.1 Any Contributor may elect to cease to contribute, and on the expiration of a period of three months from the date of such election being received by the Board may cease the payment of contributions.

- A9.2 Any Contributor, while under the age of 60, or such later age as the Board may allow, who has ceased the payment of contributions under **clause A9.1** shall leave the Contributor’s contributions in this Scheme under this Section A subject to the right to make an election under **clause A18** in the event of the Contributor ceasing to be employed by a Contributing Employer.

- A9.3 Any Contributor who has -

A9.3.1 left contributions in this Scheme under this Section A; and

A9.3.2 left the service of a Contributing Employer; and

A9.3.3 attained the age of 60 years, or who has attained the age of 50 years and who has 10 or more years of Contributory Service,

may, subject to **clause A9.4**, elect that **clause A19.2.1** or **clause A19.2.2** shall apply.

- A9.4 In any case where a Contributor:

A9.4.1 has left contributions in this Scheme under this Section A under **clause A9.2** and has not made an election under **clause A18** and that person later resumes the payment of contributions; or

A9.4.2 elects to receive a Benefit under **clause A9.3** -

that Contributor’s previous Contributory Service shall be reactivated and count as continuous Contributory Service for the purpose of calculating Benefits under this Section A, but shall be discounted in the following manner:

A9.4.3 a discount of 1.25 percent for each year or part of a year of absence for which the

SECTION A

THE GENERAL PROVISIONS SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED

Contributor has a corresponding period of Contributory Service that will be reactivated; and

A9.4.4 a discount of 2.25 percent for each year or part of a year of absence that is in excess of the earlier period of Contributory Service.

A9.5 Any such period of discounted Contributory Service shall be deemed to precede immediately the date on which the payment of contributions was resumed, and the Contributor's rate of contribution following re-entry shall be determined by the Board according to the Contributor's age at the date when the period of discounted Contributory Service is deemed to have commenced.

A9.6 While any contributions are held in this Scheme under this Section A under this **clause A9** on behalf of a Contributor who dies before resuming the payment of contributions, the provisions of **clause A18.4** shall apply.

30/3/93 A9.7 Where a Contributor becomes medically unfit for further duty (in terms of **clause A20.2**) while contributions are held by this Scheme under this **clause A9**, then **clause A20** shall apply.

PART III

CONTRIBUTIONS

A10 DEFINITION OF SALARY

30/3/93 A10.1 For the purposes of this Section A "Salary" shall be deemed to include:

A10.1.1 wages;

A10.1.2 any bonus paid as a permanent addition to salary and approved by the Board;

A10.1.3 any allowance or the value of any concession or benefit provided to the Contributor by the Contributing Employer and approved by the Board;

A10.1.4 payments during or in respect of annual leave, holiday or retiring leave taken as such by the Contributor during the Contributor's employment with the Contributing Employer.

30/3/93 A10.2 For the purposes of this Section A "Salary" shall be deemed not to include:

A10.2.1 payment for overtime work;

A10.2.2 any bonus other than a bonus approved under **clause A10.1.2**;

A10.2.3 any allowance or the value of any concession or benefit not approved by the Board under **clause A10.1.3**;

A10.2.4 any lump sum or other payment on retirement in lieu of accrued annual leave, holiday or retiring leave not taken as such during the employment;

A10.2.5 any gratuity paid on retirement under section 6 of the Finance Act (No 2 1941 or any other enactment;

A10.2.6 any exceptionally large increment during the last five years immediately preceding retirement if in the opinion of the Board it was not earned or justified by added duties, responsibilities or qualifications or by any other change in conditions of employment.

30/3/93 A10.3 If any question arises as to what remuneration or payment in money or money's worth or otherwise is included or is not included in the Salary of any Contributor for the purposes of this **clause A10**, or as to the value of any Salary received or enjoyed otherwise than as money, such question may be decided by the Board, and its decision shall be final.

A11 CONTRIBUTIONS TO BE DEDUCTED FROM SALARY

A11.1 Subject to **clause A11.2** the Contributing Employer shall deduct from any payment of Salary made to a Contributor for employment by the Contributing Employer contributions at the rate of 6.5 percent.

30/3/93 A11.2 Any Contributor who becomes a Member of this Section A under **clause A6** shall pay contributions as follows:

A11.2.1 if while a member of the Standard Scheme the Contributor was making contributions at a rate of 7 percent or greater, payments will continue at that previous rate;

A11.2.2 if while a member of the Standard Scheme the Contributor was making contributions on less than a 100 percent basis, future payments will be due on the appropriate 100 percent rate for age as assessed under that scheme, except that those who would otherwise subsequently pay 6 percent shall pay 6.5 percent;

A11.2.3 if the Contributor is not covered by **clause A11.2.1** or **clause A11.2.2**, 6.5 percent.

A11.3 Where any Contributor to whom **clause A11.2** applies had, before 1 April 1986, made an election under **clause 7** of the Standard Scheme to purchase additional service and payment of contributions in respect of that election had not been completed the Contributor shall continue to pay contributions in respect of the additional service in terms of the election.

30/3/93 A11.4 For any Contributor who became a Member of this Section A subsequent to retirement or death under the Standard Scheme in the period 1 April 1985 to 31 March 1986, contributions shall be payable in respect of the Contributor for the period beginning 1 April 1985 and ending with the date on which the pension first became payable to the Contributor under the Standard Scheme or the date of death of the Contributor whichever first occurs, as if **clause A6** applied to the Contributor but as if the references in **clause A6** and in **clause A35** to 1 April 1986 were references to 1 April 1985.

A12 LESSER-CONTRIBUTING MEMBERSHIP

30/3/93 A12.1 Notwithstanding any other provision of this Section A, a Contributing Employer may nominate a Contributor to be eligible to contribute at a rate of contributions approved by the Board under this **clause A12** and subject to acceptance of the nomination and the rate of contributions approved by the Board under this **clause A12** by the Contributor, such Contributor shall become a Lesser- Contributing Member from the date of the Board's approval.

A12.2 The Contributing Employer shall deduct from every payment of Salary made to a Lesser-

Contributing Member contributions at such rate as is agreed between the Lesser-Contributing Member and the Contributing Employer and approved by the Board in lieu of the rate of contributions specified in **clause A11** but in no case less than 1% of Salary or \$10.00 per week (whichever is the lesser).

A12.3 Except as provided in **clause A12.4** a Lesser-Contributing Member shall enjoy all the rights and privileges and be subject to all the obligations, conditions and restrictions otherwise applicable to a Contributor except to the extent that they are specifically varied by the provisions of this **clause A12**.

A12.4 The Contributing Employer may at any time rescind the status of a Contributor as a Lesser-Contributing Member and such Contributor shall on the next day of payment of contributions pay such contributions as are required of the Contributor under **clause A11**.

A13 ELECTION TO CONTRIBUTE ON HIGHER SALARY IF SALARY REDUCED

30/3/93 A13.1 Where for any reason other than misconduct or a permanent reduction in normal hours of duty, a Contributor's Salary is reduced (whether by reason of transfer or appointment to another position with the same Contributing Employer or another Contributing Employer or otherwise), an election may be made within three months of the date when such reduction first took effect to have the aggregate amount of deductions from Salary and contributions from the Contributing Employer maintained as if that Salary had not been so reduced, and in that event the Benefits on retirement or death shall be computed as if the Salary had not been so reduced;

PROVIDED THAT the election shall be subject to the consent of the Contributing Employer, and if any break in employment between employers exceeds three months, to the consent of the Board;

AND FURTHER PROVIDED THAT if the Salary of a Contributor who has so elected is thereafter notional increased from time to time in accordance with general increases fixed under a salary or wage fixing procedure the amount deducted from that Salary shall be based on the Salary as if it had not been reduced and had been increased by such notional increases unless and until the Salary actually paid exceeds the notional salary on which deductions were made.

30/3/93 A13.2 Where payments are made under **clause A13.1** on a notional salary, the amount of the contributions which would be required from the Contributing Employer if the notional salary were actual Salary shall be paid by the Contributor or the Contributing Employer in such proportions as agreed by those parties.

A14 PAYMENT FOR PURCHASE OF ADDITIONAL SERVICE

30/3/93 A14.1 There shall be payable to this Section A of this Scheme under this Section A in respect of each period of service, study or experience counted as Contributory Service under **clause A5** such sums as the Board may in each case determine, having regard to the additional prospective burden on this Scheme or the Annuitants Scheme of Benefits due to the counting of such period.

30/3/93 A14.2 The sums payable under **clause A14.1**, or such portions thereof as the Board may in any case direct, together with interest thereon at a rate to be fixed by the Board from time to time, shall be paid at the discretion of the Board either by deductions from the Contributor's Salary or by the payment of one sum or instalments to the Contributing Employer for

transmission to the Board.

A15 CONTRIBUTING EMPLOYER MAY PAY PORTION OF SUM PAYABLE FOR PURCHASE OF ADDITIONAL SERVICE

In respect of each Contributor who makes an application under **clause A5** which is allowed by the Board, the Contributing Employer may, if it has legal power so to do, agree with the Board to pay a portion of the sums determined by the Board under **clause A14**;

PROVIDED THAT any amounts so paid by the Contributing Employer shall not form part of the Contributor's Refundable Contributions.

A16 PAYMENT OF BALANCE DUE UPON RETIREMENT OR EARLIER DEATH OF CONTRIBUTOR

30/3/93 If upon the retirement or earlier death of the Contributor the sums payable under **clause A11, clause A12, clause A13, clause A14 or clause A15** have not all been paid, the balance shall thereupon become due and may be deducted from any Benefits payable under this Scheme or the Annuitants Scheme to or in respect of the Contributor or collected as the Board may direct, or the Board may in its discretion disallow any Contributory Service in respect of which contributions or payments have not been made.

A17 CONTRIBUTIONS TO BE PAID BY CONTRIBUTING EMPLOYER

- 30/3/93 A17.1 There shall be paid into this Scheme under this Section A by the Contributing Employer:
- A17.1.1 the amounts deducted from Salary in accordance with **clauses A11, A12 and A13**;
 - A17.1.2 subject to **clause A13.2**, an amount payable out of the Contributing Employer's own funds equal to 12 percent of the Salary on which a Contributor's contributions have been assessed (or in the case of a Lesser-Contributing Member the Salary on which the contributions would have been assessed, had it not been for the approval of the agreed rate of the Lesser-Contributing Member's contributions) or such other amounts as the Board, after consultation with the Actuary, may direct;
 - A17.1.3 in any case where the Contributor is a Lesser-Contributing Member under **clause A12**, in addition to the amounts payable under **clause A17.1.2**, the difference between the amount deducted from the Salary of any Contributor who is a Lesser-Contributing Member under **clause A12** and the amount that would otherwise be deductible in respect of that Contributor under **clause A11** had **clause A11** applied to the Contributor;
 - A17.1.4 the amounts deducted from Salary or paid by the Contributor for transmission to this Scheme under **clauses A8 or A14**;
 - A17.1.5 any sums payable in respect of the purchase of additional service under **clause A15**;
 - A17.1.6 any additional money payable by the Contributing Employer under **clause A21.8**.
- 30/3/93 A17.2 All money payable by the Contributing Employer under **clause A17.1** shall be due on the last day of each monthly, four-weekly or fortnightly accounting period.
- A17.3 Interest at a rate determined by the Board may be charged as from the due date thereof on

any amounts unpaid as at the 20th day of the month following that date.

PART IV

WITHDRAWAL

A18 RIGHTS AND BENEFITS ON RESIGNATION FROM THE SERVICE OF A CONTRIBUTING EMPLOYER

- 30/3/93 A18.1 Where a Contributor ceases to be employed by a Contributing Employer for any reason, (other than the death of the Contributor) the Contributor may, in lieu of any other Benefits payable under this Section A or under the Annuitants Scheme:
- A18.1.1 elect to receive a refund of the total amount of the Contributor's Refundable Contributions (less any amounts already received) increased, subject to **clause A7.2**, in respect of contributions paid in respect of any period after 1 April 1986, by 0.25 percent for every month beginning on or after 1 April 1986 between the date on which the Contributor became a Contributor and the date of the payment of the refund; or
- A18.1.2 if the Contributor has not attained the age of 60 years, elect to leave the Contributor's contributions in this Scheme under this Section A; or
- 20/10/16 A18.1.3 if the Contributor has not less than 10 years' Contributory Service, elect to have the transfer value of the Contributor's contributions as determined in accordance with **clause A18.6** paid to any Superannuation Scheme that is approved by the Board and is a pension Superannuation Scheme; or
- A18.1.4 if the Contributor has not less than 10 years of Contributory Service, and:
- A18.1.4.1 is under the age of 50 years on ceasing employment, elect, not more than six months after the date of ceasing to be employed in the service of the last Contributing Employer or such extended period as the Board may allow, to leave the Contributor's contributions in this Scheme under this Section A on the basis that the Contributor may make a further election under **clause A19.2.2** not sooner than three months before attaining the age of 50 years to receive a pension calculated under **clause A21** which shall commence to be payable to the Contributor on such date as the Contributor may elect, being a day on or after the date of attaining age 50 years; or
- A18.1.4.2 is over the age of 50 years, but not over the age of 60 years, on ceasing employment, elect that **clause A19.2.2** shall apply; or
- A18.1.5 where eligible, transfer membership to the Government Superannuation Fund.
- 03/10/23 A18.1(A) In the event of any Contributor not having made a further election under **clause A19.2.2**, as provided in **clause A18.1.4.1**, to receive a pension and for pension payments to commence before attaining the age of 65 years then the Board reserves the right upon giving six months prior notice to the Contributor to make such election on behalf of the Contributor.
- A18.2 Every election under **clause A18.1** may, (so long as there has been no payment received from this Section A or the Annuitants Scheme) be revoked and the Contributor may then make an election under any other part of **clause A18.1**.

SECTION A

THE GENERAL PROVISIONS SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED

A18.3 In the event of any Contributor not having made an election under **clause A18.1** within six months of the date of ceasing duty the Board reserves the right to make an election on behalf of the Contributor under **clause A18.1.1**.

30/3/93 A18.4 While any contributions are held in this Scheme under this Section A under **clause A18.1** on behalf of a person who has ceased to contribute and who dies before again contributing, or before a date specified in any further election made under **clause A18.1.4.1** or when this **clause A18.4** applies by virtue of **clause A9.6** or **clause A19.3**:

A18.4.1 **clause A26** and **clause A29** shall not apply and, if the Contributor leaves a Surviving Spouse, there shall be paid to the Surviving Spouse, at the election of the Surviving Spouse:

A18.4.1.1 out of this Scheme under this Section A, a refund of the Contributor's Refundable Contributions increased subject to **clause A7.2**, in respect of contributions paid in respect of any period after 1 April 1986, by 0.25 percent for every month beginning on or after 1 April 1986 between the date on which the Contributor became a Contributor and the date of the Contributor's death; or

A18.4.1.2 an annuity calculated as:

$$P/2$$

and payable out of the Annuitants Scheme:

Where p is the pension to which the deceased Contributor would have been entitled if the Contributor had become entitled to the pension under clause A21.2 on the date of the Contributor's death, such pension to be calculated:

- (a) before the effect of any adjustment under **clause A21.4**;
- (b) as if the words "the day on which the first instalment of the pension is payable" in clause **A21.3.2** were omitted and the words "the day after the date of the death" were substituted therefor.

Any annuity so calculated under **clause A18.4.1.2** (the first instalment of which is payable after 31 March 1990 but before 1 April 1992) shall be further adjusted so as to be the average of the amounts calculated under paragraphs (a) and (b) below:

- (a) y multiplied by z

Where y is the number of complete years (and for any part year, the fraction of that year) which will elapse from the day following the day after the date of death of the Contributor up until 31 March 1992 (both days inclusive); and

z is the amount of the annuity payable (as computed using the formula $P/2$ mentioned in this **clause A18.4.1.2** but as if p were the pension before the effect of any adjustment under **clause 21.3** or **clause 21.4**) after that amount of the annuity

SECTION A

THE GENERAL PROVISIONS SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED

has been reduced according to the following scale:

On so much of that annuity as:	Reduction:
Does not exceed \$9,500	15%
Exceeds \$9,500 but does not exceed \$30,875	28%
Exceeds \$30,875	33%

- (b) the number of complete years (and for any part year, fraction of the year) which will elapse from 1 April 1990 up until the day on which the first instalment of the annuity is payable (both days inclusive) multiplied by the amount of the annuity (as computed using the formula $\frac{P}{2}$ mentioned in **clause A18.4.1.2**)

and the entitlement of the Surviving Spouse to the refund or annuity shall not be affected by any subsequent change in the marital status of that Spouse;

A18.4.2 **clauses A28 and A29** shall not apply and, if the Contributor dies without leaving a Surviving Spouse, there shall be paid out of this Section A to the Contributor's personal representatives in trust for the persons entitled to receive them under the Contributor's will or under the legislation relating to the distribution of intestate estates, as the case may be, the Contributor's Refundable Contributions increased (subject to **clause A7.2**), in respect of contributions paid in respect of any period after 1 April 1986, by 0.25 percent for every month beginning on or after 1 April 1986, between the date on which the Contributor became a Contributor and the date of the Contributor's death;

A18.4.3 for the purposes of determining the pension that would have been payable to any person in any case to which **clause A18.4.1** applies, the pension shall be calculated under **clause A21** except that:

A18.4.3.1 the Contributor's Final Average Earnings shall be determined under **clause A21** as if the date on which the Contributor ceased service with a Contributing Employer was the date of the Contributor's retirement;

20/10/16

A18.4.3.2 the Final Average Earnings shall be increased by the percentage (if any) as calculated by the Government Statistician by which the all groups index number of the Consumers Price Index for the quarter which immediately precedes the date upon which the pension is first to be paid exceeds the index number for the quarter immediately following the date of resignation; and

A18.4.3.3 for the purposes of **clause A21.2**, the date of the Contributor's death shall be treated as the date of the Contributor's retirement.

30/3/93

A18.5 In any case where a Contributor has left contributions in this Scheme under **clause A18.1.2**;

A18.5.1 if, at the time when the Contributor attains the age of 60 years, the payment of contributions has not been resumed, the Contributor may at any time after the Contributor has attained the age of 60 years elect that **clause A19.2.2** will apply and accordingly the Board shall forthwith transfer the Contributor to the Annuitants Scheme;

SECTION A

THE GENERAL PROVISIONS SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED

A18.5.2 if the Contributor resumes the payment of contributions before attaining the age of 60 years, the Contributor's previous Contributory Service shall be reactivated and count as continuous Contributory Service for the purpose of calculating Benefits payable under this Section A and the Annuitants Scheme, but shall be discounted in the following manner:

A18.5.2.1 a discount of 1.25 percent for each year or part of a year of the absence for which the Contributor has a corresponding period of Contributory Service that will be reactivated; and

A18.5.2.2 a discount of 2.25 percent for each year or part of a year of the absence that is in excess of the earlier period of Contributory Service;

A18.5.3 any such period of discounted Contributory Service shall be deemed to precede immediately the date on which the payment of contributions was resumed, and the Contributor's rate of contribution following re-entry shall be determined by the Board according to the Contributor's age at the date when the period of discounted Contributory Service is deemed to have commenced.

03/10/23 A18.5(A) If the Contributor fails to make an election under **clause A19.2.2**, as provided in **clause A18.5.1**, before attaining the age of 65 years the Board reserves the right after giving not less than six months prior notice to make such election on behalf of the Contributor.

A18.6 For the purposes of **clause A18.1.3** the transfer value of a Contributor's contributions shall be the lesser of:

A18.6.1 the amount of the refund that the Contributor would be entitled to receive under **clause A18.1.1** increased by 10 percent of that amount for every complete year of Contributory Service in excess of 10 years' Contributory Service, and an appropriate portion of 10 percent for any part year of Contributory Service; or

A18.6.2 twice the amount of the refund that the Contributor would be entitled to receive if the Contributor had made an election under **clause A18.1.1**;

PROVIDED THAT the amount payable under the proviso to the definition of "Refundable Contributions" shall not be increased in terms of **clause A18.1.1** nor under **clauses A18.6.1 or A18.6.2**.

A18.7 While any contributions are held in this Section A under **clause A18.1** if the person becomes medically unfit for further duty **clause A20** may apply.

PART V

BENEFITS OF RETIREMENT

A19 ENTITLEMENT TO A PENSION

30/3/93
01/4/21
03/10/23 A19.1 Every Contributor who has:

A19.1.1 attained the age of 60; or

A19.1.2 ceased employment and has attained the age of 50 and has completed 10 years Contributory Service, or to whom this paragraph applies by virtue of **clause A18**;

and

A19.1.2.1 has received the consent of the Contributing Employer to early retirement; or

A19.1.2.2 has left the service of the last Contributing Employer,

shall thereafter be entitled to receive from the Annuitant's Scheme an annual pension calculated under **clause A21** of this Scheme.

- 30/3/93
03/10/23
- A19.2 Any Contributor who is entitled to a pension under **clause A19.1.1** may elect within six months of attaining the age of 60 years either:
- A19.2.1 to leave his or her contribution in the Scheme on the basis that a further election under **clause A19.2.2** shall be made for the payment of the Contributor's pension to commence from a date later than the day following the person's 60th birthday; or
- A19.2.2 to forthwith transfer to the Annuitant Scheme and to receive for that Scheme a pension calculated under **clause A21**.
- A19.3 While contributions are held in this Scheme under this Section A on behalf of a Contributor who has made an election under **clause A19.2.1** and who dies before payment of a pension is due to commence, the provisions of **clause A18.4** shall apply.
- 03/10/23
- A19.4 In the event of any Contributor not having made a further election under **clause A19.2.1** before the person's 65th birthday the Board reserves the right after giving not less than six months prior notice to make such an election on behalf of the Contributor.

A20 PENSION WHERE CONTRIBUTOR MEDICALLY UNFIT

- A20.1 Every Contributor who, before becoming entitled under **clause A19.1.1** to receive a pension, ceases employment with the consent of the Contributing Employer on the ground of medical unfitness for further duty shall be forthwith transferred to the Annuitants Scheme and subject to **clause A20.2**, thereafter shall be entitled to receive an annual pension calculated under **clause A21**.
- A20.2 For the purposes of this **clause A20** a Contributor shall be deemed to be medically unfit for further duty, if on the certificate of at least two medical practitioners approved by the Board, it is established to the satisfaction of the Board that, by reason of physical or mental disability, the Contributor is substantially unable to perform any duties which the Contributing Employer and the Board consider suitable and reasonable.
- 30/3/93
- A20.3 The Board as trustee of the Annuitants Scheme may from time to time suspend, reduce or cancel any pension provided for under this **clause A20** in respect of any Contributor who has not attained the age of 60 years if:
- A20.3.1 the Contributor resumes employment, whether with the Contributing Employer or elsewhere, or becomes gainfully self-employed; or
- A20.3.2 the Contributor has ceased to be medically unfit for further duty, and fails to accept any employment offered by a Contributing Employer that is considered by the Board to be suitable and reasonable; or

SECTION A

THE GENERAL PROVISIONS SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED

A20.3.3 the Board as trustee of the Annuitants Scheme is satisfied that the degree of disability is not sufficient to justify the payment of part or all of the pension; or

A20.3.4 the Contributor fails without sufficient justification to submit to a medical examination when and as often as required by the Board.

A20.4 Any suspension, reduction, or cancellation of a pension under **clause A20.3** shall:

A20.4.1 cease when the Contributor attains the age of 60 years;

A20.4.2 be disregarded for the purposes of **clause A27**, **clause A28** and **clause A29**.

30/3/93 A20.5 This **clause A20** shall apply to all Contributors who have elected that **clause A9** or **clause A18** shall apply in respect of those Contributors and their contributions.

A21 COMPUTATION OF PENSION

30/3/93 A21.1 The pension of every person who is entitled under **clause A19.1.1** or **clause A20** to receive an annual pension shall be paid from the Annuitants Scheme and shall be:

A21.1.1 1.5 percent of the Contributor's Final Average Earnings for every full year of Contributory Service, and a proportionate part of 1.5 percent for every fraction of a year; and

A21.1.2 shall be further increased by 0.002 percent in respect of every month or part of a month before the date of retirement during which the Contributor is over the age of 60 years but under the age of 65 years.

A21.2 Every Contributor who is entitled under **clause A19.1.2** of this Scheme to receive a pension shall be paid that pension from the Annuitants Scheme and the pension shall be 1.5 percent of the Contributor's Final Average Earnings for every full year of Contributory Service and a proportionate part of 1.5 percent for every fraction of a year, except that the 1.5 percent shall be reduced by:

A21.2.1 0.004 percent of the Contributor's Final Average Earnings for every month or part of a month from the date of retirement up to the age of 60 years, where retirement is at or after the age of 55 years; and

A21.2.2 a further 0.002 percent of the Contributor's Final Average Earnings for every month or part of a month from the date of retirement up to the age of 55 years, where retirement is before the age of 55 years.

30/3/93 A21.3 Every pension calculated under this Section A, the first instalment of which is payable from the Annuitants Scheme after 31 March 1990, shall be calculated:

A21.3.1 as if the expression "0.002" was omitted from **clause A21.1.2** and **clause A21.2.2** and the expression "0.003" was substituted therefor and (before any election is made by the Contributor under **clause A22**) shall then be adjusted as follows:

A21.3.2 that part of the pension which relates to Contributory Service before 1 April 1990 shall be multiplied by the fraction:

$$\frac{t}{(12 - t)}$$

$$\frac{5}{15}$$

where t equals the number of complete years (and for any part year, the fraction of that year) which will elapse from 1 April 1990 up until the day on which the first instalment of the pension is payable (both days inclusive);

PROVIDED THAT the value of t shall not exceed 20:

A21.3.3 that part of the pension which relates to Contributory Service after 31 March 1990 shall be multiplied by the fraction:

$$\frac{8}{15}$$

A21.4 In addition to the adjustment under clause A21.3, any pension (the first instalment of which is payable after 31 March 1990 but before 1 April 1992), shall be further adjusted (after any election has been made by the Contributor under **clause A22**) so as to be the average of the amounts calculated under **clauses A21.4.1** and **A21.4.2**:

A21.4.1 y multiplied by z

where y is the number of complete years (and for any part year, the fraction of that year) which will elapse from the day after the first instalment of the pension is payable up until 31 March 1992 (both days inclusive); and

z is the amount of the pension payable (as computed before the adjustment is made under **clause A21.3** but after any election has been made by the Contributor under **clause A22**) after that amount of the pension has been reduced according to the following scale:

On so much of that pension as:	Reduction:
Does not exceed \$9,500	15%
Exceeds \$9,500 but does not exceed \$30,875	28%
Exceeds \$30,875	33%

A21.4.2 The number of complete years (and for any part year, fraction of that year) which will elapse from 1 April 1990 up until the day on which the first instalment of the pension is payable (both days inclusive) multiplied by the amount of the pension (as adjusted under **clause A21.3** and after any election has been made by the Contributor under **clause A22**).

29/2/96 A21.5 In determining whether Contributory Service occurs before 1 April 1990 or after 31 March 1990 for the purposes of **clauses A21.3** and **A21.4**, this Section A shall be read as if the provisions of **clause A9.5** and **clause A18.5.3** which deem Contributory Service to have occurred at a time (as specified in each of those clauses), have been omitted.

30/3/93
20/10/16 A21.6 For the purposes of determining the pension payable to a Contributor who has made an election under **clause A18.1.4.1** or **clause A19.1.2** the pension shall be calculated under this **clause A21** except that:

A21.6.1 the Contributor's Final Average Earnings shall be determined under **clause A21.10** as if the date on which the Contributor ceased to be employed by the last Contributing Employer was the date of the Contributor's retirement; and

A21.6.2 the Final Average Earnings shall be increased by the percentage (if any) as calculated by the Government Statistician by which the all groups index number of the New Zealand Consumers Price Index for the quarter which immediately precedes the date upon which the pension is first to be paid exceeds the index number for the quarter immediately following the date of resignation; and

A21.6.3 for the purposes of **clause A21.2** the date upon which the pension is to be paid shall be treated as the date of the Contributor's retirement.

A21.7 Where a Contributor's Contributory Service includes employment otherwise than on a full-time basis the length of the Contributory Service shall, for the purposes of clauses **A21.1** and **A21.2** be reduced on a proportionate basis;

PROVIDED THAT for the purposes of determining whether Contributory Service occurs before 1 April 1990 or after 31 March 1990, this Scheme shall be read as if the provisions of this **clause A21.7** reducing the length of Contributory Service were omitted.

30/3/93 A21.8 The pension of any Contributor who is entitled under **clause A19.1.2** to receive a pension may be increased to such amount as the Board thinks fit (being not more than the pension that would be payable to that person if such pension had been calculated under **clause A21.1**), subject to such terms and conditions, including payments into this Scheme under this Section A by or on behalf of the Contributor, as the Board thinks fit.

A21.9 Where any Contributor has, with the consent of the Board, elected under **clause A25** to have the pension computed in respect of the total length of all periods of Contributory Service as if they were continuous, the pension of any Contributor calculated under this **clause A21** shall be reduced by the amount of any pension that relates to any previous period of Contributory Service and has been surrendered by the Contributor under **clause A22**.

30/3/93
20/10/16 A21.10 For the purposes of this clause A21:

"Earnings" means the Salary on which a Contributor paid contributions to this Section A, whether or not the Contributor actually receives that Salary and, in the case of a Contributor whose Contributory Service has not been on a full-time basis at any time, shall include the Salary on which contributions would have been paid had the Contributory Service been on a full-time basis:

"Final Average Earnings" means:

(a) The Final Average Earnings of a Contributor computed in accordance with the following formula:

$$\text{FAE} = \frac{\frac{\text{P5}}{\text{P1}} + \frac{\text{P5}}{\text{P2}} + \frac{\text{P5}}{\text{P3}} + \frac{\text{P5}}{\text{P4}} + \text{E5}}{\text{P5}}$$

where:

FAE is the Final Average Earnings:

E5 is the Earnings of the Contributor in respect of the 12 months ending with the day before the day on which the Contributor is entitled to receive a pension:

E4 is the Earnings of the Contributor of the 12 months immediately before E5:

E3 is the Earnings of the Contributor in respect of the 12 months immediately before E4:

E2 is the Earnings of the Contributor in respect of the 12 months immediately before E3:

E1 is the Earnings of the Contributor in respect of the 12 months immediately before E2:

P5 is the all groups index number of the New Zealand Consumers Price Index for the second quarter preceding the quarter in which the Contributor retires:

P4 is the all groups index number of the New Zealand Consumers Price Index for the quarter that occurred 4 quarters before the quarter from which P5 is derived:

P3 is the all groups index number of the New Zealand Consumers Price Index for the quarter that occurred 4 quarters before the quarter from which P4 is derived:

P2 is the all groups index number of the New Zealand Consumers Price Index for the quarter that occurred 4 quarters before the quarter from which P3 is derived:

P1 is the all groups index number of the New Zealand Consumers Price Index for the quarter that occurred 4 quarters before the quarter from which P2 is derived; or

- (b) The Earnings of the Contributor in respect of the 12 months ending with the day before the day on which the employee is entitled to receive a pension -

whichever is the lesser.

30/3/93
20/10/16

A21.11 Where a Contributor's Contributory Service has not been continuous during the 5 years immediately before the day on which the Contributor becomes entitled to receive a pension, the Contributor's Final Average Earnings shall comprise:

A21.11.1 the Contributor's Final Average Earnings as determined in accordance with the definition of the term "Final Average Earnings" in **clause A21.10**; and

A21.11.2 one-fifth of the Contributor's Earnings before that 5 year period for a period equal to the period of interruption of the Contributory Service, as adjusted by the Board, which shall make the adjustments having regard to the formula set out in **clause A21.10** with reference to appropriate quarters of the all groups index number of the New Zealand Consumers Price Index,

but shall not exceed the Earnings of the Contributor during the 12 months immediately before the day on which the Contributor is entitled to receive a pension, increased to an annual basis in any case where the Contributor did not pay contributions in respect of the whole of that period;

PROVIDED THAT where the Contributor has not paid contributions in respect of any part

of the 12 months immediately preceding the day on which the Contributor became entitled to a pension the Final Average Earnings shall be computed in terms of **clause A21.11.1** and **clause A21.11.2** but shall not in any event exceed the Earnings of the Contributor during the 12 months immediately before the day on which the last interruption to the Contributor's Contributory Service commenced, increased to an annual basis in any case where the Contributor did not pay contributions in respect of the whole of that period; and further increased by the percentage (if any) as calculated by the Government Statistician by which the all groups index number of the New Zealand Consumers Price Index for the quarter which immediately precedes the date upon which the pension is first to be paid exceeds the index number for the quarter immediately following the date on which contributions were last paid;

AND FURTHER PROVIDED THAT where a Contributor's Contributory Service is of less than 5 years duration, the fraction one-fifth in **clause A21.11.2** shall be increased in proportion to the change in the length of Contributory Service.

- A21.12 Where a Contributor's Contributory Service is of less than 5 years duration the figure 5 at the end of the formula in **clause 21.10** shall be replaced by the length of the Contributor's Contributory Service; any variables for which there are no data should be entered as zero.

A22 ELECTION TO SURRENDER PORTION OF PENSION AND RECEIVE CASH PAYMENT

- A22.1 Where any Contributor qualifies under **clause A19** or **clause A20** for a pension or where the Contributor would have qualified for a pension had that Contributor retired on the date of any election under this **clause A22**, a Contributor may elect to surrender the right to a specified portion of the Contributor's pension, being not more than one quarter, and to receive instead payment from the Annuitants Scheme of a sum equal to ten times the amount by which the annual pension is reduced pursuant to the surrender;

PROVIDED THAT in respect of any pension the first instalment of which is payable to the Contributor after 31 March 1990:

- A22.1.1 the payment from the Annuitants Scheme shall be equal to twelve and a half times the amount surrendered EXCEPT in the case of a Contributor to whom the first instalment of the pension is payable before he or she attains the age of 55 in which case the payment from the Annuitants Scheme shall be equal to the applicable multiple as set out below multiplied by the amount surrendered:

Age at date when first instalment of pension payable:	Multiple:
50	13.200
51	13.050
52	12.900
53	12.750
54	12.625

with appropriate adjustments for the number of whole months elapsed from any ages specified above up until the date when the first instalment of the pension is payable;

PROVIDED THAT in no event shall the multiple be less than 12.500 (being the applicable multiple at age 55);

- A22.1.2 the amount of the pension under this **clause A22.1** shall be deemed to be the pension before the effect of any adjustment under **clause A21.4**;
- A22.2 An election under this **clause A22** may be made at any time within three months immediately preceding the date on which the Contributor becomes entitled to the payment of a pension. Where an election is made before that date it shall be deemed to have been made on the earliest day on which the Contributor qualified for a pension under this Scheme if the Contributor was living and retired on that day.
- A22.3 Any Contributor who has made an election under **clause A22.1** for a portion of less than one quarter may make one further election to increase that portion up to a maximum surrender of one quarter, provided no payment from either this Section A or from the Annuitants Scheme has at that stage been received.
- A22.4 Where a Contributor has made an election under this clause in respect of any previous period of Contributory Service, the amount previously surrendered shall be taken into account in calculating the proportion of the pension which the Contributor may elect to surrender.
- A22.5 On the making of an election under this **clause A22** the pension payable to the Contributor shall be reduced by the same proportion as the amount of the surrender, and no further rights shall accrue to the portion so surrendered.
- A22.6 Any amount which a Contributor is entitled to receive by virtue of an election made under this **clause A22** shall become payable:
- A22.6.1 on the date on which the Contributor becomes entitled to payment of the pension;
or
- A22.6.2 on the date of the Contributor's death,
- whichever is the earlier and shall be paid from the Annuitants Scheme.

A23 ELECTION TO RECEIVE VARIABLE PENSION

- A23.1 Any Contributor may within the time prescribed by **clause A23.5** and with the consent of the Board, elect to surrender from any date specified by the Board a specified portion (up to a maximum fixed by the Board) of the pension which, but for such an election, the Contributor would be entitled under **clause A19**, in order to provide for payment from the Annuitants Scheme of an increased pension up to that specified date.
- A23.2 An election under this **clause A23** may be for one reduction of the pension from one specified date or for successive reductions from two or more specified dates.
- A23.3 Before the Board consents to an election under this **clause A23** it may in its discretion obtain such medical evidence as to the health of the Contributor as it may require.
- A23.4 No pension shall be granted under this **clause A23** of an amount that is calculated to impose any additional liability on this Scheme or the Annuitants Scheme and every such pension shall be computed as the actuarial equivalent of the pension to which the Contributor would have been entitled if an election had not been made under this **clause A23**.
- A23.5 An election under this **clause A23** may be made at any time within the 3 months immediately preceding the day on which the payment of a pension is due and before

payment of the first instalment has been received.

A24 ELECTION TO SURRENDER PORTION OF PENSION TO PROVIDE ANNUITY FOR SPOUSE OR DEPENDANT AFTER DEATH

A24.1 Any Contributor, on becoming entitled to a pension under this Section A and on satisfying the Board as to the state of that Contributor's health, shall be entitled to elect to surrender any specified portion of the pension (up to a maximum to be fixed by the Board being not greater than 50 percent of the pension otherwise payable) in order to provide for the payment after death from the Annuitants Scheme to a Spouse or Dependant of such annuity as the Board may determine, and the Contributor may by notice given before receiving payment of such first instalment withdraw the election so made.

A24.2 For the purpose of enabling any Contributor to consider making an election under **clause A24.1** the Board shall, on application and on being supplied with all such information as it may require as to the age, health and medical history of the Contributor and the age of the Spouse or proposed Dependant, inform the Contributor of the maximum portion of the pension that it would permit to be surrendered and of the amount and term of the annuity that would be payable.

A25 REJOINING NOT PERMITTED ON RE-EMPLOYMENT AFTER PAYMENT OF A PENSION HAS COMMENCED

29/2/96 Where any Contributor who is in receipt of a pension calculated under this Section A is re-employed in the service of any Contributing Employer, the Contributor may not again become a Contributor under this Section A.

PART VI

DEATH BENEFITS

30/3/93 **A26 BENEFITS WHERE A CONTRIBUTOR DIES BEFORE BECOMING ENTITLED TO PAYMENT OF A PENSION AND LEAVES A SURVIVING SPOUSE**

30/3/93 A26.1 Where any Contributor dies before becoming entitled to the payment of a pension and leaves a Surviving Spouse, there shall be paid to the Surviving Spouse, at the election of the Surviving Spouse:

A26.1.1 Out of this Scheme under this Section A, a lump sum being:

A26.1.1.1 one year's Salary of the Contributor calculated at the annual rate of Salary payable to the Contributor when the Contributor last contributed to this Section A; or

A26.1.1.2 a refund of the Contributor's Refundable Contributions including interest, as if the Contributor had ceased employment on the date of the Contributor's death and made an election under **clause A18.1.1**;

whichever is the greater, and the Surviving Spouse shall have no further claim against this Scheme or the Annuitants Scheme; or

A26.1.2 Out of the Annuitants Scheme, both:

A26.1.2.1 if the Surviving Spouse so elects, a lump sum being 10 times an

amount of not more than one fifth of the rate of the pension to which the deceased Contributor would have been entitled if the Contributor had retired on the date of death on the grounds of medical unfitness for further duty;

PROVIDED THAT where the first instalment of any annuity under **clause A26.1.2.2** becomes payable after 31 March 1990:

- (a) the expression “10” in this **clause A26.1.2.1** shall be omitted and the expression “12.5” shall be substituted therefor; and
- (b) the amount of the pension referred to in this **clause A26.1.2** shall be deemed to be the pension before the effect of any adjustment under **clause A21.4**; and

A26.1.2.2 An annuity calculated as:

$$P/2$$

And payable from the Annuitants Scheme;

Where p is the pension to which the deceased Contributor would have been entitled if the Contributor had retired on the date of death on the grounds of medical unfitness for further duty, such pension to be:

- (a) calculated before the effect of any adjustment under clause A21.4;
- (b) calculated as if the words “the day on which the first instalment of the pension is payable” in **clause A21.3.2**, were omitted and the words “the day after the day of death” were substituted therefor;
- (c) reduced by the same proportion as that which the Surviving Spouse has elected to surrender under **clause A26.1.2.1**.

Any annuity so calculated (the first instalment of which is payable after 31 March 1990 but before 1 April 1992), shall be further adjusted so as to be the average of the amounts calculated under paragraphs (a) and (b) below:

- (a) y multiplied by z

Where y is the number of complete years (and for any part year, the fraction of that year) which will elapse from the day following the day after the date of death of the Contributor up until 31 March 1992 (both days inclusive); and

z is the amount of the annuity payable calculated:

- (i) using the formula $P/2$ mentioned in this **clause A26.1.2.2** but for these purposes as if p were the pension before the effect of any adjustment under **clause A21.3** and **clause A21.4**; and
- (ii) After any election has been made by the Surviving Spouse under **clause A26.1.2**;

after that amount of the annuity has been reduced according to the following scale:

On so much of that annuity as:	Reduction:
Does not exceed \$9,500	15%
Exceeds \$9,500 but does not exceed \$30,875	28%
Exceeds \$30,875	33%

- (b) the number of complete years (and for any part year, fraction of that year) which will elapse from 1 April 1990 up until the day on which the first instalment of the annuity is payable (both days inclusive) multiplied by the amount of the annuity (as computed using the formula **P/2** first mentioned in this **clause A26.1.2.2**).

- 30/3/93 A26.2 Where any Surviving Spouse elects to receive a Benefit under **clause A26.1.2**, that Surviving Spouse shall forthwith become an annuitant.
- 30/3/93 A26.3 An election under **clause A26.1** shall not be capable of revocation or variation after the first payment from either this Scheme under Section A or from the Annuitants Scheme in accordance with the election if accepted by the Surviving Spouse.
- 30/3/93 A26.4 **Clause A27.3** shall also apply in respect of this **clause A26**.
- 30/3/93 A26.5 The entitlement of any Surviving Spouse to any lump sum or annuity calculated under this **clause A26** shall not be affected by any change in the marital status of that Surviving Spouse.
- 30/3/93 **A27 BENEFITS WHERE A CONTRIBUTOR DIES AFTER BECOMING ENTITLED TO PAYMENT OF A PENSION AND LEAVES A SURVIVING SPOUSE**
- 30/3/93 A27.1 Where a Contributor dies after becoming entitled to the payment of a pension and leaves a Surviving Spouse who last became the Spouse of the Contributor before the Contributor became entitled to the payment of a pension, there shall be paid to the Surviving Spouse at the election of the Surviving Spouse:
- A27.1.1 out of this Scheme under this Section A the amount that the Contributor would have been entitled to receive if an election had been made under **clause A18.1.1** on the date from which the first payment of the pension was payable less any amounts received by the Contributor from this Section A or from the Annuitants Scheme; or
- A27.1.2 out of the Annuitants Scheme an annuity at one half of the rate of the pension to which the deceased Contributor was entitled at the date of the Contributor's death, in addition to any entitlement under **clause A24**.
- 30/3/93 A27.2 Where a Contributor dies after becoming entitled to the payment of a pension and leaves a Surviving Spouse who last became the Spouse of the Contributor after the Contributor became entitled to the payment of a pension, there shall be paid to the Surviving Spouse, at the election of the Surviving Spouse:
- A27.2.1 out of this Scheme under this Section A the amount that the Contributor would have been entitled to receive if an election had been made under **clause A18.1.1**

on the date from which the first payment of the pension was payable less any amounts received by the Contributor from this Scheme under this Section A or from the Annuitants Scheme; or

A27.2.2 out of the Annuitants Scheme an annuity being the appropriate portion of the pension to which the deceased Contributor was entitled as calculated under this Section A and payable under the Annuitants Scheme at the date of the Contributor's death, which shall be:

A27.2.2.1 ten percent of that pension where the Contributor dies less than two years after the Surviving Spouse last became the Spouse of the Contributor;

A27.2.2.2 twenty percent of that pension where the Contributor dies 2 or more years but less than 3 years after the Surviving Spouse last became the Spouse of the Contributor;

A27.2.2.3 thirty percent of that pension where the Contributor dies 3 or more years but less than 4 years after the Surviving Spouse last became the Spouse of the Contributor;

A27.2.2.4 forty percent of that pension where the Contributor dies 3 or more years but less than 5 years after the Surviving Spouse last became the Spouse of the Contributor;

A27.2.2.5 fifty percent of that pension where the Contributor dies 5 or more years after the Surviving Spouse last became the Spouse of the Contributor.

30/3/93 A27.3 Where a Surviving Spouse who is under the age of 61 years becomes entitled under this **clause A27** to an annuity such Surviving Spouse may elect to surrender up to one quarter of that annuity and to receive instead payment from the Annuitants Scheme of a sum equal to 10 times the amount by which the annuity is reduced pursuant to the surrender;

PROVIDED THAT for the purposes of calculating any lump sum first payable to the Surviving Spouse after 31 March 1990:

A27.3.1 the expression "10" in **clause A27.3** shall be omitted and the expression "12.5" shall be substituted therefor;

A27.3.2 the pension referred to in **clause A27.2** shall be deemed to be the pension calculated before the effect of any adjustment to the pension under **clause A21.4**.

30/3/93 A27.4 On the making of an election under **clause A27.3** the annuity payable to the Surviving Spouse shall be reduced by the same portion as the amount of the surrender, and no further rights shall accrue to the portion so surrendered.

30/3/93 A27.5 Any election under this **clause A27** shall not be capable of revocation or variation after the first payment from either this Scheme under Section A or from the Annuitants Scheme in accordance with the election if accepted by the Surviving Spouse.

30/3/93 A27.6 The entitlement of any Surviving Spouse to any annuity calculated under this **clause A27** shall not be affected by any change in the marital status of that Surviving Spouse.

- 30/3/93 **A28 BENEFIT WHERE CONTRIBUTOR DIES WITHOUT LEAVING A SURVIVING SPOUSE**
- 30/3/93 A28.1 Where any Contributor dies, whether before or after becoming entitled to the payment of a pension, and does not leave a Surviving Spouse, the following Benefits shall be paid from the following schemes to the Contributor's personal representatives in trust for the persons entitled to receive them under the Contributor's will or under the legislation relating to the distribution of intestate estates as the case may be:
- A28.1.1 from this Scheme where the Contributor dies before becoming entitled to the payment of a pension from this Scheme under this Section A, the Refundable Contributions plus interest, as if the Contributor had ceased service on the date of death and made an election under **clause A18.1.1**; or
- A28.1.2 from the Annuitants Scheme where the Contributor dies after becoming entitled to the payment of a pension, the amount that the Contributor would have been entitled to receive if an election had been made under **clause A18.1.1** on the date from which the first payment of the pension was payable, less any amounts received from this Scheme under this Section A or from the Annuitants Scheme.
- A28.2 Any amount calculated under **clause A28.1** and payable from this Scheme under this Section A or from the Annuitants Scheme to the personal representatives of a deceased Contributor may, if no grant of probate or of letters of administration is obtained within 12 months after the death, be paid to the Public Trustee in trust for the persons beneficially entitled to that money.
- 30/3/93 **A29 CHILDREN'S ALLOWANCE**
- A29.1 Where any Contributor dies, whether before or after becoming entitled to the payment of a pension, and leaves a Child or Children under the age of 16 years that Child shall forthwith become an annuitant and there shall be paid out of the Annuitants Scheme to or on behalf of every such Child an allowance at the rate calculated under **clause A29.6** until the Child attains the age of 16 years.
- A29.2 Where a Child of a deceased Contributor has attained the age of 16 years and would be entitled to an allowance under **clause A29.1** if that Child had not attained that age the Board may grant or continue an allowance to be paid out of the Annuitants Scheme to that Child at such rate as the Board may determine, not exceeding the rate calculated under **clause A29.6** and that Child shall forthwith become an Annuitant if he or she does not already have that status -
- A29.2.1 for assisting in the education of that Child, up to the end of the calendar year in which the Child attains the age of 18 years;
- A29.2.2 where the Child has a physical or mental disability that prevents the Child from earning a living, for such period as the Board thinks fit (but generally no later than age 20 years).
- A29.3 No allowance shall be paid from the Annuitants Scheme to any Child of a deceased

SECTION A

THE GENERAL PROVISIONS SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED

Contributor if an allowance is already payable to that Child under this **clause A29** as the Child of another deceased Contributor.

- A29.4 Any money payable out of the Annuitants Scheme under this **clause A29** to or on behalf of a Child of a deceased Contributor may, at the discretion of the Board, be either paid to the Child directly, or expended by the Board for the benefit of the Child, or paid to any person to be expended on behalf of the Child in such manner as that person thinks fit.
- A29.5 Any receipt given by a Child or any other person for any money paid under the authority of this **clause A29** shall be a good discharge to the Board as trustee of this Scheme or the Annuitants Scheme.
- A29.6 The rate of allowance payable each financial year to or on behalf of any Child shall be:

$$\frac{A}{B} \times \$1000 -$$

where:

A is the all groups index number of the New Zealand Consumers Price Index for the December quarter preceding the financial year in respect of which the allowance is payable:

B is the all groups index number of the Consumers Price Index for the December quarter in the year 1982.

- A29.7 Any allowance payable under this **clause A29** shall cease in the event of the death of the Child entitled thereto.

A30 PROVISIONS APPLYING TO ANNUITY TO SPOUSE OR DEPENDANT ON DEATH OF CONTRIBUTOR

- 30/3/93 A30.1 On the death of a Contributor who has made an election under **clause A24** for the payment of an annuity the following provisions shall apply:
- A30.1.1 any annuity so payable shall be payable from the Annuitants Scheme and shall be in addition to any annuity calculated under **clause A26 or clause A27**;
- A30.1.2 if on the death of the last of the Spouse or any Dependant who has survived the retirement and death of the Contributor there remains in this Scheme under this Section A or in the Annuitants Scheme any balance of the Contributor's Refundable Contributions, increased up to the date of the first instalment of the pension to the Contributor on the same basis as if an election had been made under **clause 18.1.1** all claims to that date having previously been satisfied, such balance shall be paid out of this Scheme under this Section A or out of the Annuitants Scheme to the legal personal representative of such Spouse or Dependant.

PART VII

FINANCIAL

A31 PROVISION FOR ANNUAL ADJUSTMENT

SECTION A

THE GENERAL PROVISIONS SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED

30/3/93 A31.1 Every pension and annuity calculated under the provisions of this Section A and payable from the Annuitants Scheme shall be adjusted annually where appropriate on and after the date of the first four-weekly payment of the Benefit in each financial year commencing on the 1st day of April and ending with the 31st day of March.

30/3/93 A31.2 For the purposes of **clause A31, clause A32, clause A33 and clause A34** the term “basic pension or annuity” means the annual amount as initially payable after the effect of any election made under **clauses A22, A24, A26 and A27** but excluding the effect of any election under clause A23.

A31.3 Nothing in **clause A31, clause A32, clause A33 and clause A34** shall apply to children’s allowances, which are covered under **clause A29.6**.

A32 AMOUNT OF ANNUAL ADJUSTMENT

30/3/93 A32.1 The annual amount of the pension or annuity to be paid on and after the date of any annual adjustment until the next adjustment shall be determined by ascertaining the aggregate percentage of increase (determined under **clause A33**) and applying it to the basic pension or annuity, and adding the amount so ascertained to the basic pension or annuity.

A32.2 No adjustment shall be made for any year when the aggregate percentage of increase has not increased by at least half of one percent since the last adjustment.

A33 PERCENTAGE OF ANNUAL ADJUSTMENT

30/3/93 A33.1 The aggregate percentage of increase to be applied to a basic pension or annuity for the purpose of adjustment for any year shall be the percentage, if any, calculated by the Government Statistician by which the annual all group index number of the New Zealand Consumers Price Index for the December quarter of the calendar year immediately preceding that which includes the date for the annual adjustment, exceeds the basic index number, being:

A33.1.1 in any case where the date of qualification (as defined in **clause A34.1**) falls between the 1st day of October and the 31st day of March (both days inclusive), the said index number for the preceding June quarter;

A33.1.2 in any case where the date of qualification falls between the 1st day of April and the 30th day of September (both days inclusive), the said index number for the preceding December quarter.

A34 INITIAL ADJUSTMENT

20/10/16 A34.1 The date of qualification for the initial adjustment to any pension or annuity shall be the day immediately preceding the date on which the first instalment of the pension or annuity was, or will be, payable.

A34.2 The initial adjustment to be made to any pension or annuity shall be made within 6 to 18 months after commencement, on or after the first annual adjustment date as determined under **clause A31** as follows:

A34.2.1 where the date of qualification falls between the 1st day of April and the 30th day of September (both days inclusive), on that April payment date in the following year;

A34.2.2 where the date of qualification falls between the 1st day of October and the 31st day of March (both days inclusive), on the first such April payment date after twelve months have elapsed.

A35 REDUCTION OF PENSION OR ANNUITY WHERE CONTRIBUTIONS PAID AT LESS THAN FULL RATE

A35.1 Where a Contributor who became a Contributor to this Scheme under this Section A by transfer under Part IX of the Standard Scheme was a Contributor under the Standard Scheme to either the 6 Percent Flat Rate or the 60 Percent Scheme immediately before 1 April 1986, every pension or annuity payable to any person by reason of the Contributor's contributions to this Scheme under this Section A shall be reduced in respect of Contributory Service before that date by reducing that Contributory Service by the proportion by which the actual rate of the Contributor's contributions at any time in that period was less than the Contributor's standard rate of contribution.

A35.2 Nothing in **clause A35.1** shall apply in respect of any allowance calculated in respect of a Child under **clause A29**.

30/3/93 **A36 PAYMENT OF PENSIONS, ANNUITIES OR ALLOWANCES**

30/3/93 A36.1 All pensions, annuities and allowances payable from the Annuitants Scheme pursuant to the terms of this Section A shall be paid by instalments at four weekly intervals in advance and each shall be paid to the end of the period in which it ceases to be payable.

A36.2 Each such four weekly instalment shall be calculated as 28/365ths of the annual amount payable rounded to the nearest cent above.

A36.3 Every such instalment shall be paid to the person entitled thereto personally unless the Board, in the Board's discretion, directs that it be paid to some other person or agency on behalf of the person so entitled.

30/3/93 A36.4 The Board may at any time suspend the payment of any pension, annuity or allowance if the present whereabouts of the person entitled thereto are unknown or if it is not known whether that person is alive or dead.

20/10/16 **A37 REDUCTIONS UNDER PART III OF THE SUPERANNUATION SCHEMES ACT 1989 (AS IT WAS PRIOR TO ITS REPEAL)**

30/3/93 A37.1 Notwithstanding any other provisions of this Scheme, the annual rate of every pension or annuity (but not that of a children's allowance payable under **clause A29**) calculated under this Scheme the first instalment of which is payable before 1 April 1990 shall with effect from the first payment date after 31 March 1990 be reduced according to the following scales:

A37.1.1 In the case of persons receiving a pension or annuity where the appropriate tax code as at 31 March 1990 is code T:

On so much of that annuity as:	Reduction:
Does not exceed \$4,853	Zero
Exceeds \$4,854 but does not exceed \$9,500	15%

SECTION A

THE GENERAL PROVISIONS SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED

Exceeds \$9,500 but does not exceed \$30,875	28%
Exceeds \$30,875	33%

A37.1.2 In the case of persons receiving a pension or annuity where the appropriate tax code as at 31 March 1990 is not code T

On so much of the pension or annuity as:	Reduction:
Does not exceed \$9,500	15%
Exceeds \$9,500 but does not exceed \$30,875	28%
Exceeds \$30,875	33%

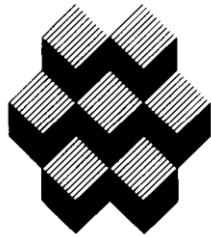
A37.2 For the purposes of calculating the amount of any reduction to be made under this **clause A37**, the amount of any pension or annuity shall be before the effect of any adjustment made under this Part VII of this Section A or Part VII of the Existing Defined Benefit Plan (as it then was) on the first payment date after 31 March 1990, but shall include the last adjustment made under Part VII of this Section A or Part VII of the Existing Defined Benefit Plan (as it then was) before 1 April 1990.

A37.3 Where any pension or annuity calculated under this Section A or under the Existing Defined Benefit Plan (as it then was) the first instalment of which was payable before 1 April 1990 ceases, or has ceased to be payable because of any reason and subsequently again becomes payable, **clause A37.1** and **clause A37.4** shall apply to that pension or annuity and a reduction shall be made under **clause A37.1** and **clause A37.4** if:

A37.3.1 an instalment of the pension or annuity had been payable on the first payment date which would have occurred after 31 March 1990 had the pension or annuity not ceased; and

A37.3.2 the pension or annuity had been payable at 31 March 1990.

30/3/93 A37.4 The basic pension or annuity (referred to in **clause A31.2**) of any person to whom a pension or annuity (but not a children's allowance calculated under **clause A29**) is payable on 31 March 1990 under this Scheme shall, with effect from the first payment date after 31 March 1990, be reduced by the same percentage as the pension or annuity is reduced under **clause A37.1**.



NATIONAL PROVIDENT

ANNOTATED TRUST DEED FOR THE FIRE SERVICES SECTION OF THE DBP CONTRIBUTORS SCHEME

This is an Annotated Trust Deed for the Scheme and is not the official signed trust deed that governs the Scheme. The Scheme Trust deed is subject to change. Therefore, if you wish or need to rely on the terms of the trust deed, please contact the Scheme Administrator for a copy of the signed trust deed.

Marginal dates indicate that text in the clause (including any subsequent clauses included under that clause) beside which they are placed was amended with effect from the dates stated. If you wish to consult the terms of the trust deed as it applied in the past, please contact the Scheme Administrator.

TABLE OF CONTENTS

SECTION B.....	1
PART I.....	1
GENERAL.....	1
B1 TITLE.....	1
B2 DEFINITION AND CONSTRUCTION	1
B3 APPLICATIONS AND ELECTIONS TO BE IN WRITING	5
PART II	5
CONTRIBUTORS & CONTRIBUTORY SERVICE	5
B4 CONTRIBUTORS	5
B5 APPLICATION TO CONTRIBUTE IN RESPECT OF PREVIOUS SERVICE	5
B6 TRANSFER TO SECTION A NOT PERMITTED.....	6
B7 APPLICATION TO COUNT PREVIOUS SERVICE	6
B8 PERMITTED PERIOD OF ABSENCE FROM SERVICE OF CONTRIBUTING EMPLOYER.....	6
B9 RIGHT TO CEASE TO BE A CONTRIBUTOR.....	7
PART III.....	8
CONTRIBUTIONS.....	8
B10 DEFINITION OF SALARY	8
B11 CONTRIBUTIONS TO BE DEDUCTED FROM SALARY	9
B12 ELECTION TO CONTRIBUTE AT FLAT RATE OF 6 PERCENT	9
B13 CONTRIBUTIONS TO THE 60 PERCENT SCHEME.....	10
B14 ELECTION TO CONTRIBUTE ON HIGHER SALARY IF SALARY REDUCED.....	10
B15 PAYMENT FOR CONSTRUCTIVE CONTRIBUTORY SERVICE.....	11
B16 CONTRIBUTING EMPLOYER MAY PAY PORTION OF SUM PAYABLE FOR CONSTRUCTIVE CONTRIBUTORY SERVICE.....	11
B17 PAYMENT OF BALANCE DUE UPON RETIREMENT OR EARLIER DEATH OF CONTRIBUTOR	11
B18 CONTRIBUTIONS TO BE PAID BY CONTRIBUTING EMPLOYER	12
B19 ABSENCE OF CONTRIBUTOR FROM EMPLOYMENT	12
PART IV	13
CONTRIBUTOR'S BENEFITS ON RETIREMENT.....	13
B20 ENTITLEMENT TO A PENSION.....	13
B21 CALCULATION OF PENSION.....	13
B22 PENSION WHERE CONTRIBUTOR PERMANENTLY INCAPACITATED	14
B23 PENSION ON EARLY RETIREMENT	15
B24 ELECTION ON EARLY RETIREMENT TO TAKE PENSION AT AGE 60	15
B25 ELECTION TO SURRENDER PORTION OF PENSION AND RECEIVE CASH PAYMENT	17
B26 ELECTION TO SURRENDER PORTION OF PENSION TO PROVIDE ANNUITY FOR DEPENDANT AFTER DEATH OF CONTRIBUTOR.....	18
B27 ELECTION TO RECEIVE VARIABLE PENSION.....	18

B28	ELECTION ON MARRIAGE AFTER RETIREMENT TO SURRENDER PORTION OF PENSION TO PROVIDE ANNUITY FOR SPOUSE	18
B29	ELECTION AT AGE 60 BEFORE RETIREMENT TO SURRENDER PORTION OF PENSION TO PROVIDE ANNUITY FOR DEPENDANT AFTER DEATH OF CONTRIBUTOR.....	19
B30	[RESERVED].....	19
B31	REJOINING NOT PERMITTED ON RE-EMPLOYMENT AFTER PAYMENT OF A PENSION HAS COMMENCED.....	19
B32	REFUND OF CONTRIBUTIONS ON CEASING SERVICE BEFORE ENTITLEMENT TO PENSION	19
B33	REACTIVATION OF PREVIOUS CONTRIBUTORY SERVICE	19
PART V.....		21
DEATH BENEFITS.....		21
B34	DEATH OF CONTRIBUTOR LEAVING SPOUSE WHO BECAME THE SPOUSE BEFORE RETIREMENT	21
B35	DEATH OF CONTRIBUTOR LEAVING SPOUSE WHO BECAME THE SPOUSE AFTER RETIREMENT	23
B36	DEATH OF A CONTRIBUTOR LEAVING NO SPOUSE.....	24
B37	CHILDREN'S ALLOWANCES	24
B38	PROVISIONS APPLYING TO ANNUITY TO SPOUSE OR DEPENDANT ON DEATH OF CONTRIBUTOR.....	25
B39	ELECTION BY SURVIVING SPOUSE TO SURRENDER PORTION OF ALLOWANCE AND RECEIVE CASH PAYMENT	25
PART VI.....		26
FINANCIAL.....		26
B40	METHOD OF PAYMENT OF PENSIONS, ALLOWANCES AND ANNUITIES	26
B41	REFUND OF BALANCE OF CONTRIBUTIONS AFTER DEDUCTING BENEFITS PAYABLE	26
B42	MINIMUM BENEFIT.....	26
PART VII.....		27
COST OF LIVING PROVISIONS.....		27
B43	COMMENCEMENT AND APPLICATION	27
B44	ADJUSTABLE PENSIONS, ALLOWANCES AND ANNUITIES	27
B45	PROVISION FOR ANNUAL ADJUSTMENT	27
B46	BASIS OF ANNUAL ADJUSTMENT	27
B47	AMOUNT OF ANNUAL ADJUSTMENT.....	27
B48	PERCENTAGE TO BE APPLIED TO ANY PENSION, ALLOWANCE OR ANNUITY.....	28
B49	DATE OF QUALIFICATION	28
B50	INITIAL ADJUSTMENTS	29
B51	QUALIFYING YEAR.....	29
B52	[RESERVED].....	30
PART VIII.....		30
PRE-AGE 60 COST OF LIVING.....		30
B53	COMMENCEMENT.....	30
B54	INTERPRETATION	30
B55	APPLICATION OF THIS PART	30

B56	PROVISION FOR ANNUAL ADJUSTMENT	30
B57	INITIAL ADJUSTMENT	30
B58	PERCENTAGE OF ANNUAL ADJUSTMENT	31
B59	AMOUNT OF ANNUAL ADJUSTMENT	31
B60	RIGHTS OF SURVIVING SPOUSES	31
B61	CESSATION OF ADJUSTMENTS	31
B62	EFFECT OF PART VII	31
PART IX	.....	32
MISCELLANEOUS	.....	32
B63	REDUCTION IN BENEFITS UNDER PART III SUPERANNUATION SCHEMES ACT 1989 [AS IT WAS PRIOR TO ITS REPEAL]	32

**FIRE SERVICES SECTION OF THE DBP
CONTRIBUTORS SCHEME**

SECTION B

**FIRE SERVICES SECTION OF THE
DBP CONTRIBUTORS SCHEME TRUST DEED**

PART I

GENERAL

B1 TITLE

30/3/93 This Section B of this Deed shall be known as the “Fire Services Section” of the DBP Contributors Scheme (the or this “Scheme”).

20/10/16 B1A FMC Act

B1A.1 For the purposes of the FMC Act:

B1A.1.1 this Scheme is treated as a trust established and governed by a trust deed interpreted and administered in accordance with New Zealand law;

B1A.1.2 and for the purposes of any other enactment, this Scheme must be treated as if it were registered on the register of managed investment schemes under the FMC Act as a restricted scheme that is a Superannuation Scheme; and

B1A.1.3 the Board is the 'manager' and the 'issuer' of the Scheme.

B2 DEFINITION AND CONSTRUCTION

B2.1 In this Section B, unless inconsistent with the context -

“Act” means the National Provident Fund Restructuring Act 1990;

30/3/93 “Actual Contributory Service” means:

(a) service in the employment of a Contributing Employer after an election to become a Contributor has taken effect and during the whole of which contributions have been paid; and

(b) service counted as Actual Contributory Service under **clause B7 or clause B8**;

30/3/93 “Actuary” means a person who is a Fellow of the New Zealand Society of Actuaries who has been appointed by the Board under **clause F26** of Section F of this Scheme, and whose appointment has not been terminated;

- “Annuitants Scheme”** means the DBP Annuitants Scheme established under section 41 of the Act;
- 30/3/93 **“Beneficiary”** means a natural person who is eligible to receive a benefit from this Section B or from the Annuitants Scheme calculated in accordance with this Scheme under this Section B;
- 30/3/93 **“Benefit”** means any lump sum, annuity, pension, allowance, refund, or other payment arising from membership of this Scheme under this Section B and payable from this Scheme or from the Annuitants Scheme;
- 20/10/16 **“Board”** means the National Provident Fund Board established under section 9 of the National Provident Fund Act 1950; as continued in existence by section 12 of the Act and renamed from 1 April 1991 by that section as the Board of Trustees of the National Provident Fund;
- 30/3/93
29/2/96 **“Child”** in relation to any Contributor means a child of that Contributor’s family and **“Children”** shall be construed accordingly;
- 30/3/93 **“Constructive Contributory Service”** means service which is counted as Constructive Contributory Service under **clause B5** and in respect of which contributions have been paid or agreed to be paid to this Scheme in accordance with this Section B;
- 30/3/93 **“Contributing Employer”** means an employer who is or was subsidising the contributions of a Contributor to this Scheme in accordance with **clause B18** after acceptance by the Board as a Contributing Employer;
- 30/3/93 **“Contributor”** means a person who for the time being is or was actually contributing to this Scheme in accordance with this Section B or in respect of whom a Contributing Employer is or was liable to make payments under **clause B19.1** and includes a person deemed to be a Contributor under **clause B8**;
- 30/3/93 **“Contributory Service”** includes both Actual Contributory Service and Constructive Contributory Service but does not include any period in respect of which a lump sum payment is made in lieu of accrued annual leave or holiday or retiring leave or in respect of which a gratuity is paid;
- 30/3/93
29/2/96 **“Dependant”** in relation to a Contributor, means a person of the Contributor’s family (other than a Spouse or a Child of the Contributor) who is acknowledged by the Board as being financially dependent upon the Contributor;
- 20/10/16 **“Employee”** means any person who is engaged to work or works under a contract of service or apprenticeship with an employer whether by way of manual labour, clerical or professional work or otherwise but does not include any person who would have been a shareholder-employee (where a 'shareholder employee', in relation to any income year and to any company, means any person who, at any time in that income year, is an officer or employee of that company and who (i) at any time in that income year holds 50 percent or more of the paid-up capital, or of the nominal value of the allotted shares, or of the voting power in that company; or (ii) at any time in that income year has, by any means whatsoever, control of that company; or (iii) by reason of his shareholding at the end of that income year would be entitled to 50 percent or more of the profits of that company for that income year if those profits were distributed by way of dividend at the end of that year);
- 30/3/93 **“Existing Defined Benefit Plan”** and **“Existing Fire Services Superannuation Scheme”** have the meanings assigned to them in Recital A of this Deed;

- 30/3/93 **“Final Average Salary”** means the average rate of annual Salary on the basis of which a Contributor contributed to this Section B during the last five years immediately preceding the Contributor’s Retirement or, if the length of Contributory Service is less than five years, during Contributory Service;
- 30/3/93 **“financial year”** means the year from 1 April to 31 March, or such other period as may be the financial year of the Board;
- 30/3/93 **“Fire Service”** means service during any period or periods of employment:
- 20/10/16 (a) as a full time member of a fire brigade established under the Fire Service Act 1975 or any other statute in force authorising the establishment of a fire brigade;
- (b) in any other organisation the principal duty of which is the protection of life or property from destruction by fire and which is approved by the Board for the purpose of this Section B;
- (c) otherwise with a legal authority or public authority or in a government department if the service is in any particular case recognised by the Board as fire service for the purpose of this Section B;
- 30/3/93 **“Local Authority”**-
- 20/10/16 (a) means a local authority within the meaning of Section 5 of the Local Government Act 2002; and
- (b) includes any body that is declared by an enactment to be a local authority for the purposes of the National Provident Fund Act 1950 or the Act;
- 30/3/93 **“marriage”** means, in the case of a Contributor who is legally married, the legal marriage and in the case of a Contributor who has a Spouse but is not legally married, the date which the Board determines as the date on which the Spouse becomes the Contributor’s Spouse and **“marry”** shall be construed accordingly;
- 30/3/93 **“Member”** means a natural person who has been admitted to membership of this Scheme under this Section B and who is, or may become, entitled to any Benefits;
- 30/3/93 **“Pension”** means a non-assignable annual amount payable from the Annuitants Scheme to a Contributor in accordance with the provisions of this Section B;
- 30/3/93 **“Permanent Employee”** means an Employee who is in continuous employment with a Contributing Employer for at least one year (including former employment with a Contributing Employer or with the Government of New Zealand being government service as defined in the Government Superannuation Fund Act 1956) and is not employed for less than one half of full time salary, unless the Board decides otherwise; but any Employee who has been in continuous employment for less than one year may be deemed a Permanent Employee at the discretion of the Contributing Employer;
- 30/3/93 **“Permanent Incapacity”** means permanent physical or mental incapacity suffered by any person that is in the opinion of the Board of such extent that, having regard to the previous employment and other characteristics of that person, the person is unlikely to have a significant earning capacity in the future;
- 30/3/93 **“Refundable Contributions”** means in respect of a Contributor’s Contributory Service

- (a) those contributions paid to this Section B by a Contributor under **Clause B11**; plus
- (b) those contributions, if any, paid to this Scheme under this Section B by a Contributor under **clause B7, clause B8, clause B12, clause B13, clause B14, clause B15 or clause B19**; plus
- (c) in respect of Actual Contributory Service for the period or any part of the period between 1 April 1975 and 15 December 1975 there shall be included an amount of 1 per cent of the employee's gross taxable earnings in lieu of the employer's contributions for that period or part thereof:

PROVIDED THAT "Refundable Contributions" shall not include any interest paid or payable in respect of the aforesaid contributions;

"Retirement" means final termination of employment, however occasioned;

30/3/93 **"Salary"** has the meaning assigned to it under **clause B10** and where applicable includes any notional salary on which contributions are payable under **clause B14**;

30/3/93 **"Section B"** and **"this Section B"** means this Section B of this Scheme and where necessary or appropriate includes the Existing Fire Services Superannuation Scheme operated by the Board prior to 1 April 1991;

30/3/93
29/2/96 **"Spouse"**, in relation to a Contributor who is alive, means a woman or man to whom the Contributor is married and may include, whether or not the Contributor is legally married to another person, a woman or man whom the Board in its discretion regards as being the wife or husband or partner of the Contributor, being a woman or man who, although not legally married to the Contributor, has lived as that Contributor's wife or husband or partner on a permanent domestic basis for such period as the Board determines;

30/3/93 **"Subsidised Service"** means:

- (a) Actual Contributory Service; and
- (b) Constructive Contributory Service with respect to which the contributions required to be paid by the Contributor and the Contributing Employer have been paid;

20/10/16 **"Superannuation Scheme"** has the meaning given to it in the Act;

30/3/93
29/2/96 **"Surviving Spouse"**, in relation to a Contributor that has died, means a woman or man to whom that Contributor was married immediately before the Contributor's death and may include, whether or not the Contributor was legally married to another person, a woman or man whom the Board in its discretion regards as having been the wife or husband or partner of the Contributor immediately before death, being a woman or man who although not legally married to the Contributor had lived as that Contributor's wife or husband or partner on a permanent domestic basis for such period as the Board determines;

PROVIDED THAT where under the provisions of this Section B more persons than one have claims as the Surviving Spouse of any Contributor the total amount of any payment payable to them in respect of any Benefit to which one Surviving Spouse would be entitled may be divided by the Board between them in such shares and proportions as the Board from time to time thinks fit and in any case where they disagree regarding the making of an election under this Section B the Board may deem them to have made an election and the provisions of this Section B shall apply accordingly.

- 30/3/93 B2.2 Unless inconsistent with the context, terms not defined in this Section B but defined in the Act shall have the same meaning as in the Act, whether specific reference is made to the Act or not.
- 30/3/93 B2.3 In the construction of this Section B, unless inconsistent with the context, -
- B2.3.1 references to **clauses** and Parts are to clauses and parts of this Section B;
- B2.3.2 references to any statute, are references to the statute as from time to time amended and include substituted provisions that substantially correspond to those referred to and also include any regulations, Orders in Council and other instruments from time to time issued thereunder;
- B2.3.3 the singular includes the plural and vice versa, and words importing any gender include the other genders;
- B2.3.4 the headings and sub-headings appear as a matter of convenience and shall not affect the construction of this Section B.

B3 APPLICATIONS AND ELECTIONS TO BE IN WRITING

- 30/3/93 B3.1 Every application, election, notice of withdrawal and other notification given or required to be given by any person for the purposes of this Section B shall be in writing signed by the person and delivered to the Board, and shall be deemed to be made or given when it is received by the Board.
- 30/3/93 B3.2 Every notification given or required to be given by the Contributing Employer to the Board for the purposes of this Section B shall be in writing signed by a responsible officer on behalf of the Contributing Employer and delivered to the Board.

PART II

CONTRIBUTORS & CONTRIBUTORY SERVICE

B4 CONTRIBUTORS

- 30/3/93 B4.1 Subject to the terms of this Section B of this Scheme, persons who satisfy the requirements of section 38 of the Act may be Contributors to this Scheme. For ease of reference, a copy of section 38 (in the form as at 8 May 1992) is annexed to this Deed.
- 30/3/93 B4.2 Only contributors (within the meaning of section 41(4) of the Act) can be members of this Section B of this Scheme.
- 29/2/96 B4.3 This Section B is closed to new Contributors and to rejoining Contributors as from 1 January 1996.

B5 APPLICATION TO CONTRIBUTE IN RESPECT OF PREVIOUS SERVICE

- 30/3/93 B5.1 On the application of a Contributor before attaining the age of 50 or within six months after becoming a Permanent Employee, whichever is the later, and subject to the payment of the sums payable under **clause B15** and **clause B16**, the Board may in its discretion allow to be counted as Constructive Contributory Service such Service, study, or experience as is specified in **clause B5.2** and **clause B5.3**;

PROVIDED THAT nothing in this **clause B5** shall prevent the Board in its discretion from accepting and approving an application in that regard from a Contributor whose age exceeds 50 if in the opinion of the Board there are exceptional circumstances.

- 30/3/93 **B5.2** The whole or any part of service in the employment of:
- B5.2.1 any past or present Contributing Employer; or
- B5.2.2 the New Zealand Government being government service as defined in the Government Superannuation Fund Act 1956; or
- B5.2.3 the Government of Samoa, the Western Samoa Trust Estate Corporation, or the Bank of Western Samoa prior to the 12th day of August 1972.
- B5.3** The whole or any part (not exceeding in the aggregate five years) of:
- B5.3.1 service in the employment of the Government of any territory within the Commonwealth other than New Zealand;
- B5.3.2 a course of study leading to some recognised degree or diploma or certificate and including apprenticeships which in the opinion of both the Contributing Employer and the Board is or has been of substantial benefit to the performance of the applicant's duties while a Contributor; or
- B5.3.3 experience as a practitioner, tradesperson, or employee in a type of work providing a specialised skill or knowledge which in the opinion of both the Contributing Employer and the Board is or has been of substantial benefit to the performance of the applicant's duties while a Contributor.
- 29/2/96 **B6** **TRANSFER TO SECTION A NOT PERMITTED**
- 30/3/93
29/2/96 No Contributor may transfer from this Section B to Section A of this Scheme after 1 January 1996.
- 30/3/93 **B7** **APPLICATION TO COUNT PREVIOUS SERVICE**
- 30/3/93 **B7.1** A Contributor who:
- 20/10/16 B7.1.1 was previously contributing to the Government Superannuation Fund or to a Superannuation Scheme recognised by the Board as providing benefits substantially equivalent to those under this Section B; and
- B7.1.2 has not taken a refund of contributions from that fund or other scheme; and
- B7.1.3 is not receiving a pension from that fund or other scheme;
- may apply to the Board within six months of the commencement of service with the Contributing Employer to have such previous service in relation to which contributions have been made counted as Actual Contributory Service.
- 30/3/93 **B7.2** The Board may in its discretion and subject to the payment of such sums as the Board thinks fit allow the whole or a portion of the previous service to which **clause B7.1** applies to be counted as Actual Contributory Service.
- B8** **PERMITTED PERIOD OF ABSENCE FROM SERVICE OF CONTRIBUTING EMPLOYER**
- 30/3/93 **B8.1** Where a Contributor ceases to be in the service of a Contributing Employer before the Contributor becomes entitled to a Pension under this Section B and does not accept a refund of

Refundable Contributions under **clause B32** the Contributor may remain a Member of this Section B for a period (in this **clause B8** referred to as “the permitted period of absence”) commencing on the day following the date on which the Contributor terminates service with the Contributing Employer and terminating on the expiry of a period of 18 months from that day or when the Contributor re-enters the service of the Contributing Employer or enters the service of another Contributing Employer and recommences contributing to this Scheme under this Section B, whichever first happens;

PROVIDED THAT the Board may in its discretion extend the permitted period of absence for such further period as it may allow or determine in any case.

- 30/3/93 B8.2 If the Contributor during the permitted period of absence pays or causes to be paid to this Section B in respect of the permitted period of absence such sums as the Board in its discretion may determine and at the times and in the manner agreed to by the Board, the Contributor shall be entitled to count the permitted period of absence as Actual Contributory Service:

PROVIDED THAT if the Contributor so elects, payment of the sums to be paid under this **clause B8** may be delayed until the Contributor returns to the service of a Contributing Employer and then be paid as approved by the Board, subject to the payment of interest at a rate to be fixed by the Board, but if payment is so delayed no person shall be entitled during the permitted period of absence to any of the Benefits under **clause B20, clause B22, clause B23, clause B24, clause B34, clause B36 or clause B37** in respect of the Contributor.

- 30/3/93 B8.3 Where the Contributor after taking no longer than the permitted period of absence re-enters the service of the same or enters the service of another Contributing Employer, recommences contributions to this Scheme under this Section B, and elects not to pay the sums required under this **clause B8** in respect of the permitted period of absence, the following provisions shall apply:

B8.3.1 the former period of Contributory Service is reactivated in full and is added to current Contributory Service; and

B8.3.2 the permitted period of absence is treated as a period of non- contributory service and cannot be bought back at a later date.

- 30/3/93 B8.4 Notwithstanding the provisions of **clause B8.3** where the permitted period of absence is not more than three months the Contributor shall be required to meet the personal contributions and the contributions due from the Contributing Employer required to bridge the break in Contributory Service.

- 30/3/93 B8.5 The contribution rate applicable before the Contributor took a permitted period of absence shall, upon resumption of contributions to this Scheme under this Section B with a Contributing Employer, be retained.

B9 RIGHT TO CEASE TO BE A CONTRIBUTOR

- 30/3/93 B9.1 Subject to the conditions of a Contributor’s employment any Contributor may at any time give notice in writing of intention to cease to be a Contributor from a date nominated by the Contributor.

- 30/3/93 B9.2 On the expiration of six months from the giving of any such notice, the Contributor shall cease to be a Contributor, and shall be entitled to receive a refund of Refundable Contributions from this Scheme;

PROVIDED THAT no person who becomes a Contributor on or after 1 April 1985 shall be entitled to receive any refund of the type provided under this **clause B.9** while remaining in

service.

- | | | |
|--------------------|------|---|
| 30/3/93
29/2/96 | B9.3 | Any person who has ceased to be a Contributor pursuant to this clause B.9 shall not at any future time whether in respect of the same or any other employment become a Contributor. |
| 30/3/93 | B9.4 | Contributions due from the Contributor and the Contributing Employer are to be remitted by the Contributing Employer up to the nominated date of the Contributor ceasing to contribute to this Section B. |
| 30/3/93 | B9.5 | Notice of intention to cease to be a Contributor may be revoked by a further notice in writing prior to the expiration of the period of six months prescribed in clause B9.2 . |

PART III

CONTRIBUTIONS

B10 DEFINITION OF SALARY

- | | | |
|---------|---------|---|
| 30/3/93 | B10.1 | For the purposes of this Section B “Salary” shall be deemed to include: |
| | B10.1.1 | wages; |
| | B10.1.2 | any bonus paid as a permanent addition to salary and approved by the Board; |
| | B10.1.3 | any allowance or the value of any concession or benefit provided to the Contributor by the Contributing Employer and approved by the Board; |
| | B10.1.4 | payments during or in respect of annual leave, holiday or retiring leave taken as such by the Contributor during employment by the Contributing Employer. |
| 30/3/93 | B10.2 | For the purpose of this Section B “Salary” shall not include: |
| | B10.2.1 | payment for overtime work; |
| | B10.2.2 | any bonus other than a bonus approved under clause B10.1.2 of this clause; |
| | B10.2.3 | any allowance or the value of any concession or benefit not approved by the Board under clause B10.1.3 ; |
| | B10.2.4 | any lump sum or other payment on Retirement in lieu of accrued annual leave, holiday or retiring leave not taken as such during employment; |
| | B10.2.5 | any gratuity paid on Retirement under section 6 of the Finance Act (No2) 1941 or any other enactment; |
| | B10.2.6 | any exceptionally large increment during the last five years immediately preceding Retirement if in the opinion of the Board it was not earned or justified by added duties, responsibilities, or qualifications or by any other change in conditions of employment. |
| 30/3/93 | B10.3 | If any question arises as to what remuneration or payment in money or money’s worth or otherwise is included or is not included in the Salary of any Contributor for the purposes of this clause B10 , or as to the value of any Salary received or enjoyed otherwise than as money, such question may be decided by the Board, and its decision shall be final. |
| 30/3/93 | B10.4 | In particular there may be included as Salary if the Board in any particular case approves, the value |

of any concession or benefit, whether free of charge or otherwise, in respect of a Contributor's employment by way of board or lodging or by the use of a house or by way of an allowance instead of so being provided with board or lodging or the use of a house, on or subject to such conditions as the Board may impose and at such rate as it may think fit.

- 30/3/93 B10.5 For the avoidance of doubt, where a Salary includes the value of any concession or benefit, the value of the concession or benefit will be deemed to be Salary paid to the Contributor as and when the concession or benefit is received or enjoyed by the Contributor.

B11 CONTRIBUTIONS TO BE DEDUCTED FROM SALARY

- 30/3/93 B11.1 The Contributing Employer shall deduct from every payment of Salary made to a Contributor for employment by the Contributing Employer or in respect of a period during that employment the Contributor's contributions at the appropriate percentage determined, subject to **clause B12** and **clause B13**, according to the following table:

Table of Deductions	
Age of Contributor at Commencement of Actual Contributory Service Percentage of salary	
Under 30	6
30 and under 35	7
35 and under 40	8
40 and under 45	9
45 and under 50	10
50 and over	11

- 30/3/93 B11.2 A Contributor shall be deemed to attain the age of 30 on the thirtieth anniversary of birth, and the other ages referred to in the above table shall be calculated respectively in the same manner.

B12 ELECTION TO CONTRIBUTE AT FLAT RATE OF 6 PERCENT

- 30/3/93 B12.1 Subject to **clause B12.5**, any Contributor may at any time elect that the Contributor will, in lieu of contributing on the basis of the scale of contributions set out in **clause B11**, contribute on the modified basis of the flat rate of 6 percent of Salary, so that there will be payable Benefits in relation to the proportion that 6 percent bears to the contribution rate payable under **clause B11**. Every election to contribute at the rate of 6 percent made at the time when the Contributor joins this Section B shall take effect from the date from which contributions commence, and in every other case shall take effect at the expiry of six months from the making of the election.
- 30/3/93 B12.2 Subject to **clause B12.5**, any Contributor contributing at the flat rate of 6 percent in terms of **clause B12.1** may at any time elect to contribute at the full rate under **clause B11**. Every such election shall take effect at the expiry of six months from the making of the election.
- 30/3/93 B12.3 Subject to the consent of the Board any Contributor electing to change from the flat rate of 6 percent may at the same time elect to contribute at the full rate under **clause B11** in respect of the whole or any part of the period when the Contributor's contributions were made at the flat rate of 6 percent.
- 30/3/93 B12.4 In every case under **clause B12.3** the Contributor shall make good to this Scheme under this Section B the balance of the contributions from the Contributor and the Contributing Employer that would have been received had the Contributor contributed at the full rate under **clause B11** with interest at such rate as may be determined by the Board, and upon payment of this amount in full the Board shall count the period of service to which the Contributor's election relates as

Subsidised Service purchased at the full contribution rate.

- 30/3/93 B12.5 No Contributor may change the Contributor's basis of contributions whether as set out in this **clause B12** or as set out in **clause B13** more than twice during the whole of the Contributor's Contributory Service.
- B12.6 Where the Contributor contributes at the flat rate of 6 percent during any period, every Pension, allowance or annuity payable to any person by reason of the contributions made by or on behalf of the Contributor for that period shall be reduced to the proportion that 6 percent bears to the full contribution rate.

B13 CONTRIBUTIONS TO THE 60 PERCENT SCHEME

- B13.1 Notwithstanding the provisions of **clause B11** those Contributors who were as at 31st March 1975 contributing on a 60 percent basis may continue to contribute on such basis.
- 30/3/93 B13.2 Subject to **clause B12.5**, any Contributor contributing on the 60 percent basis may at any time elect to contribute on a 100 percent basis under **clause B11**. Every such election shall take effect at the expiry of six months from the making of the election.
- 30/3/93 B13.3 Where the Contributor contributes on a 60 percent basis during any period of Contributory Service the Contributor's contributions for that period shall be 60 percent of the contributions prescribed by **clause B11**.
- 30/3/93 B13.4 Where a Contributor contributes on a 60 percent basis during any period of Contributory Service, every Pension, allowance or annuity payable to any person by reason of the Contributor contributing for that period shall be reduced to 60 percent thereof whether or not it is payable at a minimum rate prescribed by this Scheme.
- 30/3/93 B13.5 Subject to the consent of the Board any Contributor electing to change from the 60 percent basis to the 100 percent basis under **clause B11** may at the same time elect to contribute on the 100 percent basis under **clause B11** in respect of the whole or any part of the period of contributions on the 60 percent basis.
- 30/3/93 B13.6 In every case to which **clause B13.5** applies the Contributor shall make good to this Scheme under this Section B the balance of the contributions from the Contributor and the Contributing Employer that would have been received had the Contributor contributed on the 100 percent basis under **clause B11**, with interest at such rate as may be determined by the Board and upon payment to this Section B in full the Board shall count the period of service to which the election relates as Subsidised Service purchased at the full rates under **clause B11**.

B14 ELECTION TO CONTRIBUTE ON HIGHER SALARY IF SALARY REDUCED

- 30/3/93 B14.1 Where for any reason other than misconduct or a permanent reduction in normal hours of duty, a Contributor's Salary is reduced (whether by reason of transfer or appointment to another position with the same Contributing Employer or another Contributing Employer or otherwise), the Contributor may within three months of the date when such reduction first took effect elect to have the aggregate amount of deductions from the Contributor's Salary and contributions from the Contributing Employer maintained as if that Salary had not been so reduced, and in that event the Contributor shall on Retirement be entitled to have the Contributor's Pension (if any) computed as if the Salary had not been so reduced;

PROVIDED THAT the election shall be subject to the consent of the Contributing Employer, and if any break in employment between Contributing Employers exceeds three

months, to the consent of the Board;

AND FURTHER PROVIDED THAT if the Salary of a Contributor who has so elected is thereafter notionally increased from time to time in accordance with general increases fixed under a salary or wage fixing procedure the amount deducted from that Salary shall be based on the Salary as if it had not been reduced and had been increased by such notional increases unless and until the Salary actually paid exceeds the notional salary on which deductions were made.

- 30/3/93 B14.2 Where payments are made under **clause B14.1** on a notional salary, the amount of the contributions which would be required from the Contributing Employer if the notional salary were actual Salary shall be paid by the Contributor or the Contributing Employer in such proportions as agreed by those parties.

B15 PAYMENT FOR CONSTRUCTIVE CONTRIBUTORY SERVICE

- 30/3/93 B15.1 There shall be payable to this Section B of this Scheme in respect of each period of service, study or experience counted as Constructive Contributory Service under **clause B5** such sums as the Board may in each case determine, having regard to the additional prospective burden on this Scheme or the Annuitants Scheme of Benefits due to the counting of such period.

- 30/3/93 B15.2 The sums payable under **clause B15.1** or such portions thereof as the Board may in any case direct, together with interest thereon at a rate to be fixed by the Board, shall be paid at the direction of the Board either by deductions from the Contributor's Salary or by the payment by the Contributor of one sum or instalments to the Contributing Employer for transmission to the Board.

B16 CONTRIBUTING EMPLOYER MAY PAY PORTION OF SUM PAYABLE FOR CONSTRUCTIVE CONTRIBUTORY SERVICE

- B16.1 In respect of each Contributor who makes an application under **clause B5** which is allowed by the Board, the Contributing Employer may if it has legal power to do so agree with the Board to pay from its own funds a portion of the sums determined by the Board under **clause B15**;

PROVIDED THAT any amounts so paid by the Contributing Employer shall not form part of the Contributor's Refundable Contributions.

- 30/3/93 B16.2 The moneys payable under this **clause B16** shall be paid to this Section B in one sum within three months of receipt by the Contributing Employer of notification of the sum payable;

PROVIDED THAT if within those three months the Contributing Employer notifies the Board in writing of its intention so to do, the Contributing Employer may pay the said sum by equal monthly or four-weekly instalments extending over a period to be stated in the Contributing Employer's notification and not to exceed 10 years, with interest at a rate to be fixed by the Board, and the Board shall notify the Contributing Employer of the amount of the monthly or four-weekly payment required so to discharge the said sum with interest. The first of such monthly or four-weekly payments shall fall due and be payable on the last day of the monthly or four weekly accounting period in which the said Contributing Employer's notification is given and **clause B18** shall apply to any such payment as if it were payable for the monthly or four-weekly period on the last day of which it falls due.

B17 PAYMENT OF BALANCE DUE UPON RETIREMENT OR EARLIER DEATH OF CONTRIBUTOR

- 30/3/93 If upon the Retirement or earlier death of the Contributor the sums payable under **clause B7, clause B8, clause B15, clause B16 or clause B18** have not all been paid, the balance shall thereupon become due and

may be deducted from any Benefits payable under this Section B or the Annuitants Scheme to or in respect of the Contributor or collected as the Board may direct, or the Board may in its discretion disallow any Contributory Service in respect of which contributions or payments have not been made.

B18 CONTRIBUTIONS TO BE PAID BY CONTRIBUTING EMPLOYER

30/3/93
20/10/16

B18.1 There shall be paid into this Section B by the Contributing Employer:

B18.1.1 the amounts deducted from Salary in accordance with **clause B11**;

B18.1.2 an amount payable out of the Contributing Employer's own funds equal to one hundred and seventy percent of the amounts specified in **clause B18.1.1**;

PROVIDED THAT a Contributing Employer that was accepted under section 58 of the National Provident Fund Act 1950 shall pay such greater amounts as the Board may direct;

B18.1.3 the amounts deducted from Salary or paid by the Contributor for transmission to this Scheme under **clause B8** or **clause B15**;

B18.1.4 any sums payable in respect of Constructive Contributory Service under **clause B16** or **clause B19**;

B18.1.5 any additional money payable by the Contributing Employer under **clause B23.4**;

B18.1.6 any money payable by the Contributing Employer under **clause B24**.

30/3/93

B18.2 All money payable by the Contributing Employer under **clause B18.1** shall be due on the last day of each four-weekly or monthly accounting period.

B18.3 Interest at a rate determined by the Board may be charged as from the due date thereof on any amounts unpaid after the expiration of the 20th day in the calendar month following that date.

B19 ABSENCE OF CONTRIBUTOR FROM EMPLOYMENT

30/3/93

B19.1 Subject to **clause B19.3**, the absence of a Contributor from employment, pursuant to leave of absence granted by the Contributing Employer whether with or without pay, shall not affect the liability of the Contributing Employer to make the several payments which would otherwise be payable in accordance with the provisions of **clause B16** or **clause B18**, but this provision is without prejudice to the incidence of liability between the Contributing Employer and the Contributor in respect of any of these payments.

30/3/93

B19.2 Notwithstanding the provisions of **clause B19.1** a Contributor who is granted leave of absence for a period in excess of three months may elect in accordance with **clause B33** to reactivate previous Contributory Service on return to service by recommencement of contributions to this Section B (in which case **clause B19.1** will not apply);

PROVIDED THAT such election must be made before the leave of absence commences unless the Board otherwise permits.

- 30/3/93 B19.3 In respect of any Contributor who is granted leave of absence for a period in excess of three months, the Contributing Employer shall not be required to make the payments referred to in **clause B19.1** except in respect of the initial period of three months or such other initial period as may be agreed by the Contributing Employer and the Contributor (the “initial period”), and in the event that the Contributing Employer makes no other payments other than in relation to the initial period, the Contributor shall be deemed to have ceased to be in the service of the Contributing Employer at the end of the initial period and to have elected to leave contributions in this Scheme under this Section B on a contingent basis under **clause B33**.

PART IV

30/3/93 CONTRIBUTOR’S BENEFITS ON RETIREMENT

B20 ENTITLEMENT TO A PENSION

- 30/3/93 There shall be payable to a Contributor at any time after attaining the age of 60, a Pension for the rest of the Contributor’s life.

B21 CALCULATION OF PENSION

- 30/3/93 B21.1 The Pension payable under **clause B20** shall be payable from the Annuitants Scheme and shall be of an annual amount being the sum of two portions made up as follows:

B21.1.1 the first portion shall be one one-hundred-and-twentieth part of the Contributor’s Final Average Salary for each year of the Contributor’s Contributory Service, with a proportionate addition for any additional part of a year of Contributory Service; and

B21.1.2 the second portion shall be one one-hundred-and-twentieth part of the Contributor’s Final Average Salary for each year of the Contributor’s Contributory Service, with a proportionate addition for any additional part of a year of Contributory Service;

PROVIDED THAT the number of years of Contributory Service under this **clause B21.1.2** shall not exceed forty and if this proviso applies the forty years of Contributory Service shall be the first forty years of such service;

AND PROVIDED FURTHER THAT where the Contributor’s Contributory Service is or includes a period or periods of employment otherwise than on a full time basis, the length of Contributory Service shall be reduced proportionately to the extent that the Board may determine in each case. For the purposes of determining whether reduced Contributory Service occurs before 1 April 1990 or after 31 March 1990 this Scheme shall be read as if the provisions of this proviso relating to the reduction in length of Contributory Service were omitted.

- B21.2 Every Pension payable under this Section B the first instalment of which is payable after 31 March 1990, shall (before any election is made by the Contributor under **clause B25.1**) be adjusted as follows:

B21.2.1 that part of the Pension which relates to Contributory Service before 1 April 1990 shall be multiplied by the fraction -

$$\frac{t}{(12 - \frac{5}{15})}$$

where t equals the number of complete years (and for any part year, the fraction of that year) which will elapse from 1 April 1990 up until the date on which the first

instalment of the Pension is payable (both days inclusive);

PROVIDED THAT the value of t shall not exceed 20;

B21.2.2 that part of the Pension which relates to Contributory Service after 31 March 1990 shall be multiplied by the fraction –

$$\frac{8}{15}$$

30/3/93 B21.3 In addition to the adjustment under **Clause B21.2** any Pension (the first instalment of which is payable after 31 March 1990 but before 1 April 1992) shall be further adjusted (after any election has been made by the Contributor under **clause B25.1**) so as to be the average of the amounts calculated under **clause B21.3.1** and **clause B21.3.2** below:

B21.3.1 y multiplied by x

Where y is the number of complete years (and for any part year, the fraction of that year) which will elapse from the day after the first instalment of the Pension is payable up until 31 March 1992 (both days inclusive); and

z is the amount of the Pension payable (as computed before the adjustment is made under **clause B21.2** but after any election has been made by the Contributor under **clause B25.1**) after the Pension has been reduced according to the following scale:

On so much of that Pension as:	Reduction
Does not exceed \$9,500	15%
Exceeds \$9,500 but does not exceed \$30,875	28%
Exceeds \$30,875	33%

B21.3.2 the number of complete years (and for any part year, fraction of that year) which will elapse from 1 April 1990 up until the day on which the first instalment of the Pension is payable (both days inclusive) multiplied by the amount of the Pension (as adjusted under **clause B21.2** and after any election has been made by the Contributor under **clause B25.1**).

30/3/93
29/2/96 B21.4 For the purposes of **clause B21.2** and **clause B21.3**:

B21.4.1 in determining whether Contributory Service occurs before 1 April 1990 or after 31 March 1990, this Section B shall be read as if the provisions of **clause B33.4** which deem Contributory Service to have occurred at a time (as specified in that clause) have been omitted;

B21.4.2 any period taken into account under the proviso to **clause B24.5** for the purposes of computing a Pension shall be deemed to be Contributory Service.

B22 PENSION WHERE CONTRIBUTOR PERMANENTLY INCAPACITATED

30/3/93 B22.1 There shall be payable to a Contributor on Retirement on the grounds of Permanent Incapacity a Pension the amount of which shall be computed in accordance with the provisions of **clause B21** and payable from the Annuitants Scheme.

30/3/93 B22.2 Where any Contributor has retired and is receiving a Pension under this **clause B22**, the Board

may from time to time require such proof of continuation of Permanent Incapacity as it deems necessary.

30/3/93 B22.3 The Board as trustee of the Annuitants Scheme may in its discretion reduce, suspend or cancel any Pension to which a person is entitled under this **clause B22** if:

B22.3.1 the Contributor resumes employment whether with the Contributing Employer or elsewhere, or becomes gainfully self-employed; or

B22.3.2 the Contributor fails without sufficient justification to submit to a request to undergo a medical examination when and as often as required by the Board.

B22.4 The Board may in its discretion vary or revoke any decision made by it under this **clause B22**.

30/3/93 B22.5 No Pension payable under this **clause B22** shall be reduced, suspended, or cancelled after the date on which the Contributor would have become entitled under **clause B20** to receive a Pension on Retirement had the Contributor not sooner retired on the grounds of Permanent Incapacity. Any decision by the Board to reduce or suspend any such Pension shall cease to apply after that date, and where a Pension has been reduced or suspended it shall be reinstated as from that date.

B23 PENSION ON EARLY RETIREMENT

30/3/93 B23.1 On the Retirement of a Contributor after attaining the age of 55 the Board may in its discretion grant a Pension for the rest of the Contributor's life;

PROVIDED THAT any Retirement under this **clause B23.1** shall be with the consent of the Contributing Employer.

30/3/93 B23.2 On the Retirement of a Contributor after attaining the age of 50 and having completed not less than 20 years' Contributory Service, the Contributor may be granted a Pension for the rest of the Contributor's life, subject to the consent of both the Contributing Employer and the Contributor, and subject also to the approval of the Board.

30/3/93 B23.3 The amount of any Pension granted under this **clause B23** shall be calculated in accordance with the provisions of **clause B21** and payable from the Annuitants Scheme, but the Board may in its discretion reduce any such Pension in proportion to the additional actuarial burden cast upon this Scheme or the Annuitants Scheme by reason of such Pension's earlier commencement.

30/3/93 B23.4 Where a Pension is granted under this **clause B23**, the Contributing Employer may, if it has legal power to do so, make a further contribution under this Section B in respect of the Contributor notwithstanding that the Contributor is no longer in its employment, in order to offset in whole or in part the actuarial reduction imposed on that Pension under **clause B23.3** and the provisions of **clause B18** shall apply to such contribution.

30/3/93 B23.5 In any case to which **clause B22** and this **clause B23** may both apply, it shall be in the discretion of the Board whether a Pension as provided by **clause B22** or a Pension as provided by this **clause B23** is granted to the Contributor.

B24 ELECTION ON EARLY RETIREMENT TO TAKE PENSION AT AGE 60

30/3/93 B24.1 Any Contributor:

B24.1.1 whose employment with the Contributing Employer ceases after attaining the age of 50 and before becoming entitled to a Pension under **clause B20**, and in the opinion of the Board for reasons other than misconduct;

B24.1.2 who, at the date when that employment ceases, has completed, whether continuously or intermittently, not less than 20 years' Subsidised Service;

B24.1.3 who does not receive a Pension under **clause B22** or **clause B23**; and

B24.1.4 who does not accept a refund of Refundable Contributions under **clause B32**:

may within one month after ceasing to be a Contributor elect to take a Benefit calculated under this **clause B24**.

30/3/93 B24.2 Any such person shall, if that person states an intention in the election, pay as contributions to this Scheme under this Section B until the date referred to in **clause B24.4**, amounts equal to the portion of the Salary which would have been deducted therefrom under **clause B11** if that person's employment had continued and Salary had remained the same as at the date of the termination of employment. If any election is made as aforesaid, the Contributing Employer shall in respect of that person continue to pay out of its own funds until the date referred to in **clause B24.4**, the amount that would have been payable out of those funds under this Scheme if that employment had continued.

B24.3 All contributions by such person shall become due on the last day of each calendar month and shall be paid within 20 days thereafter.

30/3/93 B24.4 There shall be payable to any such person who complies with the provisions of **clause B24.2** on attaining age 60 a Pension for the rest of that person's life computed in accordance with the provisions of **clause B21** and payable from the Annuitants Scheme;

PROVIDED THAT for the purpose of computing the amount of the Pension the following provisions shall apply;

B24.4.1 Final Average Salary shall be computed as if employment had continued throughout the period in respect of which contributions were made under **clause B24.2** and Salary had remained the same as at the termination of employment; and

B24.4.2 the period in respect of which the Contributor and the Contributing Employer made contributions under **clause B24.2** shall be taken into account as if it were a period of Contributory Service and Subsidised Service.

30/3/93 B24.5 There shall be payable from the Annuitants Scheme to any person who elects to take the benefit of this **clause B24** and who does not elect to make the payments referred to in **clause B24.2** on attaining the age of 60, a Pension for the rest of that person's life calculated in accordance with the provisions of **clause B21**;

PROVIDED THAT in respect of any such person the Contributing Employer may in its discretion continue to pay out of its funds any of the payments referred to in **clause B18.1.4** or **clause B18.1.5** and in that case the period in respect of which the payments are made shall be taken into account in calculating the Pension.

30/3/93 B24.6 On proof to the satisfaction of the Board that any person who has elected to take the benefit of this **clause B24** would on any date if that person were still in the Fire Service be entitled to retire or to have retired on the grounds of Permanent Incapacity, there shall be payable to that person as from that date a Pension for the rest of that person's life payable from the Annuitants Scheme and calculated as provided in **clause B24.4** or **clause B24.5** as the case may be, but subject to review from time to time as provided in **clause B22**.

B25 ELECTION TO SURRENDER PORTION OF PENSION AND RECEIVE CASH PAYMENT

- 30/3/93 B25.1 Where any Contributor becomes entitled to a Pension under **clause B20**, **clause B22**, **clause B23** or **clause B24**, or where the Contributor would have been entitled to a Pension if the Contributor had retired on the date of the Contributor's election, the Contributor may elect to surrender the Contributor's right to a specified portion not being more than one-quarter of the Contributor's Pension and to receive from the Annuitants Scheme instead payment of a sum equal to nine times the amount by which the Contributor's annual Pension is reduced pursuant to the surrender;

PROVIDED THAT in respect of any Pension the first instalment of which is payable to the Contributor after 31 March 1990:

B25.1.1 the payment shall be equal to eleven and one quarter times the amount surrendered;

B25.1.2 the amount of the Pension under this **clause B25.1** shall be deemed to be the Pension before the effect of any adjustment under **clause B21.3**.

- 30/3/93 B25.2 No Contributor shall anticipate the right under this **clause B25** where the Pension payable is to commence from any date after the day following the termination of employment.

- 30/3/93 B25.3 An election under this **clause B25** may be made by a Contributor at any time within three months immediately preceding the date of becoming entitled to a Pension. Where an election is made before that date it shall be deemed to have been made on the earliest day on which the Contributor would be entitled to a Pension calculated under this Section B if the Contributor was living and retired on that day.

- 30/3/93 B25.4 Where a Contributor has made an election, under this **clause B25** or under a substantially equivalent provision in any scheme under which the Contributor was previously contributing, in respect of any previous period of Contributory Service, the amount previously surrendered may be taken into account in calculating the proportion of the Pension which the Contributor may elect to surrender.

- 30/3/93 B25.5 On the making of an election under this **clause B25** the Pension payable to the Contributor shall be reduced by the same proportion as that which the Contributor elects to surrender as aforesaid, and all rights in respect of the proportion so surrendered shall be deemed to be determined.

- 30/3/93 B25.6 Any election under this **clause B25** shall be made before the Contributor has received any instalment of the Pension from the Annuitant Scheme and shall not be revocable, and the Contributor shall not be entitled to amend or extend any such election or to make a further election.

- 30/3/93 B25.7 Any sum which a Contributor is entitled to receive under this **clause B25** shall be payable from the Annuitants Scheme and shall become payable on the date on which the Contributor becomes entitled to the Pension;

PROVIDED THAT where a Contributor dies on or after the date on which the Contributor's election becomes effective but before a Pension becomes payable the Contributor shall for the purposes of this **clause B25.7** be deemed to have become entitled to a Pension on the date of the Contributor's death.

B26 ELECTION TO SURRENDER PORTION OF PENSION TO PROVIDE ANNUITY FOR DEPENDANT AFTER DEATH OF CONTRIBUTOR

- 30/3/93 B26.1 Any Contributor, on becoming entitled under **clause B20, clause B23 or clause B24** to a Pension and on satisfying the Board as to the state of the Contributor's health, shall be entitled, before receiving payment of the first instalment of such Pension from the Annuitants Scheme to elect to surrender any specified portion of such Pension (up to a maximum to be fixed by the Board being not greater than 50 percent of the Pension otherwise payable) in order to provide for payment after the Contributor's death from the Annuitants Scheme to a Dependant approved by the Board of such annuity as the Board may determine, and the Contributor may by notice given before receiving payment of such first instalment withdraw the election so made.
- B26.2 For the purpose of enabling the Contributor to consider making an election under **clause B26.1** the Board shall, on application and on being supplied with all such information as it may require as to the age, health, and medical history of the Contributor and the age of the proposed Dependant, inform the Contributor of the maximum portion of the Pension that it would permit to be surrendered and of the amount and term of the annuity that it would grant.

B27 ELECTION TO RECEIVE VARIABLE PENSION

- B27.1 Any Contributor may within the time prescribed by **clause B27.5** and with the consent of the Board, elect to surrender from any date specified by the Board a specified portion (up to a maximum fixed by the Board) of the Pension which, but for such an election, the Contributor would be entitled to receive on Retirement calculated under **clause B20, clause B23 or clause B24**, in order to provide for payment from the Annuitants Scheme of an increased Pension up to that specified date.
- B27.2 An election under this **clause B27** may be for one reduction of the Pension from one specified date or for successive reductions from two or more specified dates.
- B27.3 Before the Board consents to an election under this **clause B27** it may in its discretion obtain such medical evidence as to the health of the Contributor as it may require.
- B27.4 No Pension shall be granted under this **clause B27** of an amount that is calculated to impose any additional liability on this Scheme or the Annuitants Scheme, and every such Pension shall be computed as the actuarial equivalent of the Pension to which the Contributor would have been entitled if an election had not been made under this **clause B27**.
- B27.5 An election under this **clause B27** may be made at any time within the three months immediately preceding the day on which the payment of a Pension is due and before the payment of the first instalment has been received.

30/3/93 **B28 ELECTION ON MARRIAGE AFTER RETIREMENT TO SURRENDER PORTION OF PENSION TO PROVIDE ANNUITY FOR SPOUSE**

- 30/3/93 B28.1 Any Contributor who has retired and is in receipt of a Pension under **clause B20, clause B23 or clause B24**, and who has married or remarried after Retirement shall, on satisfying the Board as to the state of the Contributor's health, be entitled to elect to surrender any specified portion of the Pension (up to a maximum to be fixed by the Board being not greater than 50% of the Pension otherwise payable) in order to provide for payment after the Contributor's death from the Annuitants Scheme to the Spouse of such annuity as the Board may determine.
- B28.2 Any election made in terms of this **clause B28** must be made within three months after marriage or remarriage and may be withdrawn by notice given before receiving payment of the first

instalment of the Pension as so reduced.

B28.3 **Clause B26.2** shall apply in the case of an election under this **clause B28**.

B29 ELECTION AT AGE 60 BEFORE RETIREMENT TO SURRENDER PORTION OF PENSION TO PROVIDE ANNUITY FOR DEPENDANT AFTER DEATH OF CONTRIBUTOR

30/3/93 B29.1 Any Contributor having attained the age of 60 may before Retirement, but only with the express consent of the Board, elect to surrender any specified portion (up to a maximum to be fixed by the Board being not greater than 50% of the Pension otherwise payable) of the Contributor's prospective Pension in order to provide for payment from the Annuitants Scheme after the Contributor's death (whether before or after Retirement) to a Dependant approved by the Board of such annuity as the Board may determine.

B29.2 Any such election shall be irrevocable.

B29.3 **Clause B26.2** shall apply in the case of an election under this **clause B29**.

30/3/93
29/2/96 **B30 [RESERVED]**

29/2/96 **B31 REJOINING NOT PERMITTED ON RE-EMPLOYMENT AFTER PAYMENT OF A PENSION HAS COMMENCED**

30/3/93
29/2/96 Where any Contributor who has retired and is in receipt of a Pension from the Annuitants Scheme calculated under this Section B is re-employed in the service of any Contributing Employer, the Contributor may not again become a Contributor under this Section B.

B32 REFUND OF CONTRIBUTIONS ON CEASING SERVICE BEFORE ENTITLEMENT TO PENSION

30/3/93 If any Contributor ceases to be in the service of a Contributing Employer before becoming entitled to a Pension calculated under this Section B, the Contributor shall thereupon be entitled to receive from this Scheme a refund of Refundable Contributions less where Actual Contributory Service has been transferred to this Scheme under **clause B7** any Benefits already received from this Scheme under this Section B or any scheme operated under Part III of the National Provident Fund Act 1950.

30/3/93 **B33 REACTIVATION OF PREVIOUS CONTRIBUTORY SERVICE**

30/3/93 B33.1 Any Contributor under the age of 50 years who for any reason ceases to be in the service of a Contributing Employer before becoming entitled to a Pension may in addition to the options available under **clause B8** and **clause B32** elect to leave contributions in this Scheme under this Section B on a contingent basis. The period during which contributions are so left in this Scheme is referred to in this clause as the "non-contributory period".

30/3/93 B33.2 Should the Contributor resume employment with a Contributing Employer and recommence contributions to this Section B before attaining age 50 or before the non-contributory period exceeds 15 years, whichever is the earlier, the Contributor may elect to reactivate the earlier period of Contributory Service which is then aggregated with the subsequent period of Contributory Service for the purposes of calculating the Pension entitlement.

30/3/93 B33.3 When the previous period of Contributory Service is reactivated in accordance with **clause B33.2** the non-contributory period will cause the Contributor's earlier period of Contributory Service to be discounted according to the following formula:

B33.3.1 a discount of 1.25% for each year or part of a year of the non- contributory period which can be offset against a year of Contributory Service completed before the Contributor made an election under **clause B33.1**; and

B33.3.2 a further discount of 2.25% for each year or part of a year of the non-contributory period which is in excess of the earlier period of Contributory Service.

- 30/3/93 B33.4 Any period of discounted Contributory Service under **clause B33.3** shall be deemed to precede immediately the date on which the Contributor again resumes contributions to this Section B and the Contributor's rate of contributions following re-entry shall be determined according to the age of the Contributor at the date when the period of such discounted Contributory Service is deemed to commence.
- 30/3/93 B33.5 The Contributor is not eligible to contribute to this Section B during the non-contributory period and no Pension or annuity is payable in respect of the earlier period of Contributory Service during that period.
- 30/3/93 B33.6 The Contributor may at any time during the non-contributory period elect to take a refund of Refundable Contributions and so terminate membership of this Scheme under this Section B and forfeit the right to reactivate the earlier period of Contributory Service.
- 30/3/93 B33.7 While a Contributor remains in this Scheme under this Section B during a non- contributory period, only the right to reactivate the earlier period of Contributory Service is protected. However, the Contributor shall be eligible to elect to transfer under Part VA of Section F of this Scheme. In the event that the Contributor dies during a non-contributory period, the estate of the Contributor will be credited with a refund of the Contributor's Refundable Contributions.
- 30/3/93
28/1/94 B33.8 Where a Contributor who has made an election under **clause B33.1** does not resume contributing with a Contributing Employer within the time specified or the whereabouts of the Contributor cannot be ascertained the Refundable Contributions only so left in this Section B shall be held to the Contributor's credit in this Section B and may be paid to the Contributor or the Contributor's estate on request but the Contributor shall not in any other respect be treated as a Contributor and the period in which the contributions are held for the Contributor shall not constitute Contributory Service.
- 30/3/93 B33.9 Where a Contributor has under **clause B8** taken a permitted period of absence which has not been counted as Actual Contributory Service such period shall not be deemed to fall under this **clause B33**;

PROVIDED THAT a Contributor may make an election under **clause B33.1** while the Contributor is taking a permitted period of absence and before the expiration of that permitted period of absence and in that event a non-contributory period will be deemed to commence at the beginning of and instead of the permitted period of absence.

- 30/3/93 B33.10 Where a Contributor:

B33.10.1 has had a permitted period of absence under **clause B8**;

B33.10.2 has elected under the proviso to **clause B8.2** to delay the payment of such sums as the Board determines to entitle the Contributor to count the permitted period of absence under that clause as Actual Contributory Service until after the Contributor has returned to the service of a Contributing Employer; and

B33.10.3 at the date of the Contributor's Retirement, has not made payment of all sums required

to be paid under the proviso to **clause B8.2**;

then the Contributor shall have the option of either:

- (a) completing the payments required under the proviso to **clause B8.2** in the manner approved by the Board under that proviso; or
- (b) electing to discontinue such payments, in which case the amount of the period of absence which the Contributor is permitted to treat as Actual Contributory Service under **clause B8.2** shall be the proportion of the permitted period of absence which is equal to the proportion of the sums required to be paid under **clause B8.2** which have been paid.

30/3/93
20/10/16 B33.11 Where a Contributor has had a permitted period of absence under **clause B8** and makes an election under **clause B33.1** before the expiration of the permitted period of absence, the Contributor shall have the option of:

B33.11.1 making all the payments required under **clause B8.2** at the times and in the manner approved by the Board under **clause B8.2** (in which case the Contributor shall be entitled to treat the permitted period of absence which falls before the date of the Contributor's election under **clause B33.1** as Actual Contributory Service); or

B33.11.2 not making any payments under **clause B8.2** (or any further payments if such payments have already commenced) in which case the non-contributory period will be deemed to commence at the beginning of such permitted period of absence (or, if such payments have already commenced, at the end of that part of the permitted period of absence which the Contributor is entitled to treat as Actual Contributory Service by virtue of having made some of the payments required to be made under **clause B8.2**).

PART V

DEATH BENEFITS

B34 DEATH OF CONTRIBUTOR LEAVING SPOUSE WHO BECAME THE SPOUSE BEFORE RETIREMENT

30/3/93 B34.1 Where a Contributor dies before or after becoming entitled to a Pension, and while still entitled thereto leaves a Surviving Spouse who became the Spouse before Retirement, there shall be payable out of the Annuitants Scheme to the Surviving Spouse an allowance at the rate provided in **clause B34.2**.

30/3/93 B34.2 The allowance so payable shall not be in any case (except as otherwise provided in this Section B of this Deed) at a rate of less than \$390 a year, and subject thereto shall:

20/10/16 B34.2.1 in the case of a Contributor dying before Retirement, be an allowance calculated as:

$$P/2$$

Where p is the Pension to which the deceased Contributor would have been entitled if the Contributor had retired on the date of death on the grounds of Permanent Incapacity, such Pension to be:

B34.2.1.1 calculated before the effect of any adjustment under **clause B21.3**;

B34.2.1.2 calculated as if the words "the date on which the first instalment of the

Pension is payable” in **clause B21.2.1**, were omitted and the words “the day after the date of death” were substituted therefor;

B34.2.1.3 calculated on the basis that the Contributor died without exercising any of the rights of election contained in **clause B29**;

B34.2.2 Any allowance so calculated (the first instalment of which is payable after 31 March 1990 but before 1 April 1992), shall be further adjusted (after any election has been made by the Surviving Spouse under **clause B39.2**) so as to be the average of the amounts calculated under **clause B34.2.2.1** and **clause B34.2.2.2**:

B34.2.2.1 y is multiplied by z

Where y is the number of complete years (and for any part year, the fraction of that year) which will elapse from the day following the day after the date of death of the Contributor up until 31 March 1992 (both days inclusive); and

z is the amount of the allowance payable:

(a) calculated using the formula $\frac{P}{2}$ mentioned in **clause B34.2.1** but for these purposes as if p were the Pension before the effect of any adjustment under **clause B21.2** and **clause B21.3**; and

(b) reduced by the same proportion as that which the Surviving Spouse has elected to surrender under **clause B39.2**;

after that amount of the allowance has been reduced according to the following scale:

On so much of that allowance as:	Reduction
Does not exceed \$9,500	15%
Exceeds \$9,950 but does not exceed \$30,875	28%
Exceeds \$30,875	33%

B34.2.2.2 the number of complete years (and for any part year, fraction of that year) which will elapse from 1 April 1990 up until the date on which the first instalment of the allowance is payable (both days inclusive) multiplied by the amount of the allowance (as computed using the formula $\frac{P}{2}$ mentioned in **clause B34.2.1** and reduced by the same proportion as that which the Surviving Spouse has elected to surrender under **clause B39.2**.

B34.2.3 In the case of a Contributor dying after Retirement, be one-half of the annual Pension paid or payable before the taking effect of any election made under **clause B26** or **clause B29**;

PROVIDED THAT where any of the provisions of this **clause B34.2** apply on the death of a Contributor who was contributing at either 6% or 60% as permitted in accordance with **clause B12** or **clause B13** respectively the Surviving Spouse shall receive a minimum allowance reduced in the proportion that the actual contributing rate bears to the full contributing rate under **clause B11** for age.

30/3/93 B34.3 If the allowance ceases by reason of the death of the Surviving Spouse before the Contributor's Refundable Contributions have been exhausted in payment of the allowance and any other

Benefits, the balance of the Refundable Contributions after deducting Benefits prospectively payable under **clause B26, clause B29, clause B37** (other than **clause B37.4**) or **clause B38** (other than **clause B38.2**) shall forthwith be paid from the Annuitants Scheme to the Surviving Spouse's legal personal representatives.

- 30/3/93 B34.4 In the absence of any election under **clause B26** or **clause B29**, a Surviving Spouse becoming entitled to an allowance under this **clause B34** may:
- B34.4.1 by notice given before receiving the first instalment of the allowance, elect to receive in lieu of the allowance a refund of the Contributor's Refundable Contributions less any Benefits already paid under this Section B or the Annuitants Scheme;
- B34.4.2 by notice given before receiving such a refund, withdraw such notice of election.
- 30/3/93 B34.5 Any refund payable under **clause B34.4** shall be paid from the Annuitants Scheme if the Contributor died after becoming entitled to a Pension but otherwise shall be paid from this Scheme.
- 20/10/16 B34.6 No person shall be entitled to receive more than one allowance calculated under this **clause B34** or **clause B35**, and if such an entitlement were possible but for this **clause B34.6**, the person may, subject to the approval of the Board, choose whichever one of the allowances is desired.
- 30/3/93 B34.7 Nothing in this **clause B34** shall apply in respect of any Surviving Spouse of a Contributor who died before 1 April 1975, unless the Surviving Spouse was the Spouse of the Contributor at the date of the Contributor's death.

B35 DEATH OF CONTRIBUTOR LEAVING SPOUSE WHO BECAME THE SPOUSE AFTER RETIREMENT

- 30/3/93 B35.1 Where a Contributor dies after becoming entitled to a Pension, and while still entitled thereto leaves a Surviving Spouse who became the Spouse after Retirement, there shall be payable from the Annuitants Scheme to the Surviving Spouse an allowance at the rate provided in **clause B35.2**;
- PROVIDED THAT** an entitlement under this **clause B35** shall have no effect for payment purposes for any period prior to 1 April 1986.
- 30/3/93 B35.2 The allowance so payable shall not be in any case (except as otherwise provided in this Section B of this Deed) at a rate of less than \$390 a year, and subject thereto shall be:
- B35.2.1 10% of the Contributor's Pension when the Contributor dies less than 2 years after the marriage;
- B35.2.2 20% of the Contributor's Pension when the Contributor dies 2 or more years but less than 3 years after the marriage;
- B35.2.3 30% of the Contributor's Pension when the Contributor dies 3 or more years but less than 4 years after the marriage;
- B35.2.4 40% of the Contributor's Pension when the Contributor dies 4 or more years but less than 5 years after the marriage;
- B35.2.5 50% of the Contributor's Pension when the Contributor dies 5 or more years after the marriage;

PROVIDED THAT the minimum rate of allowance shall be reduced in such proportion of

that rate as is appropriate in terms of the ratios given in this **clause B35.2**;

AND FURTHER PROVIDED THAT on the death of a Contributor who was contributing at either 6% or 60% as permitted in accordance with **clause B12** or **clause B13** respectively the Surviving Spouse shall receive a minimum allowance further reduced in the proportion that the actual contribution rate bears to the full contribution rate under **clause B11** for age.

- 30/3/93 B35.3 If the allowance ceases by reason of the death of the Surviving Spouse before the Contributor's Refundable Contributions have been exhausted in payment of the allowance and any other Benefits, the balance of the Refundable Contributions after deducting Benefits prospectively payable from the Annuitants Scheme under **clause B26**, **clause B28**, **clause B29**, **clause B37** (other than **clause B37.4**) or **clause B38** (other than **clause B38.2**) shall forthwith be paid from the Annuitants Scheme to the Surviving Spouse's legal personal representatives.
- 30/3/93 B35.4 In the absence of any election under **clause B26**, **clause B28** or **clause B29**, a Surviving Spouse becoming entitled to an allowance under this **clause B35** may:
- B35.4.1 by notice given before receiving the first instalment of the allowance, elect to receive in lieu of the allowance a refund of the Contributor's Refundable Contributions less any Benefits already paid under this Section B or under the Annuitants Scheme;
- B35.4.2 by notice given before receiving such a refund, withdraw such notice of election.
- 30/3/93 B35.5 No person shall be entitled to receive more than one allowance under this **clause B35** and **clause B34**, and if such an entitlement were possible but for this **clause B35.5**, the person may choose whichever one of the allowances is desired.
- 30/3/93 B35.6 Nothing in this **clause B35** shall, subject to the approval of the Board, apply in respect of any Surviving Spouse of a Contributor who died before 1 April 1975, unless that Surviving Spouse was the Spouse of the Contributor at the date of the Contributor's death.

B36 DEATH OF A CONTRIBUTOR LEAVING NO SPOUSE

- 30/3/93 On the death of a Contributor, whether before or after Retirement, leaving no Surviving Spouse, there shall forthwith be paid from this Scheme or the Annuitants Scheme (as appropriate) to the legal personal representatives any balance of the Refundable Contributions after deducting therefrom any Benefits prospectively payable from the Annuitants Scheme under **clause B26**, **clause B29**, **clause B37** or **clause B38** (other than **clause B38.2**).

B37 CHILDREN'S ALLOWANCES

- 30/3/93 B37.1 On the death of a Contributor, whether before or after Retirement leaving a Child or Children under the age of 16, there shall be paid out of the Annuitants Scheme in respect of each such Child until such Child attains the age of 16 an allowance at the rate of \$78.00 a year;
- PROVIDED THAT** no allowance shall be payable in respect of any Child in respect of whom an allowance is payable as the Child of another deceased Contributor or member of any scheme originally authorised under Part III of the National Provident Fund Act 1950.
- B37.2 If any Child in respect of whom the allowance is payable remains at school after attaining the age of 16, the allowance may be continued so long as the Child remains at school until the end of the year in which the Child attains the age of 18.
- 30/3/93 B37.3 If any Child in respect of whom the allowance is payable is by reason of physical or mental incapacity unable to maintain herself or himself and is not being maintained free of charge in a

state institution the allowance may thereafter be continued in the discretion of the Board as trustee of the Annuitants Scheme.

- 30/3/93 B37.4 If all allowances payable under this **clause B37** cease after all other Benefits in respect of the Contributor have ceased to be payable and before the Contributor's Refundable Contributions have been exhausted in payment of the allowances and other Benefits, the balance of those Refundable Contributions shall be paid from the Annuitants Scheme in equal shares in respect of the Children of the Contributor then surviving.
- B37.5 Money payable in respect of Benefits calculated under this **clause B37** in respect of any Child may be expended by the Board for the benefit of the Child in such manner as the Board thinks fit and may be paid to any person to be expended on behalf of the Child.

B38 PROVISIONS APPLYING TO ANNUITY TO SPOUSE OR DEPENDANT ON DEATH OF CONTRIBUTOR

30/3/93 On the death of a Contributor who has made an election for the payment of an annuity under **clause B26**, **clause B28** or **clause B29**, the following provisions shall apply:

- 30/3/93 B38.1 An annuity so payable shall be in addition to any allowance payable under **clause B34** or **clause B35**;
- 30/3/93 B38.2 If on the death of the last of the Spouse or any Dependant who has survived the Retirement and death of the Contributor there remains in this Scheme or in the Annuitants Scheme any balance of the Contributor's Refundable Contributions, all claims to that date having previously been satisfied, such balance after deducting therefrom any Benefits prospectively payable under the Annuitants Scheme and calculated under **clause B34**, **clause B35** or **clause B37** (other than **clause B37.4**) shall thereupon be paid out of this Scheme or the Annuitants Scheme as appropriate to the legal personal representative of such Spouse or Dependant.

B39 ELECTION BY SURVIVING SPOUSE TO SURRENDER PORTION OF ALLOWANCE AND RECEIVE CASH PAYMENT

- 30/3/93 B39.1 This **clause B39** shall apply to any Surviving Spouse who becomes entitled to an allowance calculated under this Section B on or after the 12th day of April 1979 and who is less than 61 years of age at the time the entitlement to the allowance arises.
- 20/10/16
- 30/3/93 B39.2 Where any such Surviving Spouse of any Contributor who has died before or after Retirement becomes entitled to an allowance calculated under this Section B, such Surviving Spouse may elect to surrender up to one-quarter of the allowance payable and to receive instead payment from the Annuitants Scheme of a sum equal to nine times the amount by which the allowance is reduced pursuant to the surrender;

PROVIDED THAT where the first instalment of any such allowance becomes payable after 31 March 1990:

B39.2.1 the word "nine" in this **clause B39.2** shall be omitted and the words "eleven and one quarter" shall be substituted therefor;

B39.2.2 the allowance referred to under this **clause B39.2** shall be deemed to be the allowance calculated before the effect of any adjustment to the allowance under **clause B34.2.2**.

Any refund payable under this **clause B39.2** shall be paid from the Annuitants Scheme.

- 30/3/93 B39.3 Any election under this **clause B39** shall be made in writing delivered to the Board before the Surviving Spouse has accepted any instalment of the allowance.
- 30/3/93 B39.4 No Surviving Spouse shall have the right to revoke, amend or extend any election made under this **clause B39**.
- 30/3/93 B39.5 On the making of any such election the allowance payable to the Surviving Spouse shall be reduced by the same proportion as that which the Surviving Spouse has elected to surrender as aforesaid, and all rights in respect of the proportion so surrendered shall be deemed to be determined.

PART VI

FINANCIAL

- 30/3/93 **B40 METHOD OF PAYMENT OF PENSIONS, ALLOWANCES AND ANNUITIES**
- B40.1 All Pensions, allowances and annuities calculated under this Section B shall be payable under the Annuitants Scheme and shall be non-commutable and non-assignable and shall be paid by instalments at four-weekly intervals in advance and each shall be paid to the end of the period in which it ceases to be payable.
- 30/3/93 B40.2 Each such four-weekly instalment shall be calculated as 28/365ths of the annual amount payable to the nearest cent above, provided that the minimum four-weekly instalment of an allowance calculated at the rate of \$390 per annum under **clause B34** or **clause B35** of this Scheme shall be \$30 and four-weekly instalment of the Children's allowance payable under **clause B37** shall be \$6 (except where **clause B12**, **clause B13**, **clause B35.2** or **clause B39** apply).
- 30/3/93 B40.3 Every such instalment shall be paid to the person entitled thereto personally unless the Board in its discretion directs that it shall be paid to some other person on behalf of the person entitled;
- PROVIDED THAT** in any case where by reason of age or infirmity of the person entitled or for any other sufficient cause it is not convenient that payment be made to the person entitled personally, payment may be made to any person or bank account duly authorised by the person entitled to receive payment on that person's behalf.
- 30/3/93 B40.4 All Pensions and other Benefits calculated under this Section B shall be payable in New Zealand dollars and to a bank account in New Zealand, or, if the Board agrees, by posting a cheque in New Zealand dollars to an address nominated by the person entitled to receive the Pension or other Benefit.
- B41 REFUND OF BALANCE OF CONTRIBUTIONS AFTER DEDUCTING BENEFITS PAYABLE**
- 30/3/93 Wherever provision is made in this Section B or in the Annuitants Scheme for payment of the balance of Refundable Contributions after deducting Benefits paid or prospectively payable, the amount to be deducted shall be determined by the Board with such actuarial advice as it may elect to seek and shall be paid out of this Section B or the Annuitants Scheme as appropriate.
- B42 MINIMUM BENEFIT**
- 30/3/93 The value of any Benefit payable under this Section B or under the Annuitants Scheme shall not be less than the Contributor's own contributions to this Section B together with any credits the Contributor has transferred from any previous scheme to this Section B. The value of the Benefit shall be determined by

the Board acting on the advice of the Actuary.

PART VII

COST OF LIVING PROVISIONS

30/3/93 **B43 COMMENCEMENT AND APPLICATION**

30/3/93 The provisions of this Part VII of this Section B shall be deemed to have come into force on the 1st day of April 1971 for all Contributors other than those who were not obliged to and who did not contribute under Part VI of the Existing Fire Services Superannuation Scheme (as this Section B then was) until 1 April 1975.

PROVIDED THAT any Contributor who did not contribute under those provisions until 1 April 1975 may at the discretion of the Board elect to contribute from the 1st day of April 1971 under such terms and conditions as the Board may determine.

30/3/93 **B44 ADJUSTABLE PENSIONS, ALLOWANCES AND ANNUITIES**

30/3/93 The following Pensions, allowances and annuities payable from the Annuitants Scheme shall be adjusted in
20/10/16 accordance with this Part VII of this Section B:

B44.1 Pensions payable under **clause B20, clause B22, clause B23 or clause B24;**

B44.2 Annuities payable under **clause B26, clause B28 or clause B29;**

B44.3 Allowances payable under **clause B34 or clause B35.**

B45 PROVISION FOR ANNUAL ADJUSTMENT

30/3/93 Subject to the provisions of this Part VII of this Section B and to **clause B62**, every Pension, allowance and annuity specified in **clause B44** shall be adjusted annually where appropriate on and after the date of the first four-weekly payment of the Benefit in each financial year commencing on the 1st day of April and ending with the 31st day of March.

B46 BASIS OF ANNUAL ADJUSTMENT

30/3/93 The aggregate percentage of increase to be applied to a Basic Pension, allowance or annuity (as defined in **clause B47**) for the purpose of determining the annual adjustment for any year shall be the percentage (if any) calculated by the Government Statistician and adjusted where appropriate in accordance with the formula in **clause B48** by which the annual all groups index number of the New Zealand Consumers Price Index for the December quarter of the calendar year immediately preceding that which includes the date for the annual adjustment exceeds the index number determined under **clause B50.2 or clause B50.3.**

B47 AMOUNT OF ANNUAL ADJUSTMENT

30/3/93 For the purposes of the adjustment scheme under this Part VII of this Section B the term "Basic Pension,
20/10/16 allowance or annuity" means the annual amount of Pension, allowance or annuity as initially payable after the effect of any election made under **clause B25, clause B26, clause B28, clause B29 or clause B39.** The annual amount of the Basic Pension, allowance or annuity shall be determined by applying the movement in the cost of living, as measured by the New Zealand Consumers Price Index from the date of qualification, to the Basic Pension, allowance or annuity and adding the amount so ascertained to the Basic Pension, allowance or annuity.

30/3/93

B48 PERCENTAGE TO BE APPLIED TO ANY PENSION, ALLOWANCE OR ANNUITY

B48.1 Where the Contributor's Contributory Service terminated before the 1st day of April 1971 the proportion of the percentage to be applied under **clause B46** shall be 80 percent.

B48.2 Where the Contributor's Contributory Service commenced before the 1st day of April 1971, and had not terminated by that date the proportion of the percentage to be applied under **clause B46** shall be 80 percent plus a percentage calculated in accordance with the following formula:

$$\frac{a}{b} \times 20 \text{ percent}$$

where:

B48.2.1 "a" is the period of Contributory Service after the 31st day of March 1971; and

B48.2.2 "b" is the total period of Contributory Service.

B48.3 For the purposes of the calculations in this **clause B48** the calculation is to be to the nearest whole number percent unless the application of the formula gives a figure exactly half of one percent below a whole number percent, in which case the calculation shall be to the nearest whole number percent above.

30/3/93

B48.4 Where the Contributor's Contributory Service commenced on or after the 1st day of April 1971 the percentage to be applied under **clause B46** is 100 percent.

30/3/93

B48.5 Where the Contributor whose Contributory Service commenced before the 1st day of April 1971 and had not terminated by the 1st day of April 1975 became liable to contribute under the adjustment provisions on and after the 1st day of April 1975 and did not elect to contribute under the adjustment provisions from the 1st day of April 1971 the proportion of the percentage to be applied under **clause B46** shall be 80 percent plus a percentage calculated in accordance with the formula in **clause B48.2** except that in the formula 'a' in **clause B48.2** shall be the period of Contributory Service after the 31st date of March 1975.

B49 DATE OF QUALIFICATION

30/3/93

B49.1 Subject to the proviso in **clause B50.1**, the Date of Qualification as defined in **clause B50.1** for the initial adjustment to any Pension payable under any of the provisions of **clause B20**, **clause B22**, **clause B23** or **clause B24** shall be the later of:

B49.1.1 the date of attaining the age of 60 years; or

B49.1.2 the day immediately preceding the date on which the first instalment of the Pension was or will be payable.

B49.2 The Date of Qualification for the initial adjustment to any allowance calculated under any of the provisions of **clause B34** or **clause B35** shall be the later of:

B49.2.1 the date of attaining the age of 55 years; or

B49.2.2 the day immediately preceding the date on which the first instalment of the allowance was or will be payable.

30/3/93
20/10/16 B49.3 The Date of Qualification for the initial adjustment to the annuity calculated under **clause B26**, **clause B28** or **clause B29** shall be the later of:

B49.3.1 the day immediately preceding the date on which the first instalment of the Contributor's Pension was or will be payable; or

B49.3.2 the day on which the Contributor if the Contributor were still alive, would have attained the age of 60 years.

B50 INITIAL ADJUSTMENTS

30/3/93 B50.1 For the purpose of this Part VII of this Section B "Date of Qualification" in relation to a Beneficiary means the Beneficiary's date of qualification as determined under **clause B49**;

PROVIDED THAT the Board may in its discretion deem the Date of Qualification in relation to a Pension calculated under **clause B22** or **clause B23** to be earlier than the date as determined under **clause B49.1**.

B50.2 Where the Date of Qualification falls between the 1st day of April and the 30th day of September (both days inclusive) the index number for the December quarter of the calendar year immediately preceding the calendar year in which the first day of the Contributor's Qualifying Year falls shall apply.

B50.3 Where the Date of Qualification falls between the 1st day of October and the 31st day of March (both days inclusive) the index number of the June quarter of the calendar year in which the first day of the Contributor's Qualifying Year falls shall apply.

B50.4 Where the proviso to **clause B50.1** applies the index number for the December quarter of the calendar year immediately preceding the calendar year in which the Date of Qualification falls shall apply.

30/3/93 B50.5 The initial adjustment to be made to any adjustable Pension, allowance or annuity shall be made within 6 to 18 months after commencement, on the first April payment date as determined under **clause B45**, as follows:

B50.5.1 where the Date of Qualification falls between the 1st day of April and the 30th day of September (both days inclusive) on that April payment date in the following year;

B50.5.2 where the Date of Qualification falls between the 1st day of October and the 31st day of March (both days inclusive), on the first such April payment date to occur after twelve months have lapsed.

B51 QUALIFYING YEAR

30/3/93 "Qualifying Year" in relation to a Beneficiary means the financial year commencing on the 1st day of April and ending with the 31st day of March in which the Beneficiary's Date of Qualification falls;

PROVIDED THAT in the event of the death of any Contributor during the period between the Contributor's Date of Qualification and the date for the Contributor's initial adjustment, the initial adjustment to any annuity to a Dependant or Spouse of that Contributor under **clause B26**, **clause B28** or **clause B29** shall be made on and after the day on which the initial adjustment would have been made if the Contributor were still alive and the base index number as defined in **clause B50.2**, **clause B50.3** or **clause B50.4** shall apply as if the Contributor were still alive;

PROVIDED FURTHER THAT in the event of the death of the Contributor at any time after the date

of the Contributor's initial adjustment the initial adjustment of any annuity to the Dependant or Spouse calculated under **clause B26, clause B28 or clause B29** of that Contributor shall be made on the date on which the next annual adjustment would have been made to the Pension of the Contributor if the Contributor were alive;

PROVIDED FURTHER THAT the first and second provisos to this **clause B51** shall not apply in any case where the date of the Contributor's initial adjustment or next annual adjustment would be earlier than the Date of Qualification of the Dependant or Spouse;

PROVIDED FURTHER THAT no increased payment shall be made in respect of any period before 1 April 1971.

30/3/93 **B52 [RESERVED]**

PART VIII

PRE-AGE 60 COST OF LIVING

B53 COMMENCEMENT

The provisions of this Part VIII of this Section B shall be deemed to have come into force on 9 April 1981.

B54 INTERPRETATION

For the purposes of this Part VIII of this Section B:

- 30/3/93 B54.1 "Aggregate percentage of increase", in relation to any Basic Pension, allowance or annuity, means the aggregate percentage of increase determined pursuant to **clause B58**;
- 30/3/93 B54.2 "Basic Pension, allowance or annuity" has the meaning ascribed to it in **clause B50**; and
- 30/3/93 B54.3 "Date of Qualification" has the meaning ascribed to it in **clause B50**.

B55 APPLICATION OF THIS PART

This Part VIII of this Section B shall apply to every Contributor who is less than 60 years of age and who:

- 30/3/93 B55.1 reached Retirement after having completed 40 years or more of Contributory Service; or
- 30/3/93 B55.2 reached Retirement without having completed 40 years or more of Contributory Service or 40 years or more of employment in the Local Authority sector, but who survives for such period that the Contributor would have completed 40 years of service in the Local Authority sector had the Contributor not retired.

B56 PROVISION FOR ANNUAL ADJUSTMENT

Subject to **clause B57**, every Pension shall be adjusted annually with effect on and after the first four-weekly payment of the Pension under **clause B40** in each financial year.

B57 INITIAL ADJUSTMENT

- B57.1 Subject to **clause B57.2** the initial adjustment to be made to any Pension shall be made with effect on and after the first annual adjustment date in the financial year commencing after the Contributor's Date of Qualification.

B57.2 Where the Date of Qualification of a Contributor is before 1 April 1981, the initial adjustment shall be made with effect on and after 9 April 1981.

B58 PERCENTAGE OF ANNUAL ADJUSTMENT

30/3/93 The aggregate percentage of increase to be applied to a Basic Pension, allowance or annuity in accordance with **clause B56** for the purpose of determining the annual adjustment for any year shall be the percentage (if any) calculated by the Government Statistician and proportionately adjusted (where appropriate) in accordance with the formula in **clause B48** by which the all groups index number of the New Zealand Consumers Price Index for the December quarter of the calendar year immediately preceding that which includes the date for the annual adjustment exceeds the basic index number, being:

30/3/93 B58.1 in any case where the Date of Qualification falls between 1 October and 31 March (both days inclusive), the basic index number for the preceding June quarter;

30/3/93 B58.2 in any case where the Date of Qualification falls between 1 April and 30 September (both days inclusive), the basic index number for the preceding December quarter.

B59 AMOUNT OF ANNUAL ADJUSTMENT

B59.1 Subject to **clause B59.2** the annual amount of the Pension to be paid on and after the date of any annual adjustment until the next adjustment shall be determined by adding to the Basic Pension, allowance or annuity an amount calculated by applying the Aggregate percentage of increase to the Basic Pension, allowance or annuity.

B59.2 The annual amount of any Pension as so determined, to be paid on and after the date of any annual adjustment, shall be increased or reduced, as the case may be, in accordance with any election by the Contributor under **clause B27**.

B60 RIGHTS OF SURVIVING SPOUSES

30/3/93 If a Surviving Spouse elects pursuant to **clause B34** or **clause B35** to receive an allowance, then the Pension of the deceased Contributor shall be deemed to include any adjustments made under this Part VIII of this Section B before the date of death of the Contributor.

B61 CESSATION OF ADJUSTMENTS

Notwithstanding any of the foregoing provisions of this Part VIII, no adjustments to any Pension under this Part VIII shall be made with respect to any period on or after the annual adjustment date next following the 60th anniversary of the Contributor's birth.

B62 EFFECT OF PART VII

30/3/93 B62.1 No adjustments under **clause B45** shall be made to any Pension, allowance or annuity calculated under this Section B or the Annuitants Scheme until such time as the Pension, allowance or annuity so adjusted under **clause B45** would exceed the Pension, allowance or annuity as adjusted under this Part VIII of this Section B.

30/3/93 B62.2 For the purpose of determining:

B62.2.1 when any allowance payable to a Surviving Spouse under **clause B45** would exceed any allowance as adjusted under this Part VIII of this Section B; and

B62.2.2 the amount of the allowance that forms the Basic Pension, allowance or annuity for the

purposes of **clause B47**;

the allowance shall not include any amount by which it was increased under **clause B60** and shall be reduced by the amount of any surrender under **clause B39**.

PART IX

MISCELLANEOUS

20/10/16 **B63 REDUCTION IN BENEFITS UNDER PART III SUPERANNUATION SCHEMES ACT 1989 [AS IT WAS PRIOR TO ITS REPEAL]**

30/3/93 B63.1 Notwithstanding any other provisions of this Section B, the annual rate of every Pension, allowance or annuity (other than a Child's allowance payable under **clause B37**) the first instalment of which is payable before 1 April 1990 shall with effect from the first payment date after 31 March 1990 be reduced according to the following scales:

B63.1.1 in the case of persons receiving a Pension, allowance or annuity where the appropriate tax code as at 31 March 1990 is code T:

On so much of Pension, allowance or annuity as:	Reduction
Does not exceed \$4,853	zero
Exceeds \$4,853 but does not exceed \$6,240	15%
Exceeds \$6,240 but does not exceed \$9,880	35%

B63.1.2 in the case of persons receiving a Pension, allowance or annuity where the appropriate tax code as at 31 March 1990 is not code T:``

On so much of Pension, allowance or annuity as:	Reduction
Does not exceed \$9,500	15%
Exceeds \$9,950 but does not exceed \$30,875	28%
Exceeds \$30,875	33%

PROVIDED THAT in no event shall any Surviving Spouse's allowance the first instalment of which is payable before 1 April 1990 be reduced below the minimum rate for Surviving Spouses' allowances specified in **clause B34** or **clause B35**.

30/3/93 B63.2 For the purposes of calculating the amount of any reduction to be made under **clause B63.1**, the amount of any Pension, allowance or annuity shall be before the effect of any adjustment made under Part VII and Part VIII of this Section B on the first payment date after 31 March 1990, but shall include the last adjustment made under the equivalent provisions of the Existing Fire Services Superannuation Scheme before 1 April 1990.

30/3/93 B63.3 Where any Pension, allowance or annuity the first instalment of which was payable before 1 April 1990 under this Section B ceases, or has ceased to be payable because of any reason and subsequently again becomes payable, **clause B63.1** and **clause B63.4** shall apply to that Pension, allowance or annuity and a reduction shall be made under **clause B63.1** and **clause B63.4** as if:

B63.3.1 an instalment of the Pension, allowance or annuity had been payable on the first

payment date which would have occurred after 31 March 1990 had the Pension, allowance or annuity not ceased; and

B63.3.2 the Pension, allowance or annuity had been payable at 31 March 1990.

30/3/93

B63.4 The Basic Pension, allowance or annuity (referred to in **clause B47** and **clause B54**) of any person to whom a Pension, allowance or annuity (other than a Child's allowance payable under **clause B37**) is payable on 31 March 1990 shall, with effect from the first payment date after 31 March 1990, be reduced by the same percentage as the Pension, allowance or annuity is reduced under clause B63.1.



**NATIONAL
PROVIDENT**

**ANNOTATED TRUST DEED
FOR THE
PERMANENT REPRESENTATIVES SECTION OF THE DBP
CONTRIBUTORS SCHEME**

This is an Annotated Trust Deed for the Scheme and is not the official signed trust deed that governs the Scheme. The Scheme trust deed is subject to change. Therefore, if you wish or need to reply on the terms of the trust deed, please contact the Scheme Administrator for a copy of the signed trust deed.

Marginal dates indicate that text in the clause (including any subsequent clauses included under that clause) beside which they are placed was amended with effect from the dates stated. If you wish to consult the terms of the trust deed as it applied in the past, please contact the Scheme Administrator.

TABLE OF CONTENTS

SECTION C.....	1
THE PERMANENT REPRESENTATIVES SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED.....	1
PART I.....	1
GENERAL.....	1
C1 TITLE	1
C1A FMC Act	1
C2 DEFINITION AND CONSTRUCTION	1
C3 ELECTIONS	3
PART II	3
CONTRIBUTORS	3
C4 CONTRIBUTORS	3
PART III	3
CONTRIBUTIONS AND PENSIONS	3
C5 METHOD OF CONTRIBUTION	3
C6 APPLICATION OF CONTRIBUTIONS	4
C7 PURCHASE OF DEFERRED PENSION	4
PART IV	4
CONTRIBUTORS BENEFITS.....	4
C8 ELECTION ON CEASING EMPLOYMENT BEFORE BEING ENTITLED TO PENSION .	4
C9 ELECTION ON CEASING EMPLOYMENT AFTER AT LEAST 10 YEARS SERVICE.....	4
C10 ELECTION ON RETRENCHMENT	5
C11 ENTITLEMENT TO PENSION.....	5
C12 ELECTION TO SURRENDER PORTION OF PENSION AND RECEIVE CASH PAYMENT OR ANNUITY FOR WIDOW	5
C13 ELECTION TO RECEIVE INCREASED PENSION	6
C14 PENSION WHERE CONTRIBUTOR RETIRES BY REASON OF PERMANENT INCAPACITY	6
PART V	6
DEATH BENEFITS.....	6
C15 BENEFITS WHERE CONTRIBUTOR DIES BEFORE PENSION COMMENCES	6
C16 BENEFIT WHERE CONTRIBUTOR DIES AFTER DATE ON WHICH PENSION COMMENCED	7
C17 BENEFIT WHERE CONTRIBUTOR DIES AFTER ELECTION UNDER CLAUSE C14	8
C18 CHILDREN'S ALLOWANCE	8
PART VI	8
FINANCIAL.....	8
C19 METHOD OF PAYMENT OF PENSIONS	8
C20 MINIMUM BENEFIT	9
C21 RESERVE ACCOUNT	9
PARTVII	9
BENEFIT ADJUSTMENT PROVISIONS	9
C22 ADJUSTMENTS TO BENEFIT WHERE NO ELECTION MADE	9

SECTION C**THE PERMANENT REPRESENTATIVES SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED****PART I****GENERAL****C1 TITLE**

This Section C of this Deed shall be known as “The Permanent Representatives Section” of the DBP Contributors Scheme (“this Scheme”).

20/10/16 **C1A FMC Act**

C1A.1 For the purposes of the FMC Act:

C1A.1.1 this Scheme is treated as a trust established and governed by a trust deed interpreted and administered in accordance with New Zealand law;

C1A.1.2 and for the purposes of any other enactment, this Scheme must be treated as if it were registered on the register of managed investment schemes under the FMC Act as a restricted scheme that is a Superannuation Scheme; and

C1A.1.3 the Board is the 'manager' and the 'issuer' of the Scheme.

C2 DEFINITION AND CONSTRUCTION

C2.1 In this Section C unless inconsistent with the context:

“**Act**” means the National Provident Fund Restructuring Act 1990;

“**Actuary**” means a person who is a Fellow of the New Zealand Society of Actuaries;

“**Annuitants Scheme**” means the DBP Annuitants Scheme established under Section 41 of the Act;

“**Assets**” means an amount equivalent to the contents of the account with the Board which holds funds to the credit of this Section C, representing the Employee Contributions and Employer Contributions plus interest thereon including the amount held in the Reserve Account less any amount paid by the Board at the date hereof in respect of benefits for Contributors or beneficiaries of this Section C;

20/10/16 “**Auditor**” means a person who is the holder of a certificate of public practice issued by Chartered Accountants Australia New Zealand;

“**Bachelor**” means a male who has never been married and includes a male who has been divorced from his wife and not remarried and a widower;

“**Board**” means the National Provident Fund Board established under Section 9 of the National Provident Fund Act 1950; as continued in existence by Section 12 of the Act and renamed from 1 April 1990 by that section as the Board of Trustees of the National Provident

Fund;

“Contribution Year” in relation to any Contributor means a year commencing on the first day of the Month following the Month in which his birthday falls and ending on the last day of the Month in which his next birthday falls;

“Contributing Employer” means the Minister of Finance, acting under Section 59 of the National Provident Fund Act 1950;

“Contributor” means every permanent representative appointed by the National Provident Fund Board in accordance with Section 14 of the National Provident Fund Act 1950;

“Employee Contributions” means the contributions paid by the Contributor and deducted from his Remuneration;

“Employer Contributions” means the contributions paid by the Contributing Employer as a subsidy in respect of the Contributing Employee’s contributions;

“Financial Year” means the year from 1 April to 31 March;

20/10/16 **“FMC Act”** means the Financial Markets Conduct Act 2013;

29/2/96 **“married”** includes living in a same sex relationship;

“Month” means calendar month;

“Permanent Incapacity” means permanent physical or mental incapacity suffered by any person that is of such an extent, that having regard to the previous employment and other characteristics of that person, he is unlikely to have a significant earning capacity in the future and “Permanently Incapacitated” has a corresponding meaning;

“Remuneration” means the gross retainer and commission payable to a Contributor;

“Reserve Account” means an account established under **Clause C 21**; **“Section C”** and **“this Section C”** mean this Section C of the DBP Contributors Scheme and where necessary or appropriate include the Existing Superannuation Scheme for Permanent Representatives operated by the Board prior to 1 April 1991;

20/10/16 **“Superannuation Scheme”** has the meaning given to it in the Act;

29/2/96 **“Wife”** and **“Widow”** of a Contributor:

- (a) do not include any person to whom he was married after the effective date of his election to receive a pension; and
- (b) include a partner of the same sex as the Contributor.

C2.2 For the purposes of this Section C a Contributor shall be deemed to have attained the age of 60 or any other specified age on the first day of the Month following the Month in which he actually attained the age of 60 or such other specified age as the case may be, and the provisions of this Section C shall be read and construed accordingly.

C2.3 Terms not defined in this Section C but defined in the Act shall have the same meaning as in the Act.

- C2.4 In the construction of this Section C, unless inconsistent with the context, -
- C2.4.1 references to clauses are to clauses of this Section C and where necessary or appropriate include the corresponding provisions of the Existing Superannuation Scheme for Permanent Representative operated by the Board prior to 1 April 1991;
 - C2.4.2 references to any statute, are references to the statute as from time to time amended and include substituted provisions that substantially correspond to those referred to;
 - C2.4.3 the singular includes the plural and vice versa, and words importing any gender include the other genders;
 - C2.4.4 the headings and sub-headings appear as a matter of convenience and shall not affect the construction of this Section C.

C3 ELECTIONS

- C3.1 An election shall be deemed to be made as soon as it has been received by the Board.
- C3.2 Any election made under Part IV or Part V of this Section C shall be irrevocable.

PART II

CONTRIBUTORS

C4 CONTRIBUTORS

- 29/2/96 C4.1 Only persons who are entitled to be Contributors to this Scheme by virtue of section 38 of the Act may be Contributors to this Scheme under this Section C.
- 29/2/96 C4.2 No person shall be admitted as a new or rejoining Member or Contributor of this Section C of this Scheme on or after 1 January 1996.

PART III

CONTRIBUTIONS AND PENSIONS

C5 METHOD OF CONTRIBUTION

- C5.1 Contributions shall be made to this Scheme under this Section C in the manner set out hereunder:
 - C5.1.1 Contributions at the rate determined by the Board shall be deducted from all Remuneration paid to a Contributor by the Board from time to time, but no later than the actual date of cessation of duty with the Board of the Contributor;
 - C5.1.2 The Contributing Employer shall also make contributions to this Scheme in respect of the Contributor at the same rates and for the same periods as those referred to in **clause C5.1.1**.
- C5.2 Contributions will be credited to this Section C at the end of the Month during which Remuneration is paid.

C6 APPLICATION OF CONTRIBUTIONS

- C6.1 The total contributions paid by the Contributor and Contributing Employer during each Contribution Year shall at the end of that year be applied to purchase a fully paid-up portion of a deferred pension which shall be added to the portions of deferred pension purchased in other Contribution Years, to give a total pension available from the age of 60, but a Contributor after attaining age 60, if not retired by the Board shall continue contributing to this Scheme under this Section C to the date of his retirement.

C7 PURCHASE OF DEFERRED PENSION

- C7.1 The annual amount of deferred pension so purchased by contributions shall in each case be determined according to the rates set out in Part A of the table attached to this Section C. This table takes account of the age which the Contributor shall be deemed to have attained in accordance with the provisions of this Section C for the purpose of each Contribution Year, and shows the rates of pension available from the age of 60. The amount of any pension the payment of which is postponed to a later age in accordance with **Clause C13** shall be equal to the amount of the pension available at the age of 60 increased by such amount as an Actuary appointed by the Board determines for each complete year or part year of postponement.
- C7.2 The annual amount of deferred pension so purchased by contributions paid after attaining age 60 shall in each case be determined according to the rates set out in Part B of the table attached to this Section C. This table takes account of the age which the Contributor shall be deemed to have attained in accordance with the provisions of this Section C for the purpose of each Contribution Year, and shows the rates of pension available from age 65. The amount of any such pension, the payment of which is required at an earlier age than the age of 65, shall be equal to the amount of pension available at attaining the age of 65 reduced by an actuarial calculation to compensate this Scheme and the Annuitants Scheme (as applicable) for its earlier commencement.
- C7.3 Where a Contributor is engaged beyond age 65 the amount of pension purchased from age 65 will be further deferred and be increased by such amount as an Actuary appointed by the Board determines for each year or part year of further deferment. The amount of deferred pension purchased by contributions paid after age 65 shall be determined according to rates to be provided at that time.

PART IV**CONTRIBUTORS BENEFITS****C8 ELECTION ON CEASING EMPLOYMENT BEFORE BEING ENTITLED TO PENSION**

If any Contributor ceases to be in the service of the Board before he becomes entitled to a pension under this Section C, he shall thereupon be entitled to elect either to:

- C8.1 receive from this Scheme a refund of all his Employee Contributions. The Employer Contributions will be transferred to the Reserve Account; or
- 20/10/16 C8.2 transfer all his Employee Contributions to another Superannuation Scheme. The Employer Contributions will be transferred to the Reserve Account.

C9 ELECTION ON CEASING EMPLOYMENT AFTER AT LEAST 10 YEARS SERVICE

Notwithstanding anything contained in **Clause C8**, when a Contributor before becoming entitled to receive a pension under this Section C leaves the service of the Board for reasons other than dismissal by the Board, and has been a Contributor of this Scheme for at least 10 years or who is over age 55 shall be entitled to receive on attaining age 60 the pension rights in respect of his membership to this Section C as if he had not terminated his service with the Board;

PROVIDED THAT he may alternatively elect to receive the benefits set out in **clause C8.1 and clause C8.2**.

C10 ELECTION ON RETRENCHMENT

C10.1 Notwithstanding anything contained in **Clause C8** where, in the opinion of the Board, a Contributor ceases to be in service of the Board through retrenchment, before he becomes entitled under this Section C to receive a pension the Contributor may elect to leave his contributions in this Scheme under this Section C.

C10.2 Where a Contributor elects under **clause 10.1** to leave his contributions in this Scheme under this Section C the total Employee Contributions and Employer Contributions of that Contributor at date of cessation of his service will remain to the Contributor's credit in accordance with the provisions of **Clause C9** and the pension will be paid to him from the Annuitants Scheme on attaining age 60 and the provisions of **Clause C11** shall apply.

C11 ENTITLEMENT TO PENSION

A Contributor shall be entitled at any time not earlier than three months before attaining the age of 60, to elect to receive from the Annuitants Scheme:

C11.1 Subject to any election made under the provisions of **Clause C12**, for the rest of his life commencing on the first day of the Month in which his election becomes effective or on the attainment of the age of 60, whichever is the later, a pension of such annual amount as has been purchased in accordance with the provisions of **Clause C7**; or

C11.2 Where the pension which has been purchased in accordance with the provisions of **Clause C7** before payment of any amounts referred to in **Clause C12.1** is less than \$520.00 per annum, in lieu of the pension a lump sum equal to the value of such pension.

C12 ELECTION TO SURRENDER PORTION OF PENSION AND RECEIVE CASH PAYMENT OR ANNUITY FOR WIDOW

If a Contributor elects to take the pension under **Clause C11**, the following options are available to him at the time he makes his election to take the pension:

C12.1 The Contributor may elect to surrender his right to not more than one- fourth of his pension payable under **Clause C11.1** and to receive in lieu thereof the payment of a sum equal to nine times the amount by which the annual pension is reduced pursuant to the surrender, or such other sum as may be required by law.

C12.2 A Contributor who is married may elect to surrender (subject to such evidence of good health as the Board may require) a portion of his pension (after the deduction from such pension of any amount surrendered by him in accordance with the provisions of **Clause C12.1**) in order to provide as from the later of his death, and the arrival of such date when payment of the pension which he has been receiving has become fully satisfied (whether by payment to the Contributor himself or the Widow) in respect of a minimum period of five years, such additional pension for his Widow as shall be determined by an actuarial calculation which shall

take account of the ages of the Contributor and his Wife, provided that the total of any Widow's pension and additional pension may not exceed the pension retained by the Contributor.

C13 ELECTION TO RECEIVE INCREASED PENSION

Where no election is made at the age of 60 to exercise the options under **Clause C11** and **Clause C12**, the Contributor may elect at any time to receive from the Annuitants Scheme an increased pension which will commence from the first day of the Month in which his election becomes effective, of such annual amount as is capable of being purchased in accordance with the provisions of **Clause C7**.

C14 PENSION WHERE CONTRIBUTOR RETIRES BY REASON OF PERMANENT INCAPACITY

C14.1 A Contributor on his retirement before attaining age 60, by reason of Permanent Incapacity, shall be entitled to exercise one of the following options:

C14.1.1 to receive from the Annuitants Scheme for the rest of his life a pension of such annual amount as has been purchased in accordance with the provisions of **Clause C7** but the Board in its discretion may reduce any such pension in proportion to the additional actuarial burden cast on this Scheme or the Annuitants Scheme by reason of its earlier commencement;

C14.1.2 to accept from this Scheme a refund of Employee Contributions payable (without interest) in lieu of a pension. The Employer Contributions shall be transferred to the Reserve Account;

C14.1.3 to defer making any election under **Clause C14.1.1** until a later date.

C14.2 For the purposes of **Clause C14** where the Contributor has been deemed Permanently Incapacitated on the certificates of at least two medical practitioners, approved by the Board, it will be established to the satisfaction of the Board that he has become Permanently Incapacitated.

PART V

DEATH BENEFITS

C15 BENEFITS WHERE CONTRIBUTOR DIES BEFORE PENSION COMMENCES

Where a Contributor dies before the date on which his pension is due to commence in accordance with an election made by him in that behalf, the following provisions shall apply:

C15.1 Upon his death his Widow shall be entitled at her election, to either:

C15.1.1 the payment from this Scheme (without interest) of all Employee Contributions under this Section C. The Employer Contributions shall be transferred to the Reserve Account; or

C15.1.2 a pension payable from the Annuitants Scheme for five years from the date of his death, equal to the total amount of pension purchased in accordance with the provisions of **Clause C7**; and thereafter to receive a Widow's pension of half the amount for the rest of her life, so long as she remains his Widow, subject to the following conditions:

C15.1.2.1 any pension payable to the Widow calculated under this Section C and payable from the Annuitants Scheme shall not be less than \$390 per annum;

C15.1.2.2 if a Widow remarries after attaining the age of 50 her Widow's pension shall not cease on remarriage;

C15.1.3 if the Widow dies or remarries prior to attaining the age of 50 before receiving pension payments equal to a minimum of five years' payments of the Contributor's pension payable under **Clause C15.1.2** the then present value of the remainder of such five years' payments shall be paid from the Annuitants Scheme to the Widow or to her estate as appropriate;

C15.1.4 if the Contributor dies without leaving a Widow or is a Bachelor or a single female all Employee Contributions shall be paid from this Scheme (without interest) to his or her estate. The Employer Contributions shall be transferred to the Reserve Account.

C16 BENEFIT WHERE CONTRIBUTOR DIES AFTER DATE ON WHICH PENSION COMMENCED

Where a Contributor dies after the date on which his pension was due to commence in accordance with an election made by him in that behalf, the following provisions shall apply:

C16.1 His Widow shall be entitled to receive from the Annuitants Scheme as from the date of his death a pension equal to the pension which the Contributor was receiving, and this pension shall be payable to her for any unexpired part of a period of five years from the date of commencement of his pension; and thereafter to receive a Widow's pension from the Annuitants Scheme of half the pension the Contributor was entitled to receive so long as she remains his Widow, together with any additional pension allocated under **Clause C12.2**, subject to the following conditions:

C16.1.1 any pension payable to the Widow calculated under this Section C and payable from the Annuitants Scheme shall not be less than \$390 per annum;

C16.1.2 if the Widow remarries after attaining the age of 50 her pension shall not cease on remarriage.

C16.2 If the Widow dies or remarries prior to attaining the age of 50 before both the Contributor and the Widow have received pension payments equal to a minimum of five years' payments of the pension which the Contributor was receiving prior to his death, then (as the case may be) either the remainder of such five years' payments shall continue to be paid to the Widow or the then present value of the remainder of such five years' payments shall be paid from the Annuitants Scheme to the estate;

C16.3 If the Contributor dies without leaving a Widow or is a Bachelor or a single female the then present value of any remainder of pension which would have been paid to the Contributor for a minimum period of five years from the date of commencement of his pension shall be paid forthwith from the Annuitants Scheme to his estate.

**C17 BENEFIT WHERE CONTRIBUTOR DIES AFTER ELECTION UNDER
CLAUSE C14**

Where a Contributor who has died after the date on which his pension was due to commence in accordance with an Election made by him on that behalf has elected to surrender a portion of that pension in accordance with **Clause C12.2** hereof the following provisions shall apply:

- C17.1 The Contributor's Widow shall be entitled to the payment of an additional pension for life as provided for in **Clause 12.2**, payable from the Annuitants Scheme and commencing from the later of the date of the Contributor's death, and the arrival of such date when payment of the pension which the Contributor has been receiving has become fully satisfied (whether payment to the Contributor himself or to the Widow) in respect of a minimum period of five years.
- C17.2 If the Widow dies before both the Contributor and the Widow have received an amount by way of pension payments equal to a minimum of five years' payments of the pension which the Contributor was receiving prior to death, the then present value of the remainder of the five years' payment shall be paid from the Annuitants Scheme to the Widow's estate.
- C17.3 If the Contributor dies after the Wife the then present value of the remainder of the pension which would have been paid to the Contributor for a minimum of five years from the date of commencement of pension shall be paid from the Annuitants Scheme to the Contributor's estate.

C18 CHILDREN'S ALLOWANCE

- C18.1 Notwithstanding anything hereinbefore contained, on the death of a Contributor, whether before or after retirement, leaving a child or children under the age of sixteen years, there shall be expended or paid from the Annuitants Scheme in respect of each such child till such child attains the age of sixteen years, an allowance at the rate of \$78 a year, provided that no allowance shall be payable in respect of any child in respect of whom an allowance is payable as the child of another deceased Contributor or member of any of the Board's schemes originally operated under Part III of the National Provident Fund Act 1950.
- C18.2 If any child in respect of whom the allowance is payable remains at school after attaining the age of 16 years, the allowance may be continued so long as the child remains at school until the end of the year in which the child attains the age of 18 years.
- C18.3 If any child in respect of whom the allowance is payable is by reason of physical or mental deficiency unable to maintain himself or herself and is not being maintained free of charge in a State institution, the allowance may thereafter be continued at the discretion of the Board.
- C18.4 Moneys payable under this **Clause C18** shall be expended by the Board for the benefit of the child in such manner as the Board thinks fit, or be paid to any person to be expended on behalf of the child in such manner as the Board directs.

PART VI**FINANCIAL****C19 METHOD OF PAYMENT OF PENSIONS**

- C19.1 Pensions will be paid by instalments in advance at intervals of four weeks or such other intervals as the Board in any case directs.

- C19.2 Every such instalment shall be payable to the pensioner personally unless the Board in its discretion directs that it shall be payable to some other person on behalf of the pensioner, provided that in any case where by reason of age or infirmity of the pensioner or for any other sufficient cause it is not convenient that payment be made to the pensioner personally, payment may be made to any person or bank account duly authorised by the pensioner to receive payment on his behalf.

C20 MINIMUM BENEFIT

The value of any benefit payable to or in respect of any Contributor shall not be less than that Contributor's Employee Contributions.

C21 RESERVE ACCOUNT

A Reserve Account shall be established for this Section C and shall be maintained from fall-in of employer subsidy not otherwise dispersed in accordance with the provisions of this Section C. Any credit in the Reserve Account shall attract interest at the earning rate of this Scheme and may be used at the discretion of the Board for the following purposes:

- C21.1 meeting all or part of the Employee Contributions of this Section C on an equitable basis;
- C21.2 meeting all or part of the Employer Contributions of this Section C;
- C21.3 increasing the retirement benefits of all Contributors of this Section C on an equitable basis;
- C21.4 providing benefits other than retirement benefits for all Contributors under this Section C on an equitable basis;
- C21.5 providing personal benefits for Contributors under this Section C or for their dependants in the case of hardship;
- C21.6 payment of the expenses of this Section C.

PART VII

BENEFIT ADJUSTMENT PROVISIONS

C22 ADJUSTMENTS TO BENEFIT WHERE NO ELECTION MADE

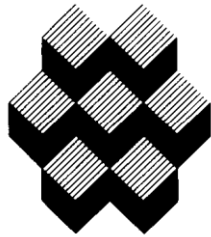
20/10/16

Where a Contributor or his Widow is in receipt of a pension under this Scheme that pension shall be subject to cost of living adjustments as if that pension was purchased through the Existing Local Authorities Standard Superannuation Scheme (now Section B, Section D and Section E of this Scheme).

TABLE

This table shows the amount of pension that will be purchased from age 60 by a single contribution of \$1.00 at the age shown in the first and last columns.

PART A			PART B		
Age	Male	Female	Age	Male	Female
15	.41906	.50223	60	.12522	.10845
16	.40520	.48322	61	.25043	.21689
17	.39173	.46491	62	.37565	.32534
18	.37864	.44728	63	.50086	.43378
19	.36595	.43031	64	.62608	.54223
20	.35365	.41397			
21	.34170	.39824			
22	.33011	.38309			
23	.31887	.36852			
24	.30799	.35447			
25	.29743	.34095			
26	.28719	.32794			
27	.27726	.31541			
28	.26766	.30335			
29	.25837	.29173			
30	.24939	.28055			
31	.24070	.26978			
32	.23229	.25942			
33	.22416	.24943			
34	.21632	.23981			
35	.20873	.23056			
36	.20139	.22165			
37	.19429	.21307			
38	.18743	.20481			
39	.18082	.19685			
40	.17444	.18919			
41	.16827	.18180			
42	.16230	.17469			
43	.15654	.16785			
44	.15098	.16125			
45	.14562	.15490			
46	.14041	.14880			
47	.13536	.14292			
48	.13048	.13725			
49	.12575	.13180			
50	.12115	.12655			
51	.11666	.12151			
52	.11228	.11667			
53	.10802	.11202			
54	.10387	.10754			
55	.09982	.10324			
56	.09584	.09913			
57	.09192	.09518			
58	.08806	.09139			
59	.08428	.08777			



NATIONAL PROVIDENT

ANNOTATED TRUST DEED FOR THE NURSING SERVICES SECTION OF THE DBP CONTRIBUTORS SCHEME

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TABLE OF CONTENTS

SECTION D	1
NURSING SERVICES SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED	1
PART I.....	1
GENERAL.....	1
D1 TITLE.....	1
D1A FMC Act.....	1
D2 DEFINITION AND CONSTRUCTION.....	1
D3 APPLICATIONS AND ELECTIONS TO BE IN WRITING.....	5
PART II	5
CONTRIBUTORS & CONTRIBUTORY SERVICE	5
D4 CONTRIBUTORS	5
D5 APPLICATION TO CONTRIBUTE IN RESPECT OF PREVIOUS SERVICE	6
D6 TRANSFER TO SECTION A NOT PERMITTED	6
D7 APPLICATION TO COUNT PREVIOUS SERVICE	6
D8 PERMITTED PERIOD OF ABSENCE FROM SERVICE OF CONTRIBUTING EMPLOYER ...	7
D9 RIGHT TO CEASE TO BE A CONTRIBUTOR	8
PART III.....	8
CONTRIBUTIONS	8
D10 DEFINITION OF SALARY	8
D11 CONTRIBUTIONS TO BE DEDUCTED FROM SALARY	9
D12 ELECTION TO CONTRIBUTE AT FLAT RATE OF 6 PERCENT	10
D13 CONTRIBUTIONS TO THE 60 PERCENT SCHEME.....	10
D14 ELECTION TO CONTRIBUTE ON HIGHER SALARY IF SALARY REDUCED	11
D15 PAYMENT FOR CONSTRUCTIVE CONTRIBUTORY SERVICE	11
D16 CONTRIBUTING EMPLOYER MAY PAY PORTION OF SUM PAYABLE FOR CONSTRUCTIVE CONTRIBUTORY SERVICE.....	12
D17 PAYMENT OF BALANCE DUE UPON RETIREMENT OR EARLIER DEATH OF CONTRIBUTOR.....	12
D18 CONTRIBUTIONS TO BE PAID BY CONTRIBUTING EMPLOYER	12
D19 ABSENCE OF CONTRIBUTOR FROM EMPLOYMENT	13
PART IV	13
CONTRIBUTOR'S BENEFITS ON RETIREMENT	13
D20 ENTITLEMENT TO A PENSION	13
D21 CALCULATION OF PENSION.....	14
D22 PENSION WHERE CONTRIBUTOR PERMANENTLY INCAPACITATED	16
D23 PENSION ON EARLY RETIREMENT.....	16
D24 ELECTION ON EARLY RETIREMENT TO TAKE PENSION AT AGE 60	17
D25 ELECTION TO SURRENDER PORTION OF PENSION AND RECEIVE CASH PAYMENT .	18
D26 ELECTION TO SURRENDER PORTION OF PENSION TO PROVIDE ANNUITY FOR DEPENDANT AFTER DEATH OF CONTRIBUTOR	19
D27 ELECTION TO RECEIVE VARIABLE PENSION	19
D28 ELECTION ON MARRIAGE AFTER RETIREMENT TO SURRENDER PORTION OF PENSION TO PROVIDE ANNUITY FOR SPOUSE.....	20

D29	ELECTION AT AGE 60 BEFORE RETIREMENT TO SURRENDER PORTION OF PENSION TO PROVIDE ANNUITY FOR DEPENDANT AFTER DEATH OF CONTRIBUTOR.....	20
D30	[RESERVED].....	21
D31	REJOINING NOT PERMITTED ON RE-EMPLOYMENT AFTER PAYMENT OF A PENSION HAS COMMENCED	21
D32	REFUND OF CONTRIBUTIONS ON CEASING SERVICE BEFORE ENTITLEMENT TO PENSION	21
D33	ELECTION TO REMAIN A CONTRIBUTOR AS A NURSE ENGAGED IN PRIVATE PRACTICE.....	21
D34	REACTIVATION OF PREVIOUS CONTRIBUTORY SERVICE.....	21
PART V	.....	23
DEATH BENEFITS	.....	24
D35	DEATH OF A CONTRIBUTOR.....	24
D36	CHILDREN'S ALLOWANCES.....	24
D37	PROVISIONS APPLYING TO ANNUITY TO SPOUSE OR DEPENDANT ON DEATH OF CONTRIBUTOR.....	24
PART VI	.....	25
FINANCIAL	.....	25
D38	METHOD OF PAYMENT OF PENSIONS AND ANNUITIES	25
D39	REFUND OF BALANCE OF CONTRIBUTIONS AFTER DEDUCTING BENEFITS PAYABLE	25
D40	MINIMUM BENEFIT	25
PART VII	.....	25
COST OF LIVING PROVISIONS	.....	25
D41	COMMENCEMENT AND APPLICATION	25
D42	ADJUSTABLE PENSIONS AND ANNUITIES	26
D43	PROVISION FOR ANNUAL ADJUSTMENT	26
D44	BASIS OF ANNUAL ADJUSTMENT.....	26
D45	AMOUNT OF ANNUAL ADJUSTMENT	26
D46	PERCENTAGE TO BE APPLIED TO ANY PENSION OR ANNUITY	26
D47	DATE OF QUALIFICATION	27
D48	INITIAL ADJUSTMENTS	27
D49	QUALIFYING YEAR.....	28
PART VIII	.....	28
PRE-AGE 60 COST OF LIVING	.....	29
D50	COMMENCEMENT.....	29
D51	INTERPRETATION	29
D52	APPLICATION OF THIS PART.....	29
D53	PROVISION FOR ANNUAL ADJUSTMENT	29
D54	INITIAL ADJUSTMENT.....	29
D55	PERCENTAGE OF ANNUAL ADJUSTMENT.....	29
D56	AMOUNT OF ANNUAL ADJUSTMENT	30
D57	CESSATION OF ADJUSTMENTS	30
D58	EFFECT OF PART VII.....	30
PART IX	.....	30

MISCELLANEOUS	30
D59 REDUCTIONS IN BENEFITS UNDER PART III SUPERANNUATION SCHEMES ACT 1989 (AS IT WAS PRIOR TO ITS REPEAL)	30

SECTION D**NURSING SERVICES SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED****PART I****GENERAL****D1 TITLE**

30/3/93 This Section D of this Deed shall be known as the “Nursing Services Section” of the DBP Contributors Scheme (the or this “Scheme”).

20/10/16 **D1A FMC Act**

D1A.1 For the purposes of the FMC Act:

D1A.1.1 this Scheme is treated as a trust established and governed by a trust deed interpreted and administered in accordance with New Zealand law;

D1A.1.2 and for the purposes of any other enactment, this Scheme must be treated as if it were registered on the register of managed investment schemes under the FMC Act as a restricted scheme that is a Superannuation Scheme; and

D1A.1.3 the Board is the 'manager' and the 'issuer' of the Scheme.

D2 DEFINITION AND CONSTRUCTION

D2.1 In this Section D, unless inconsistent with the context:

“Act” means the National Provident Fund Restructuring Act 1990;

30/3/93 “Actual Contributory Service” means:

- (a) service during a period of Nursing Service after an election to become a Contributor has taken effect and during the whole of which contributions have been paid to this Scheme in accordance with this Section D; and
- (b) service counted as Actual Contributory Service under **clause D7** or **clause D8**;

30/3/93 “Actuary” means a person who is a Fellow of the New Zealand Society of Actuaries, who has been appointed by the Board under **clause F26** of Section F of this Scheme, and whose appointment has not been terminated;

“Annuitants Scheme” means the DBP Annuitants Scheme established under section 41 of the Act;

30/3/93 “Beneficiary” means a natural person who is eligible to receive a benefit from this Section D or from the Annuitants Scheme calculated in accordance with this Scheme under this Section D;

30/3/93 “Benefit” means any lump sum, annuity, Pension, allowance, refund, or other payment arising from membership of this Scheme under this Section D and payable from this

Scheme or from the Annuitants Scheme;

“Board” means the National Provident Fund Board established under section 9 of the National Provident Fund Act 1950; as continued in existence by section 12 of the Act and renamed from 1 April 1991 by that section as the Board of Trustees of the National Provident Fund;

30/3/93
29/2/96

“Child” in relation to any Contributor means a child of that Contributor’s family and **“Children”** shall be construed accordingly;

“Constructive Contributory Service” means service which is counted as Constructive Contributory Service under **clause D5** and in respect of which contributions have been paid or agreed to be paid to this Scheme in accordance with this Section D;

30/3/93

“Continuously Contributing Member” means a Member who, having commenced to contribute within one year of commencing a course of training approved for the purposes of official registration, or within one year of the Member’s first State examination leading to such registration, remains a Member until the date of the Member’s Retirement;

30/3/93

“Contributing Employer” means an employer who is or was subsidising the contributions of a Contributor to this Scheme in accordance with **clause D18** after acceptance by the Board as a Contributing Employer;

30/3/93

“Contributor” means a person who for the time being is or was actually contributing to this Scheme under this Section D or in respect of whom a Contributing Employer is or was liable to make payments under **clause D19.1** and includes a person deemed to be a Contributor under **clause D8** or **clause D33**;

30/3/93

“Contributory Service” includes both Actual Contributory Service and Constructive Contributory Service but does not include any period in respect of which a lump sum payment is made in lieu of accrued annual leave or holiday or retiring leave or in respect of which a gratuity is paid;

30/3/93
29/2/96

“Dependant” in relation to a Contributor, means a person of the Contributor’s family (other than a Spouse or a Child of the Contributor) who is acknowledged by the Board as being financially dependent upon the Contributor;

30/3/93

“elect” means to elect in writing in accordance with the provisions of **clause D3**; and **“election”** has a corresponding meaning;

30/3/93
20/10/16

“Employee” means any person who is engaged to work or works under a contract of service or apprenticeship with an employer whether by way of manual labour, clerical or professional work or otherwise but does not include any person who would have been a 'shareholder-employee' (where a 'shareholder-employee', in relation to any income year and to any company, means any person who, at any time in that income year, is an officer or employee of that company and who (i) at any time in that income year holds 50 percent or more of the paid-up capital, or of the nominal value of the allotted shares, or of the voting power in that company; or (ii) at any time in that income year has, by any means whatsoever, control of that company; or (iii) by reason of his shareholding at the end of that income year would be entitled to 50 percent or more of the profits of that company for that income year if those profits were distributed by way of dividend at the end of that year);

- 30/3/93 **“Existing Defined Benefit Plan”** and **“Existing Nursing Services Superannuation Scheme”** have the meanings assigned to them in Recital A of this Deed;
- 30/3/93 **“Final Average Salary”** means the average rate of annual Salary on the basis of which a Contributor contributed to this Section D during the last five years immediately preceding the Contributor’s Retirement or, if the length of Contributory Service is less than five years, during Contributory Service;
- 30/3/93 **“financial year”** means the year from 1 April to 31 March, or such other period as may be the financial year of the Board;
- 30/3/93 **“marriage”** means, in the case of a Contributor who is legally married, the legal marriage and in the case of a Contributor who has a Spouse but is not legally married, the date which the Board determines as the date on which the Spouse became the Contributor’s Spouse and **“marry”** shall be construed accordingly;
- “Member”** means any person for the time being engaged in Nursing Service who, having been entered in the Scheme in accordance with the provisions of this Section D, has not withdrawn from this Scheme, and may without prejudice to the generality of the foregoing include a nurse, a dietician, a physiotherapist, an occupational therapist, and a community nurse;
- “Month”** means calendar month;
- 30/3/93 **“Nursing Service”** means the nursing of the sick or work allied or similar to the nursing of the sick, whether such nursing or allied or similar work is practised on the nurse’s own account, or in a voluntary institution or private hospital, or in an institution or under an organisation controlled wholly or partly by any area health board or other local authority, or public authority, or by the Government, and includes:
- (a) work connected with the convalescence of sick persons or the prevention of illness or disease;
 - (b) the holding of any appointment or engagement in any such institution or under any such organisation which has in the opinion of the Board been obtained by reason of nursing qualifications; and
 - (c) training in a manner approved for the time being by the Board for the purpose of becoming qualified for engagement in the nursing of the sick or work allied or similar to the nursing of the sick;
- 30/3/93 **“Pension”** means a non-assignable annual amount payable from the Annuitants Scheme to a Contributor on Retirement from Nursing Service in accordance with the provisions of this Section D;
- 30/3/93 **“Permanent Employee”** means an Employee who is in continuous employment with a Contributing Employer for at least one year (including former employment with a Contributing Employer or with the Government of New Zealand being government service as defined in the Government Superannuation Fund Act 1956) and is not employed for less than one half of full time salary, unless the Board decides otherwise; but any Employee who has been in continuous employment for less than one year may be deemed a Permanent Employee at the discretion of the Contributing Employer;

- 30/3/93 **“Permanent Incapacity”** means permanent physical or mental incapacity suffered by any person that is in the opinion of the Board of such extent that, having regard to the previous employment and other characteristics of that person, the person is unlikely to have a significant earning capacity in the future;
- 30/3/93 **“Refundable Contributions”** means in respect of a Contributor’s Contributory Service:
- (a) those contributions paid to this Section D by a Contributor under **clause D11**; plus
 - (b) those contributions, if any, paid to this Section D by a Contributor under **clause D7, clause D8, clause D12, clause D13, clause D14, clause D15, or clause D19**; plus
 - (c) in respect of Actual Contributory Service for the period or any part of the period between 1 April 1975 and 15 December 1975 there shall be included an amount of 1 per cent of the employee’s gross taxable earnings in lieu of the employer’s contributions for that period or part thereof;
- PROVIDED THAT** “Refundable Contributions” shall not include any interest paid or payable in respect of the aforesaid contributions;
- “Retirement”** means final termination of employment, however occasioned;
- 30/3/93 **“Salary”** has the meaning assigned to it under **clause D10** and where applicable includes any notional salary on which contributions are payable under **clause D14** or **clause D33**;
- 30/3/93 **“Section D”** and **“this Section D”** means this Section D of this Scheme and where necessary or appropriate includes the Existing Nurses Services Superannuation Scheme operated by the Board prior to 1 April 1991;
- 30/3/93
29/2/96 **“Spouse”**, in relation to a Contributor who is alive, means a woman or man to whom the Contributor is married and may include, whether or not the Contributor is legally married to another person, a woman or man whom the Board in its discretion regards as being the wife or husband or partner of the Contributor, being a woman or man who, although not legally married to the Contributor, has lived as that Contributor’s wife or husband or partner on a permanent domestic basis for such period as the Board determines;
- 30/3/93 **“Subsidised Service”** means:
- (a) Actual Contributory Service; and
 - (b) Constructive Contributory Service with respect to which the contributions required to be paid by the Contributor and the Contributing Employer have been paid;
- 20/10/16 **“Superannuation Scheme”** has the meaning given to it in the Act;
- 30/3/93
29/2/96 **“Surviving Spouse”**, in relation to a Contributor that has died, means a woman or man to whom that Contributor was married immediately before the Contributor’s death and may include, whether or not the Contributor was legally married to another person, a woman or man whom the Board in its discretion regards as having been the wife or husband or partner of the Contributor immediately before death, being a woman or man

who although not legally married to the Contributor had lived as that Contributor's wife or husband or partner on a permanent domestic basis for such period as the Board determines;

PROVIDED THAT where under the provisions of this Section D more persons than one have claims as the Surviving Spouse of any Contributor the total amount of any payment payable to them in respect of any Benefit to which one Surviving Spouse would be entitled may be divided by the Board between them in such shares and proportions as the Board from time to time thinks fit and in any case where they disagree regarding the making of an election under this Section D the Board may deem them to have made an election and the provisions of this Section D shall apply accordingly.

30/3/93 D2.2 Unless inconsistent with the context, terms not defined in this Section D but defined in the Act shall have the same meaning as in the Act, whether specific reference is made to the Act or not.

30/3/93 D2.3 In the construction of this Section D, unless inconsistent with the context, -

D2.3.1 references to **clauses** and Parts are to clauses and parts of this Section D;

D2.3.2 references to any statute, are references to the statute as from time to time amended and include substituted provisions that substantially correspond to those referred to and also include any regulations, Orders in Council and other instruments from time to time issued thereunder;

D2.3.3 the singular includes the plural and vice versa, and words importing any gender include the other genders except in **clause D20**;

D2.3.4 the headings and sub-headings appear as a matter of convenience and shall not affect the construction of this Section D.

D3 APPLICATIONS AND ELECTIONS TO BE IN WRITING

30/3/93 D3.1 Every application, election, notice of withdrawal and other notification given or required to be given by any person for the purposes of this Section D shall be in writing signed by the person and delivered to the Board, and shall be deemed to be made or given when it is received by the Board.

30/3/93 D3.2 Every notification given or required to be given by the Contributing Employer to the Board for the purposes of this Section D shall be in writing signed by a responsible officer on behalf of the Contributing Employer and delivered to the Board.

PART II

CONTRIBUTORS & CONTRIBUTORY SERVICE

D4 CONTRIBUTORS

30/3/93 D4.1 Subject to the terms of this Section D of this Scheme, persons who satisfy the requirements of section 38 of the Act may be Contributors to this Scheme. For ease of reference, a copy of section 38 (in the form as at 8 May 1992) is annexed to this Deed.

30/3/93 D4.2 Only contributors (within the meaning of section 41(4) of the Act) can be members of this Section D of this Scheme.

- 30/3/93
29/2/96 D4.3 This Section D is closed to new Contributors and to rejoining Contributors as from 1 January 1996.
- 30/3/93 **D5 APPLICATION TO CONTRIBUTE IN RESPECT OF PREVIOUS SERVICE**
- 30/3/93 D5.1 On the application of a Contributor before attaining the age of 50 or within six months after becoming a Permanent Employee, whichever is the later, and subject to the payment of the sums payable under **clause D15** and **clause D16**, the Board may in its discretion allow to be counted as Constructive Contributory Service such service, period of study, or experience as is specified in **clause D5.2** and **clause D5.3**;
- PROVIDED THAT** nothing in this **clause D5** shall prevent the Board in its discretion from accepting and approving an application in that regard from a Contributor whose age exceeds 50 if in the opinion of the Board there are exceptional circumstances.
- 30/3/93 D5.2 The whole or any part of service in the employment of:
- D5.2.1 any past or present Contributing Employer; or
- D5.2.2 the New Zealand Government being government service as defined in the Government Superannuation Fund Act 1956; or
- D5.2.3 the Government of Samoa, the Western Samoa Trust Estate Corporation, or the Bank of Western Samoa prior to the 12th day of August 1972.
- 30/3/93 D5.3 The whole or any part (not exceeding in the aggregate five years) of:
- D5.3.1 service in the employment of the Government of any territory within the Commonwealth other than New Zealand;
- D5.3.2 a course of study leading to some recognised degree or diploma or certificate and including apprenticeships which in the opinion of both the Contributing Employer and the Board is or has been of substantial benefit to the performance of the applicant's duties while a Contributor; or
- D5.3.3 experience as a practitioner, tradesperson, or employee in a type of work providing a specialised skill or knowledge which in the opinion of both the Contributing Employer and the Board is or has been of substantial benefit to the performance of the applicant's duties while a Contributor.
- D6 TRANSFER TO SECTION A NOT PERMITTED**
- 30/3/93
29/2/96 No Contributor may transfer from this Section D to Section A of this Scheme after 1 January 1996.
- 30/3/93 **D7 APPLICATION TO COUNT PREVIOUS SERVICE**
- 30/3/93 D7.1 A Contributor who:
- D7.1.1 was previously contributing to the Government Superannuation Fund or to a superannuation scheme (as defined in the Act) recognised by the Board as providing benefits substantially equivalent to those under this Section D; and
- D7.1.2 has not taken a refund of contributions from that fund or other scheme; and

D7.1.3 is not receiving a pension from that fund or other scheme;

may apply to the Board within six months of the commencement of service with the Contributing Employer to have such previous service in relation to which contributions have been made counted as Actual Contributory Service.

30/3/93 D7.2 The Board may in its discretion and subject to the payment of such sums as the Board thinks fit allow the whole or a portion of the previous service to which **clause D7.1** applies to be counted as Actual Contributory Service.

D8 PERMITTED PERIOD OF ABSENCE FROM SERVICE OF CONTRIBUTING EMPLOYER

30/3/93 D8.1 Where a Contributor ceases to be in the service of a Contributing Employer before the Contributor becomes entitled to a Pension under this Section D and does not accept a refund of Refundable Contributions under **clause D32** the Contributor may remain a Member of this Section D for a period (in this **clause D8** referred to as “the permitted period of absence”) commencing on the day following the date on which the Contributor terminates service with the Contributing Employer and terminating on the expiry of a period of 18 months from that day or when the Contributor re-enters the service of the Contributing Employer or enters the service of another Contributing Employer and recommences contributing to this Scheme under this Section D, whichever first happens;

PROVIDED THAT the Board may in its discretion extend the permitted period of absence for such further period as it may allow or determine in any case.

30/3/93 D8.2 If the Contributor during the permitted period of absence pays or causes to be paid to this Section D in respect of the permitted period of absence such sums as the Board in its discretion may determine and at the times and in the manner agreed to by the Board, the Contributor shall be entitled to count the permitted period of absence as Actual Contributory Service;

PROVIDED THAT if the Contributor so elects, payment of the sums to be paid under this **clause D8** may be delayed until the Contributor returns to the service of a Contributing Employer and then be paid as approved by the Board, subject to the payment of interest at a rate to be fixed by the Board, but if payment is so delayed no person shall be entitled during the permitted period of absence to any of the Benefits under **clause D20, clause D22, clause D23, clause D24, clause D35 or clause D36** in respect of the Contributor.

30/3/93 D8.3 Where the Contributor after taking no longer than the permitted period of absence re-enters the service of the same or enters the service of another Contributing Employer, recommences contributions to this Scheme under this Section D, and elects not to pay the sums required under this **clause D8** in respect of the permitted period of absence, the following provisions shall apply:

D8.3.1 the former period of Contributory Service is reactivated in full and is added to current Contributory Service; and

D8.3.2 the permitted period of absence is treated as a period of non-contributory service and cannot be bought back at a later date.

30/3/93 D8.4 Notwithstanding the provisions of **clause D8.3** where the permitted period of absence is not more than three months the Contributor shall be required to meet the personal contributions and the contributions due from the Contributing Employer required to bridge the break in Contributory Service.

30/3/93 D8.5 The contribution rate applicable before the Contributor took a permitted period of absence shall, upon resumption of contributions to this Scheme under this Section D with a Contributing Employer, be retained.

D9 RIGHT TO CEASE TO BE A CONTRIBUTOR

30/3/93 D9.1 Subject to the conditions of a Contributor's employment any Contributor may at any time give notice in writing of intention to cease to be a Contributor from a date nominated by the Contributor.

D9.2 On the expiration of six months from the giving of any such notice, the Contributor shall cease to be a Contributor, and shall be entitled to receive from this Scheme a refund of Refundable Contributions;

PROVIDED THAT no person who becomes a Contributor on or after 1 April 1985 shall be entitled to receive any refund of the type provided under this **clause D9.2** while remaining in service.

30/3/93 D9.3 Any person who has ceased to be a Contributor pursuant to this **clause D9** shall not at
29/2/96 any future time whether in respect of the same or any other employment become a Contributor.

30/3/93 D9.4 Contributions due from the Contributor and the Contributing Employer are to be remitted by the Contributing Employer up to the nominated date of the Contributor ceasing to contribute to this Section D.

D9.5 Notice of intention to cease to be a Contributor may be revoked by a further notice in writing prior to the expiration of the period of six months prescribed in **clause D9.2**.

PART III

CONTRIBUTIONS

D10 DEFINITION OF SALARY

30/3/93 D10.1 For the purposes of this Section D "Salary" shall be deemed to include;

D10.1.1 wages;

D10.1.2 any bonus paid as a permanent addition to salary and approved by the Board;

D10.1.3 any allowance or the value of any concession or benefit provided to the Contributor by the Contributing Employer and approved by the Board;

D10.1.4 payments during or in respect of annual leave, holiday or retiring leave taken as such by the Contributor during employment by the Contributing Employer.

30/3/93 D10.2 For the purpose of this Section D "Salary" shall not include:

D10.2.1 payment for overtime work;

D10.2.2 any bonus other than a bonus approved under **clause D10.1.2**;

D10.2.3 any allowance or the value of any concession or benefit not approved by the Board under **clause D10.1.3**;

D10.2.4 any lump sum or other payment on Retirement in lieu of accrued annual leave, holiday or retiring leave not taken as such during employment;

D10.2.5 any gratuity paid on Retirement under section 6 of the Finance Act (No 2) 1941 or any other enactment;

D10.2.6 any exceptionally large increment during the last five years immediately preceding Retirement if in the opinion of the Board it was not earned or justified by added duties, responsibilities, or qualifications or by any other change in conditions of employment.

- 30/3/93 D10.3 If any question arises as to what remuneration or payment in money or money's worth or otherwise is included or is not included in the Salary of any Contributor for the purposes of this **clause D10** or as to the value of any Salary received or enjoyed otherwise than as money, such question may be decided by the Board, and its decision shall be final.
- 30/3/93 D10.4 In particular there may be included as Salary if the Board in any particular case approves, the value of any concession or benefit, whether free of charge or otherwise, in respect of a Contributor's employment by way of board or lodging or by the use of a house or by way of an allowance instead of so being provided with board or lodging or the use of a house, on or subject to such conditions as the Board may impose and at such rate as it may think fit.
- 30/3/93 D10.5 For the avoidance of doubt, where a Salary includes the value of any concession or benefit, the value of the concession or benefit will be deemed to be Salary paid to the Contributor as and when the concession or benefit is received or enjoyed by the Contributor.

D11 CONTRIBUTIONS TO BE DEDUCTED FROM SALARY

- 30/3/93 D11.1 The Contributing Employer shall deduct from every payment of Salary made to a Contributor for employment by the Contributing Employer or in respect of a period during that employment the Contributor's contributions at the appropriate percentage determined, subject to **clause D12** and **clause D13**, according to the following table:

Table of Deductions

Age of Contributor at Commencement of Actual Contributory Service	
Percentage of Salary	
Under 30	6
30 and under 35	7
35 and under 40	8
40 and under 45	9
45 and under 50	10
50 and over	11

- 30/3/93 D11.2 A Contributor shall be deemed to attain the age of 30 on the thirtieth anniversary of birth, and the other ages referred to in the above table shall be calculated respectively in

the same manner.

D12 ELECTION TO CONTRIBUTE AT FLAT RATE OF 6 PERCENT

- 30/3/93 D12.1 Subject to **clause D12.5**, any Contributor may at any time elect that the Contributor will, in lieu of contributing on the basis of the scale of contributions set out in **clause D11**, contribute on the modified basis of the flat rate of 6 percent of Salary, so that there will be payable Benefits in relation to the proportion that 6 percent bears to the contribution rate payable under **clause D11**. Every election to contribute at the rate of 6 percent made at the time when the Contributor joins this Section D shall take effect from the date from which contributions commence, and in every other case shall take effect at the expiry of six months from the making of the election.
- 30/3/93 D12.2 Subject to **clause D12.5**, any Contributor contributing at the flat rate of 6 percent in terms of **clause D12.1** may at any time elect to contribute at the full rate under **clause D11**. Every such election shall take effect at the expiry of six months from the making of the election.
- 30/3/93 D12.3 Subject to the consent of the Board any Contributor electing to change from the flat rate of 6 percent may at the time elect to contribute at the full rate under **clause D11** in respect of the whole or any part of the period when the Contributor's contributions were made at the flat rate of 6 percent.
- 30/3/93 D12.4 In every case under **clause D12.3** the Contributor shall make good to this Scheme under this Section D the balance of the contributions from the Contributor and the Contributing Employer that would have been received had the Contributor contributed at the full rate under **clause D11** with interest at such rate as may be determined by the Board, and upon payment of this amount in full the Board shall count the period of service to which the Contributor's election relates as Subsidised Service purchased at the full contribution rate.
- 30/3/93 D12.5 No Contributor may change the Contributor's basis of contributions whether as set out in this **clause D12** or as set out in **clause D13** more than three times during the whole of the Contributor's Contributory Service.
- D12.6 Where the Contributor contributes at the flat rate of 6 percent during any period, every Pension, allowance or annuity payable to any person by reason of the contributions made by or on behalf of the Contributor for that period shall be reduced to the proportion that 6 percent bears to the full contribution rate.

D13 CONTRIBUTIONS TO THE 60 PERCENT SCHEME

- D13.1 Notwithstanding the provisions of **clause D11** those Contributors who were as at 31st March 1975 contributing on a 60 percent basis may continue to contribute on such basis.
- 30/3/93 D13.2 Subject to **clause D12.5**, any Contributor contributing on the 60 percent basis may at any time elect to contribute on a 100 percent basis under **clause D11**. Every such election shall take effect at the expiry of six Months from the making of the election.
- 30/3/93 D13.3 Where the Contributor contributes on a 60 percent basis during any period of Contributory Service the Contributor's contributions for that period shall be 60 percent of the contributions prescribed by **clause D11**.
- 30/3/93 D13.4 Where a Contributor contributes on a 60 percent basis during any period of Contributory Service, every Pension, allowance or annuity payable to any person by reason of the

Contributor contributing for that period shall be reduced to 60 percent thereof whether or not it is payable at a minimum rate prescribed by this Section D.

- 30/3/93 D13.5 Subject to the consent of the Board any Contributor electing to change from the 60 percent basis to the 100 percent basis under **clause D11** may at the same time elect to contribute on the 100 percent basis under **clause D11** in respect of the whole or any part of the period of contributions on the 60 percent basis.
- 30/3/93 D13.6 In every case to which **clause D13.5** applies the Contributor shall make good to this Scheme under this Section D the balance of the contributions from the Contributor and the Contributing Employer that would have been received had the Contributor contributed on the 100 percent basis under **clause D11**, with interest at such rate as may be determined by the Board and upon payment to Section D in full the Board shall count the period of service to which the election relates as Subsidised Service purchased at the full rates under **clause D11**.

D14 ELECTION TO CONTRIBUTE ON HIGHER SALARY IF SALARY REDUCED

- 30/3/93 D14.1 Where for any reason other than misconduct or a permanent reduction in normal hours of duty, a Contributor's Salary is reduced (whether by reason of transfer or appointment to another position with the same Contributing Employer or another Contributing Employer or otherwise), the Contributor may within three months of the date when such reduction first took effect elect to have the aggregate amount of deductions from the Contributor's Salary and contributions from the Contributing Employer maintained as if that Salary had not been so reduced, and in that event the Contributor shall on Retirement be entitled to have the Contributor's Pension (if any) computed as if the Salary had not been so reduced;

PROVIDED THAT the election shall be subject to the consent of the Contributing Employer, and if any break in employment between Contributing Employers exceeds three months, to the consent of the Board;

AND FURTHER PROVIDED THAT if the Salary of a Contributor who has so elected is thereafter notionally increased from time to time in accordance with general increases fixed under a salary or wage fixing procedure the amount deducted from that Salary shall be based on the Salary as if it had not been reduced and had been increased by such notional increases unless and until the Salary actually paid exceeds the notional salary on which deductions were made.

- 30/3/93 D14.2 Where payments are made under **clause D14.1** on a notional salary, the amount of the contributions which would be required from the Contributing Employer if the notional salary were actual Salary shall be paid by the Contributor or the Contributing Employer in such proportions as agreed by those parties.

D15 PAYMENT FOR CONSTRUCTIVE CONTRIBUTORY SERVICE

- D15.1 There shall be payable to this Scheme under this Section D in respect of each period of service, study or experience counted as Constructive Contributory Service under **clause D5** such sums as the Board may in each case determine, having regard to the additional prospective burden on this Scheme or the Annuitants Scheme of Benefits due to the counting of such period.
- 30/3/93 D15.2 The sums payable under **clause D15.1** or such portions thereof as the Board may in any case direct, together with interest thereon at a rate to be fixed by the Board, shall be paid

at the direction of the Board either by deductions from the Contributor's Salary or by the payment by the Contributor of one sum or instalments to the Contributing Employer for transmission to the Board.

D16 CONTRIBUTING EMPLOYER MAY PAY PORTION OF SUM PAYABLE FOR CONSTRUCTIVE CONTRIBUTORY SERVICE

D16.1 In respect of each Contributor who makes an application under **clause D5** which is allowed by the Board, the Contributing Employer may if it has legal power to do so agree with the Board to pay from its own funds a portion of the sums determined by the Board under **clause D15**;

PROVIDED THAT any amounts so paid by the Contributing Employer shall not form part of the Contributor's Refundable Contributions.

30/3/93 D16.2 The moneys payable under this **clause D16** shall be paid to this Section D in one sum within three months of receipt by the Contributing Employer of notification of the sum payable;

PROVIDED THAT if within those three months the Contributing Employer notifies the Board in writing of its intention so to do, the Contributing Employer may pay the said sum by equal monthly or four-weekly instalments extending over a period to be stated in the Contributing Employer's notification and not to exceed 10 years, with interest at a rate to be fixed by the Board, and the Board shall notify the Contributing Employer of the amount of the monthly or four-weekly payment required so to discharge the said sum with interest. The first of such monthly or four-weekly payments shall fall due and be payable on the last day of the monthly or four weekly accounting period in which the said Contributing Employer's notification is given and **clause D18** shall apply to any such payment as if it were payable for the monthly or four-weekly period on the last day of which it falls due.

D17 PAYMENT OF BALANCE DUE UPON RETIREMENT OR EARLIER DEATH OF CONTRIBUTOR

30/3/93 If upon the Retirement or earlier death of the Contributor the sums payable under **clause D7**, **clause D8**, **clause D15**, **clause D16** or **clause D18** have not all been paid, the balance shall thereupon become due and may be deducted from any Benefits payable under this Section D or the Annuitants Scheme to or in respect of the Contributor or collected as the Board may direct, or the Board may in its discretion disallow any Contributory Service in respect of which contributions or payments have not been made.

D18 CONTRIBUTIONS TO BE PAID BY CONTRIBUTING EMPLOYER

30/3/93 D18.1 There shall be paid into this Scheme under this Section D by the Contributing Employer:

D18.1.1 the amounts deducted from Salary in accordance with **clause D11**;

D18.1.2 an amount payable out of the Contributing Employer's own funds equal to one hundred and seventy percent of the amounts specified in **clause D18.1.1**;

20/10/16 **PROVIDED THAT** a Contributing Employer that was accepted under section 58 of the National Provident Fund Act 1950 (before its repeal) shall pay such greater amounts as the Board may direct;

D18.1.3 the amounts deducted from Salary or paid by the Contributor for transmission to this Scheme under **clause D8** or **clause D15**;

D18.1.4 any sums payable in respect of Constructive Contributory Service under **clause D16** or **clause D19**;

D18.1.5 any additional money payable by the Contributing Employer under **clause D23.4**;

D18.1.6 any money payable by the Contributing Employer under **clause D24**;

30/3/93 D18.2 All money payable by the Contributing Employer under **clause D18.1** shall be due on the last day of each four-weekly or monthly accounting period.

D18.3 Interest at a rate determined by the Board may be charged as from the due date thereof on any amounts unpaid after the expiration of the 20th day in the calendar Month following that date.

D19 ABSENCE OF CONTRIBUTOR FROM EMPLOYMENT

30/3/93 D19.1 Subject to **clause D19.3**, the absence of a Contributor from employment pursuant to leave of absence granted by the Contributing Employer whether with or without pay, shall not affect the liability of the Contributing Employer to make the several payments which would otherwise be payable under the provisions of **clause D16** or **clause D18**, but this provision is without prejudice to the incidence of liability between the Contributing Employer and the Contributor in respect of any of these payments.

30/3/93 D19.2 Notwithstanding the provisions of **clause D19.1** a Contributor who is granted leave of absence for a period in excess of three months may elect in accordance with **clause D8** to reactivate previous Contributory Service on return to service by recommencement of contributions to this Section D (in which case **clause D19.1** will not apply);

PROVIDED THAT such election must be made before the leave of absence commences unless the Board otherwise permits.

30/3/93 D19.3 In respect of any Contributor who is granted leave of absence for a period in excess of three Months, the Contributing Employer shall not be required to make the payments referred to in **clause D19.1** except in respect of the initial period of three Months or such other initial period as may be agreed by the Contributing Employer and the Contributor (the "initial period"), and in the event that the Contributing Employer makes no other payments other than in relation to the initial period, the Contributor shall be deemed to have ceased to be in the service of the Contributing Employer at the end of the initial period and to have elected to leave contributions in this Scheme under this Section D on a contingent basis under **clause D34**.

PART IV

30/3/93 CONTRIBUTOR'S BENEFITS ON RETIREMENT

D20 ENTITLEMENT TO A PENSION

30/3/93 D20.1 There shall be payable to a Contributor with Actual Contributory Service which
1/04/21 commenced after 30 June 1963:

D20.1.1 at any time after attaining the age of 65; or

D20.1.2 on Retirement at any time after attaining the age of 60,

a Pension for the rest of the Contributor's life.

D20.2 Subject to **clause D20.3** there shall be payable to a female Contributor with Actual Contributory Service which commenced before the 1st day of July 1963 on her Retirement at any time:

D20.2.1 after attaining the age of 55; or

D20.2.2 after attaining the age of 50 having completed 30 years' Contributory Service, a Pension for the rest of her life.

30/3/93 D20.3 Where a Contributor has Actual Contributory Service which commenced before the 1st day of July 1963 solely by reason of service while contributing to the Government Superannuation Fund allowed by the Board under **clause D7**, the Contributor's right to a Pension shall be the same as the Contributor's prospective right to a Pension (subject where appropriate to the provision for an actuarial reduction) existing under the Government Superannuation Fund Act 1956 at the date of termination of membership of that fund;

PROVIDED THAT nothing in this **clause D20.3** shall entitle the Contributor to a Pension at any earlier date than would have been the case if **clause D20.2** applied to the Contributor.

D21 CALCULATION OF PENSION

30/3/93 D21.1 The Pension payable under **clause D20** shall be payable from the Annuitants Scheme and shall be of an annual amount being the sum of two portions made up as follows:

D21.1.1 the first portion shall be one one-hundred-and-twentieth part of the Contributor's Final Average Salary for each year of the Contributor's Contributory Service, with a proportionate addition for any additional part of a year of Contributory Service; and

D21.1.2 the second portion shall be one one-hundred-and-twentieth part of the Contributor's Final Average Salary for each year of the Contributor's Contributory Service, with a proportionate addition for any additional part of a year of Contributory Service;

PROVIDED THAT the number of years of Contributory Service under this **clause D21.1.2** shall not exceed forty and if this proviso applies the forty years of Contributory Service shall be the first forty years of such service;

AND PROVIDED FURTHER THAT where the Contributor's Contributory Service is or includes a period or periods of employment otherwise than on a full time basis, the length of Contributory Service shall be reduced proportionately to the extent that the Board may determine in each case. For the purposes of determining whether reduced Contributory Service occurs before 1 April 1990 or after 31 March 1990 this Scheme shall be read as if the provisions of this proviso relating to the reduction in length of Contributory Service were omitted.

D21.2 In the case of a Continuously Contributing Member there shall be added to the periods used for computation of the amount of the Pension under **clause D21.1.1** and **clause D21.1.2** any period passed in a course of training approved for the purposes of official registration, but not in any case exceeding twelve months.

D21.3 Every Pension payable under this Section D the first instalment of which is payable after 31 March 1990, shall (before any election is made by the Contributor under **clause D25.1**) be adjusted as follows:

D21.3.1 that part of the Pension which relates to Contributory Service before 1 April 1990 shall be multiplied by the fraction -

$$\frac{t}{(12 - \frac{5}{15})}$$

where t equals the number of complete years (and for any part year, the fraction of that year) which will elapse from 1 April 1990 up until the day on which the first instalment of the Pension is payable (both days inclusive);

PROVIDED THAT the value of t shall not exceed 20;

D21.3.2 that part of the Pension which relates to Contributory Service after 31 March 1990 shall be multiplied by the fraction -

$$\frac{8}{15}$$

30/3/93

D21.4 In addition to the adjustment under **clause D21.3** any Pension (the first instalment of which is payable after 31 March 1990 but before 1 April 1992) shall be further adjusted (after any election has been made by the Contributor under **clause D25.1**) so as to be the average of the amounts calculated under **clause D21.4.1** and **clause D21.4.2** below:

D21.4.1 y multiplied by z

Where:

y is the number of complete years (and for any part year, the fraction of that year) which will elapse from the day after the first instalment of the Pension is payable up until 31 March 1992 (both days inclusive); and

z is the amount of the Pension payable (as computed before the adjustment is made under **clause D21.3** but after any election has been made by the Contributor under **clause D25.1**) after the Pension has been reduced according to the following scale:

On so much of that Pension as:	Reduction:
Does not exceed \$9,500	15%
Exceeds \$9,500 but does not exceed \$30,875	28%
Exceeds \$30,875	33%

D21.4.2 the number of complete years (and for any part year, fraction of that year) which will elapse from 1 April 1990 up until the day on which the first instalment of the Pension is payable (both days inclusive) multiplied by the amount of the Pension (as adjusted under **clause D21.3** and after any election

has been made by the Contributor under **clause D25.1**).

30/3/93
29/2/96

D21.5 For the purposes of **clause D21.3** and **clause D21.4**:

20/10/16

D21.5.1 in determining whether Contributory Service occurs before 1 April 1990 or after 31 March 1990, this Section D shall be read as if the provisions of **clause D34.4** which deem Contributory Service to have occurred at a time (as specified in that clause) have been omitted;

D21.5.2 any period taken into account under the proviso to **clause D24.5** for the purposes of computing a Pension shall be deemed to be Contributory Service.

D22 PENSION WHERE CONTRIBUTOR PERMANENTLY INCAPACITATED

30/3/93

D22.1 There shall be payable to a Contributor on Retirement on the grounds of Permanent Incapacity a Pension the amount of which shall be calculated under **clause D21** and payable from the Annuitants Scheme.

30/3/93

D22.2 Where any Contributor has retired and is receiving a Pension under this **clause D22**, the Board may from time to time require such proof of continuation of Permanent Incapacity as it deems necessary.

30/3/93

D22.3 The Board as trustee of the Annuitants Scheme may in its discretion reduce, suspend or cancel any Pension to which a person is entitled under this **clause D22** if:

D22.3.1 the Contributor resumes employment whether with the Contributing Employer or elsewhere, or becomes gainfully self-employed; or

D22.3.2 the Contributor fails without sufficient justification to submit to a request to undergo a medical examination when and as often as required by the Board.

D22.4 The Board may in its discretion vary or revoke any decision made by it under this **clause D22**.

30/3/93

D22.5 No Pension payable under this **clause D22** shall be reduced, suspended, or cancelled after the date on which the Contributor would have become entitled under **clause D20** to receive a Pension on Retirement had the Contributor not sooner retired on the grounds of Permanent Incapacity. Any decision by the Board to reduce or suspend any such Pension shall cease to apply after that date, and where a Pension has been reduced or suspended it shall be reinstated as from that date.

D23 PENSION ON EARLY RETIREMENT

30/3/93

D23.1 On the Retirement of a Contributor after attaining the age of 55 the Board may in its discretion grant a Pension for the rest of the Contributor's life.

PROVIDED THAT in the case of a Contributor with Actual Contributory Service which commenced before the 1st day of July 1963, the Board may grant a Pension under **clause D23.1** on Retirement after attaining the age of 45; and

PROVIDED FURTHER THAT any Retirement under this **clause D23.1** shall be with the consent of the Contributing Employer.

30/3/93

D23.2 On the Retirement of a Contributor after attaining the age of 50 having completed not

less than 20 years' Contributory Service, the Contributor may be granted a Pension for the rest of the Contributor's life, subject to the consent of both the Contributing Employer and the Contributor, and subject also to the approval of the Board.

- 30/3/93 D23.3 The amount of any Pension granted under this **clause D23** shall be calculated under the provisions of **clause D21** and payable from the Annuitants Scheme, but the Board may in its discretion reduce any such Pension in proportion to the additional actuarial burden cast upon this Scheme or the Annuitants Scheme by reason of such Pension's earlier commencement.
- 30/3/93 D23.4 Where a Pension is granted under this **clause D23**, the Contributing Employer may, if it has legal power to do so, make a further contribution under this Section D in respect of the Contributor notwithstanding that the Contributor is no longer in its employment, in order to offset in whole or in part the actuarial reduction imposed on that Pension under **clause D23.3** and the provisions of **clause D18** shall apply to such contribution.
- 30/3/93 D23.5 In any case to which **clause D22** and this **clause D23** may both apply, it shall be in the discretion of the Board whether a Pension as provided by **clause D22** or a Pension as provided by this **clause D23** is granted to the Contributor.

D24 ELECTION ON EARLY RETIREMENT TO TAKE PENSION AT AGE 60

- 30/3/93 D24.1 Any Contributor:
- D24.1.1 whose employment with the Contributing Employer ceases after attaining the age of 40 and before becoming entitled to a Pension under **clause D20**, and in the opinion of the Board for reasons other than misconduct;
- D24.1.2 who, at the date when that employment ceases, has completed, whether continuously or intermittently, not less than 20 years' Subsidised Service;
- D24.1.3 who does not receive a Pension under **clause D22** or **clause D23**; and
- D24.1.4 who does not accept a refund of Refundable Contributions under **clause D32**:
- may within one month after ceasing to be a Contributor elect to take a Benefit calculated under this **clause D24**.
- 30/3/93 D24.2 Any such person shall, if that person states an intention in the election, pay as contributions to this Scheme until the date referred to in **clause D24.4**, amounts equal to the portion of the Salary which would have been deducted therefrom under **clause D11** if that person's employment had continued and Salary had remained the same as at the date of the termination of employment. If any election is made as aforesaid, the Contributing Employer shall in respect of that person continue to pay out of its own funds until the date referred to in **clause D24.4**, the amount that would have been payable out of those funds under **clause D18** if that employment had continued.
- D24.3 All contributions by such person shall become due on the last day of each calendar month and shall be paid within 20 days thereafter.
- 30/3/93 D24.4 There shall be payable to any such person who complies with the provisions of **clause D24.2** on attaining age 60 a Pension for the rest of that person's life computed in accordance with the provisions of **clause D21** and payable from the Annuitants Scheme;

PROVIDED THAT for the purpose of computing the amount of the Pension the following provisions shall apply:

D24.4.1 Final Average Salary shall be computed as if employment had continued throughout the period in respect of which contributions were made under **clause D24.2** and Salary had remained the same as at the termination of employment; and

D24.4.2 the period in respect of which the Contributor and the Contributing Employer made contributions under **clause D24.2** shall be taken into account as if it were a period of Contributory Service and Subsidised Service.

30/3/93 D24.5 There shall be payable from the Annuitants Scheme to any person who elects to take the benefit of this **clause D24** and who does not elect to make the payments referred to in **clause D24.2** on attaining the age of 60, a Pension for the rest of that person's life the said Pension to be calculated under **clause D21**;

PROVIDED THAT in respect of any such person the Contributing Employer may in its discretion continue to pay out of its funds any of the payments referred to in **clause D18.1.4** or **clause D18.1.5** and in that case the period in respect of which the payments are made shall be taken into account in calculating the Pension.

30/3/93 D24.6 On proof to the satisfaction of the Board that any person who has elected to take the benefit of this **clause D24** would on any date if that person were still in the Nursing Service be entitled to retire or to have retired on the grounds of Permanent Incapacity, there shall be payable to that person as from that date a Pension for the rest of that person's life payable from the Annuitants Scheme and calculated as provided in **clause D24.4** or **clause D24.5** as the case may be, but subject to review from time to time as provided in **clause D22**.

D25 ELECTION TO SURRENDER PORTION OF PENSION AND RECEIVE CASH PAYMENT

30/3/93 D25.1 Where any Contributor becomes entitled to a Pension under **clause D20**, **clause D22**, **clause D23** or **clause D24**, or where the Contributor would have been entitled to a Pension if the Contributor had retired on the date of the Contributor's election, the Contributor may elect to surrender the Contributor's right to a specified portion not being more than one-quarter of the Contributor's Pension and to receive from the Annuitants Scheme instead payment of a sum equal to nine times the amount by which the Contributor's annual Pension is reduced pursuant to the surrender;

PROVIDED THAT in respect of any Pension the first instalment of which is payable to the Contributor after 31 March 1990:

D25.1.1 the payment from the Annuitants Scheme shall be equal to eleven and one quarter times the amount surrendered;

D25.1.2 the amount of the Pension under this **clause D25.1** shall be deemed to be the Pension before the effect of any adjustment under **clause D21.4**.

30/3/93 D25.2 No Contributor shall anticipate the right under this **clause D25** where the Pension payable is to commence from any date after the day following the termination of employment.

- 30/3/93 D25.3 An election under this **clause D25** may be made by a Contributor at any time within three months immediately preceding the date of becoming entitled to a Pension. Where an election is made before that date it shall be deemed to have been made on the earliest day on which the Contributor would be entitled to a Pension calculated under this Section D if the Contributor was living and retired on that day.
- 30/3/93 D25.4 Where a Contributor has made an election, under this **clause D25** or under a substantially equivalent provision in any scheme under which the Contributor was previously contributing, in respect of any previous period of Contributory Service, the amount previously surrendered may be taken into account in calculating the proportion of the Pension which the Contributor may elect to surrender.
- 30/3/93 D25.5 On the making of an election under **clause D25** the Pension payable to the Contributor shall be reduced by the same proportion as that which the Contributor elects to surrender as aforesaid, and all rights in respect of the proportion so surrendered shall be deemed to be determined.
- 30/3/93 D25.6 Any election under this **clause D25** shall be made before the Contributor has received any instalment of the Pension from the Annuitants Scheme and shall not be revocable, and the Contributor shall not be entitled to amend or extend any such election or to make a further election.
- 30/3/93 D25.7 Any sum which a Contributor is entitled to receive under this **clause D25** shall be payable from the Annuitants Scheme and shall become payable on the date on which the Contributor becomes entitled to the Pension;

PROVIDED THAT where a Contributor dies on or after the date on which the Contributor's election becomes effective but before a Pension becomes payable the Contributor shall for the purposes of this **clause D25.7** be deemed to have become entitled to a Pension on the date of the Contributor's death.

D26 ELECTION TO SURRENDER PORTION OF PENSION TO PROVIDE ANNUITY FOR DEPENDANT AFTER DEATH OF CONTRIBUTOR

- 30/3/93 D26.1 Any Contributor, on becoming entitled under **clause D20**, **clause D23** or **clause D24** to a Pension and on satisfying the Board as to the state of the Contributor's health, shall be entitled, before receiving payment of the first instalment of such Pension from the Annuitants Scheme to elect to surrender any specified portion of such Pension (up to a maximum to be fixed by the Board being not greater than 50 percent of the Pension otherwise payable) in order to provide for payment after the Contributor's death from the Annuitants Scheme to a Dependant approved by the Board of such annuity as the Board may determine, and the Contributor may by notice given before receiving payment of such first instalment withdraw the election so made.
- D26.2 For the purpose of enabling the Contributor to consider making an election under **clause D26.1** the Board shall, on application and on being supplied with all such information as it may require as to the age, health, and medical history of the Contributor and the age of the proposed Dependant, inform the Contributor of the maximum portion of the Pension that it would permit to be surrendered and of the amount and term of the annuity that it would grant.

D27 ELECTION TO RECEIVE VARIABLE PENSION

- D27.1 Any Contributor may within the time prescribed by **clause D27.5** and with the consent of the Board, elect to surrender from any date specified by the Board a specified portion (up to a maximum fixed by the Board) of the Pension which, but for such an election, the Contributor would be entitled to receive on Retirement under **clause D20**, **clause D23**, or **clause D24**, in order to provide for payment from the Annuitants Scheme of an increased Pension up to that specified date.
- 30/3/93 D27.2 An election under this **clause D27** may be for one reduction of the Pension from one specified date or for successive reductions from two or more specified dates.
- 30/3/93 D27.3 Before the Board consents to an election under this **clause D27** it may in its discretion obtain such medical evidence as to the health of the Contributor as it may require.
- 30/3/93 D27.4 No Pension shall be granted under this **clause D27** of an amount that is calculated to impose any additional liability on this Scheme or the Annuitants Scheme, and every such Pension shall be computed as the actuarial equivalent of the Pension to which the Contributor would have been entitled if an election had not been made under this **clause D27**.
- 30/3/93 D27.5 An election under this **clause D27** may be made at any time within the three months immediately preceding the day on which the payment of a Pension is due and before the payment of the first instalment has been received.
- 30/3/93 **D28 ELECTION ON MARRIAGE AFTER RETIREMENT TO SURRENDER PORTION OF PENSION TO PROVIDE ANNUITY FOR SPOUSE**
- 30/3/93 D28.1 Any Contributor who has retired and is in receipt of a Pension under **clause D20**, **clause D23** or **clause D24**, and who has married or remarried after Retirement shall, on satisfying the Board as to the state of the Contributor's health, be entitled to elect to surrender any specified portion of the Pension (up to a maximum to be fixed by the Board being not greater than 50% of the Pension otherwise payable) in order to provide for payment after the Contributor's death from the Annuitants Scheme to the Spouse of such annuity as the Board may determine.
- D28.2 Any election made in terms of this **clause D28** must be made within three months after marriage or remarriage and may be withdrawn by notice given before receiving payment of the first instalment of the Pension as so reduced.
- D28.3 **Clause D26.2** shall apply in the case of an election under this **clause D28**.
- D29 ELECTION AT AGE 60 BEFORE RETIREMENT TO SURRENDER PORTION OF PENSION TO PROVIDE ANNUITY FOR DEPENDANT AFTER DEATH OF CONTRIBUTOR**
- 30/3/93 D29.1 Any Contributor having attained the age of 60 may before Retirement, but only with the express consent of the Board, elect to surrender any specified portion (up to a maximum to be fixed by the Board being not greater than 50% of the Pension otherwise payable) of the Contributor's prospective Pension in order to provide for payment from the Annuitants Scheme after the Contributor's death (whether before or after Retirement) to a Dependant approved by the Board of such annuity as the Board may determine.
- D29.2 Any such election shall be irrevocable.

30/3/93 D29.3 **Clause D26.2** shall apply in the case of an election under this **clause D29**.

30/3/93 **D30 [RESERVED]**
29/2/96

29/2/96 **D31 REJOINING NOT PERMITTED ON RE-EMPLOYMENT AFTER PAYMENT OF A PENSION HAS COMMENCED**

30/3/93 Where any Contributor who has retired and is in receipt of a Pension from the
29/2/96 Annuitants Scheme calculated under this Section D is re-employed in the service of any Contributing Employer, the Contributor may not again become a Contributor under this Section D.

D32 REFUND OF CONTRIBUTIONS ON CEASING SERVICE BEFORE ENTITLEMENT TO PENSION

30/3/93 If any Contributor ceases to be in the service of a Contributing Employer before becoming
20/10/16 entitled to a Pension calculated under this Section D, the Contributor shall thereupon be entitled to receive from this Scheme a refund of Refundable Contributions less where Actual Contributory Service has been transferred to this Scheme under **Clause D7** any Benefits already received from this Scheme under this Section D or any scheme formerly operated under Part III of the National Provident Fund Act 1950 (prior to its repeal).

D33 ELECTION TO REMAIN A CONTRIBUTOR AS A NURSE ENGAGED IN PRIVATE PRACTICE

30/3/93 D33.1 Any Contributor who ceases to be in the employment of a Contributing Employer but who is engaged in Nursing Service in New Zealand or such other areas as may be approved by the Board and is the holder of any registered practising certificate, and who has not elected to take the benefit of **clause D25** may, while still a Contributor under **clause D8** or **clause D34** give notice to the Board of an intention to remain a Contributor.

30/3/93 D33.2 Every such Contributor shall pay contributions at a rate determined by the Contributor's age at the date of commencement of Contributory Service and computed either upon a notional salary equal to the Salary upon which contributions were paid at the date when the employment ceased or upon such other notional salary as the Board may from time to time approve.

30/3/93 D33.3 Every such Member shall pay as contributions the portion of the notional salary which, had the Member's employment continued, would have been deducted from the Member's Salary under **clause D11** together with the sum which would have been payable by the Contributing Employer out of its own funds under **clause D18**.

D33.4 All such contributions shall become due on the last day of each Month, and be paid within 20 days thereafter.

D33.5 Contributory Service under this **clause D33** shall terminate if the Contributor ceases to be engaged in Nursing Service as aforesaid, or ceases to hold any requisite practising certificate, and the payment of contributions shall thereupon cease.

30/3/93 **D34 REACTIVATION OF PREVIOUS CONTRIBUTORY SERVICE**

30/3/93 D34.1 Any Contributor under the age of 50 years who for any reason ceases to be in the service

of a Contributing Employer before becoming entitled to a Pension may in addition to the options available under **clause D8**, **clause D32** and **clause D33** elect to leave contributions in this Scheme under this Section D on a contingent basis. The period during which contributions are so left in this Scheme is referred to in this clause as the “non-contributory period”.

- | | | |
|--------------------|-------|---|
| 30/3/93 | D34.2 | Should the Contributor resume employment with a Contributing Employer and recommence contributions to this Section D before attaining age 50 or before the non-contributory period exceeds 15 years, whichever is the earlier, the Contributor may elect to reactivate the earlier period of Contributory Service which is then aggregated with the subsequent period of Contributory Service for the purposes of calculating the Pension entitlement. |
| 30/3/93 | D34.3 | <p>When the previous period of Contributory Service is reactivated in accordance with clause D34.2 the non-contributory period will cause the Contributor’s earlier period of Contributory Service to be discounted according to the following formula:</p> <p style="padding-left: 40px;">D34.3.1 a discount of 1.25% for each year or part of a year of the non- contributory period which can be offset against a year of Contributory Service completed before the Contributor made an election under clause D34.1; and</p> <p style="padding-left: 40px;">D34.3.2 a further discount of 2.25% for each year or part of a year of the non-contributory period which is in excess of the earlier period of Contributory Service.</p> |
| 30/3/93 | D34.4 | Any period of discounted Contributory Service under clause D34.3 shall be deemed to precede immediately the date on which the Contributor again resumed contributions to this Section D and the Contributor’s rate of contributions following re-entry shall be determined according to the age of the Contributor at the date when the period of such discounted Contributory Service is deemed to commence. |
| 30/3/93 | D34.5 | The Contributor is not eligible to contribute to this Section D during the non-contributory period and no Pension or annuity is payable in respect of the earlier period of Contributory Service during that period. |
| 30/3/93 | D34.6 | The Contributor may at any time during the non-contributory period elect to take a refund of Refundable Contributions and so terminate membership of this Scheme under this Section D and forfeit the right to reactivate the earlier period of Contributory Service. |
| 30/3/93
28/1/94 | D34.7 | While the Contributor remains in this Scheme under this Section D during a non-contributory period, only the right to reactivate the earlier period of Contributory Service is protected. However, the Contributor shall be eligible to elect to transfer under Part VA of Section F of this Scheme. In the event that the Contributor dies during a non-contributory period, the estate of the Contributor will be credited with a refund of the Contributor’s Refundable Contributions. |
| 30/3/93 | D34.8 | Where a Contributor who has made an election under clause D34.1 does not resume contributing with a Contributing Employer within the time specified or the whereabouts of the Contributor cannot be ascertained the Refundable Contributions only so left in this Section D shall be held to the Contributor’s credit in this Section D and may be paid to the Contributor or the Contributor’s estate on request but the Contributor shall not in any other respect be treated as a Contributor and the period in which the |

contributions are held for the Contributor shall not constitute Contributory Service.

- 30/3/93 D34.9 Where a Contributor has under **clause D8** taken a permitted period of absence which has not been counted as Actual Contributory Service such period shall not be deemed to fall under this **clause D34**;

PROVIDED THAT a Contributor may make an election under **clause D34.1** while the Contributor is taking a permitted period of absence and before the expiration of that permitted period of absence and in that event a non- contributory period will be deemed to commence at the beginning of and instead of the permitted period of absence.

- 30/3/93 D34.10 Where a Contributor:

D34.10.1 has had a permitted period of absence under **clause D8**;

D34.10.2 has elected under the proviso to **clause D8.2** to delay the payment of such sums as the Board determines to entitle the Contributor to count the permitted period of absence under that clause as Actual Contributory Service until after the Contributor has returned to the service of a Contributing Employer; and

D34.10.3 at the date of the Contributor's Retirement, has not made payment of all sums required to be paid under the proviso to **clause D8.2**;

then the Contributor shall have the option of either:

D34.10.4 completing the payments required under the proviso to clause D8.2 in the manner approved by the Board under that proviso; or

D34.10.5 electing to discontinue such payments, in which case the amount of the period of absence which the Contributor is permitted to treat as Actual Contributory Service under **clause D8.2** shall be the proportion of the permitted period of absence which is equal to the proportion of the sums required to be paid under **clause D8.2** which have been paid.

- 30/3/93 D34.11 Where a Contributor has had a permitted period of absence under **clause D8** and makes an election under **clause D34.1** before the expiration of the permitted period of absence, the Contributor shall have the option of:

D34.11.1 making all the payments required under **clause D8.2** at the times and in the manner approved by the Board under **clause D8.2** (in which case the Contributor shall be entitled to treat the permitted period of absence which falls before the date of the Contributor's election under **clause D34.1** as Actual Contributory Service); or

D34.11.2 not making any payments under **clause D8.2** (or any further payments if such payments have already commenced) in which case the non- contributory period will be deemed to commence at the beginning of such permitted period of absence (or, if such payments have already commenced, at the end of that part of the permitted period of absence which the Contributor is entitled to treat as Actual Contributory Service by virtue of having made some of the payments required to be made under **clause D8.2**).

PART V

DEATH BENEFITS**D35 DEATH OF A CONTRIBUTOR**

- 30/3/93 On the death of a Contributor, whether before or after Retirement, there shall forthwith be paid out of the scheme in which those contributions are held to the Contributor's legal personal representatives any balance of the Refundable Contributions after deducting therefrom any Benefits calculated under **clause D26, clause D28, clause D29 or clause D36** (other than **clause D36.4**) that are prospectively payable from the Annuitants Scheme.

D36 CHILDREN'S ALLOWANCES

- 30/3/93 D36.1 On the death of a Contributor, whether before or after Retirement leaving a Child or
20/10/16 Children under the age of 16, there shall be paid out of the Annuitants Scheme in respect of each such Child until such Child attains the age of 16 an allowance at the rate of \$78.00 a year;

PROVIDED THAT no allowance shall be payable in respect of any Child in respect of whom an allowance is payable as the Child of another deceased Contributor or member of any scheme originally authorised under Part III of the National Provident Fund Act 1950 (prior to its repeal).

- D36.2 If any Child in respect of whom the allowance is payable remains at school after attaining the age of 16, the allowance may be continued so long as the Child remains at school until the end of the year in which the Child attains the age of 18.

- 30/3/93 D36.3 If any Child in respect of whom the allowance is payable is by reason of physical or mental incapacity unable to maintain herself or himself and is not being maintained free of charge in a state institution the allowance may thereafter be continued in the discretion of the Board as trustee of the Annuitants Scheme.

- 30/3/93 D36.4 If all allowances payable under this **clause D36** cease after all other Benefits in respect of the Contributor have ceased to be payable and before the Contributor's Refundable Contributions have been exhausted in payment of the allowances and other Benefits, the balance of those Refundable Contributions shall be paid out of the Annuitants Scheme in equal shares in respect of the Children of the Contributor then surviving.

- 30/3/93 D36.5 Money payable in respect of Benefits calculated under this **clause D36** in respect of any Child may be expended by the Board for the benefit of the Child in such manner as the Board thinks fit and may be paid to any person to be expended on behalf of the Child.

30/3/93 **D37 PROVISIONS APPLYING TO ANNUITY TO SPOUSE OR DEPENDANT ON DEATH OF CONTRIBUTOR**

- 30/3/93 On the death of a Contributor who has made an election for the payment of an annuity under **clause D26, clause D28 or clause D29**, and has died, any balance of the Contributor's Refundable Contributions remaining on the death of the last of the Spouse or any Dependant who had survived the Retirement and death of the Contributor, all claims to that date having previously been satisfied, such balance after deducting therefrom any Benefits prospectively payable under **clause D36** (other than **clause D36.4**), shall thereupon be paid out of this Scheme or the Annuitants Scheme (as appropriate) to the legal personal representative of such Spouse or Dependant.

PART VI**FINANCIAL****D38 METHOD OF PAYMENT OF PENSIONS AND ANNUITIES**

D38.1 All Pensions and annuities calculated under this Section D shall be payable under the Annuitants Scheme and shall be non-commutable and non-assignable and shall be paid by instalments at four-weekly intervals in advance and each shall be paid to the end of the period in which it ceases to be payable.

30/3/93 D38.2 Each such four-weekly instalment shall be calculated as 28/365ths of the annual amount payable to the nearest cent above, provided that the minimum four-weekly instalment of the Children's allowance calculated under **clause D36** shall be \$6 (except where **clause D12** and **clause D13** apply).

30/3/93 D38.3 Every such instalment shall be paid to the person entitled thereto personally unless the Board in its discretion directs that it shall be paid to some other person on behalf of the person entitled;

PROVIDED THAT in any case where by reason of age or infirmity of the person entitled or for any other sufficient cause it is not convenient that payment be made to the person entitled personally, payment may be made to any person or bank account duly authorised by the person entitled to receive payment on that person's behalf.

30/3/93 D38.4 All Pensions and other Benefits calculated under this Section D shall be payable in New Zealand dollars and to a bank account in New Zealand, or, if the Board agrees, by posting a cheque in New Zealand dollars to an address nominated by the person entitled to receive the Pension or other Benefit.

D39 REFUND OF BALANCE OF CONTRIBUTIONS AFTER DEDUCTING BENEFITS PAYABLE

30/3/93 Wherever provision is made in this Section D or the Annuitants Scheme for payment of the balance of the Contributor's Refundable Contributions after deducting Benefits paid or prospectively payable, the amount to be deducted shall be determined by the Board with such actuarial advice as it may elect to seek and shall be paid out of this Section D or the Annuitants Scheme as appropriate.

D40 MINIMUM BENEFIT

30/3/93 The combined value of any Benefits payable under this Section D and the Annuitants Scheme in respect of any Contributor shall not be less than the Contributor's own contributions to this Section D together with any credits the Contributor has transferred from any previous scheme to this Section D. The value of the Benefit shall be determined by the Board acting on the advice of the Actuary.

PART VII**COST OF LIVING PROVISIONS****D41 COMMENCEMENT AND APPLICATION**

30/3/93 The provisions of this Part VII of this Section D shall be deemed to have come into force on the

1st day of April 1971 for all Contributors other than those who were not obliged to and who did not contribute under Part VI of the Existing Nursing Services Superannuation Scheme (as this Section D then was) until 1 April 1975;

PROVIDED THAT any Contributor who did not contribute under those provisions until 1 April 1975 may at the discretion of the Board elect to contribute from the 1st day of April 1971 under such terms and conditions as the Board may determine.

D42 ADJUSTABLE PENSIONS AND ANNUITIES

30/3/93 The following Pensions and annuities payable from the Annuitants Scheme shall be adjusted in accordance with this Part VII of this Section D:

D42.1 Pensions payable under **clause D20, clause D22, clause D23 or clause D24,**

D42.2 annuities payable under **clause D26, clause D28 or clause D29;**

D43 PROVISION FOR ANNUAL ADJUSTMENT

30/3/93 Subject to the provisions of this Part VII of this Section D and to **clause D58**, every Pension and annuity specified in **clause D42** shall be adjusted annually where appropriate on and after the date of the first four-weekly payment of the Benefit in each financial year commencing on the 1st day of April and ending with the 31st day of March.

D44 BASIS OF ANNUAL ADJUSTMENT

30/3/93 The aggregate percentage of increase to be applied to a Basic Pension or annuity (as defined in
20/10/16 **clause D45**) for the purpose of determining the annual adjustment for any year shall be the percentage (if any) calculated by the Government Statistician and adjusted where appropriate in accordance with the formula in **clause D46** by which the annual all groups index number of the New Zealand Consumers Price Index for the December quarter of the calendar year immediately preceding that which includes the date for the annual adjustment exceeds the index number determined under **clause D48.2 or clause D48.3**.

D45 AMOUNT OF ANNUAL ADJUSTMENT

30/3/93 For the purposes of the adjustment scheme under this Part VII of this Section D the term “Basic
20/10/16 Pension or annuity” means the annual amount of Pension or annuity as initially payable after the effect of any election made under **clause D25, clause D26, clause D28 or clause D29**. The annual amount of the Basic Pension or annuity shall be determined by applying the movement in the cost of living, as measured by the New Zealand Consumers Price Index from the date of qualification, to the Basic Pension or annuity and adding the amount so ascertained to the Basic Pension or annuity.

D46 PERCENTAGE TO BE APPLIED TO ANY PENSION OR ANNUITY

30/3/93 D46.1 Where the Contributor’s Contributory Service terminated before the 1st day of April 1971 the proportion of the percentage to be applied under **clause D44** shall be 80 percent.

30/3/93 D46.2 Where the Contributor’s Contributory Service commenced before the 1st day of April 1971, and had not terminated by that date the proportion of the percentage to be applied under **clause D44** of this Scheme shall be 80 percent plus a percentage calculated in accordance with the following formula:

$$\frac{a}{b} \times 20 \text{ percent}$$

where:

D46.2.1 “a” is the period of Contributory Service after the 31st day of March 1971;
and

D46.2.2 “b” is the total period of Contributory Service.

D46.3 For the purposes of the calculations in this **clause D46** the calculation is to be to the nearest whole number percent unless the application of the formula gives a figure exactly half of one percent below a whole number percent, in which case the calculation shall be to the nearest whole number percent above.

30/3/93 D46.4 Where the Contributor’s Contributory Service commenced on or after the 1st day of April 1971 the percentage to be applied under **clause D44** of this Scheme is 100 percent.

30/3/93 D46.5 Where the Contributor whose Contributory Service commenced before the 1st day of April 1971 and had not terminated by the first day of April 1975 became liable to contribute under the adjustment provisions on and after the 1st day of April 1975 and did not elect to contribute under the adjustment provisions from the 1st day of April 1971 the proportion of the percentage to be applied under **clause D44** shall be 80 percent plus a percentage calculated in accordance with the formula in **clause D46.2** except that in the formula ‘a’ in that **clause D46.2** shall be the period of Contributory Service after the 31st date of March 1975.

D47 DATE OF QUALIFICATION

30/3/93 D47.1 Subject to the proviso in **clause D48.1**, the Date of Qualification as defined in **clause D48.1** for the initial adjustment to any Pension payable under any of the provisions of **clause D20, clause D22, clause D23 or clause D24** shall be the later of:

D47.1.1 the date of attaining the age of 60 years; or

D47.1.2 the day immediately preceding the date on which the first instalment of the Pension was or will be payable.

30/3/93 D47.2 The Date of Qualification for the initial adjustment to the annuity calculated under **clause D26, clause D28 or clause D29** shall be the later of:

D47.2.1 the day immediately preceding the date on which the first instalment of the Contributor’s Pension was or will be payable; or

D47.2.2 the day on which the Contributor if the Contributor were still alive, would have attained the age of 60 years.

D48 INITIAL ADJUSTMENTS

30/3/93 D48.1 For the purpose of this Part VII of this Section D “Date of Qualification” in relation to a Beneficiary means the Beneficiary’s date of qualification as determined under **clause D47**;

PROVIDED THAT the Board may in its discretion deem the Date of Qualification

in relation to a Pension under **clause D22** and **clause D23** to be earlier than the date as determined under **clause D47.1**.

D48.2 Where the Date of Qualification falls between the 1st day of April and the 30th day of September (both days inclusive) the index number for the December quarter of the calendar year immediately preceding the calendar year in which the first day of the Contributor's Qualifying Year falls shall apply.

D48.3 Where the Date of Qualification falls between the 1st day of October and the 31st day of March (both days inclusive) the index number of the June quarter of the calendar year in which the first day of the Contributor's Qualifying Year falls shall apply.

D48.4 Where the proviso to **clause D48.1** applies the index number for the December quarter of the calendar year immediately preceding the calendar year in which the Date of Qualification falls shall apply.

30/3/93 D48.5 The initial adjustment to be made to any adjustable Pension or annuity shall be made within 6 to 18 months after commencement, on the first April payment date as determined under **clause D43**, as follows:

D48.5.1 Where the Date of Qualification falls between the 1st day of April and the 30th day of September (both days inclusive) on that April payment date in the following year;

D48.5.2 Where the Date of Qualification falls between the 1st day of October and the 31st day of March (both days inclusive), on the first such April payment date to occur after twelve months have lapsed.

D49 QUALIFYING YEAR

30/3/93 "Qualifying Year" in relation to a Beneficiary means the financial year commencing on the 1st day of April and ending with the 31st day of March in which the Beneficiary's Date of Qualification falls;

PROVIDED THAT in the event of the death of any Contributor during the period between the Contributor's Date of Qualification and the date for the Contributor's initial adjustment, the initial adjustment to any annuity to a Dependant or Spouse of that Contributor under **clause D26**, **clause D28** or **clause D29** shall be made on and after the day on which the initial adjustment would have been made if the Contributor were still alive and the base index number as defined in **clause D48.2**, **clause D48.3** or **clause D48.4** shall apply as if the Contributor were still alive;

PROVIDED FURTHER THAT in the event of the death of the Contributor at any time after the date of the Contributor's initial adjustment the initial adjustment of any annuity to the Dependant or Spouse of that Contributor calculated under **clause D26**, **clause D28** or **clause D29** shall be made on the date on which the next annual adjustment would have been made to the Pension of the Contributor if the Contributor were alive;

PROVIDED FURTHER THAT the first and second provisos to this **clause D49** shall not apply in any case where the date of the Contributor's initial adjustment or next annual adjustment would be earlier than the Date of Qualification of the Dependant or Spouse;

PROVIDED FURTHER THAT no increased payment shall be made in respect of any period before 1 April 1971.

PART VIII

PRE-AGE 60 COST OF LIVING**D50 COMMENCEMENT**

The provisions of this Part VIII of this Section D shall be deemed to have come into force on 9 April 1981.

D51 INTERPRETATION

For the purposes of this Part VIII of this Section D:

D51.1 “Aggregate percentage of increase”, in relation to any Basic Pension or annuity, means the aggregate percentage of increase determined under **clause D55**;

D51.2 “Basic Pension or annuity” has the meaning ascribed to it in **clause D45**; and

30/3/93 D51.3 “Date of Qualification” has the meaning ascribed to it in **clause D48**.

D52 APPLICATION OF THIS PART

This Part VIII of this Section D shall apply to every Contributor who is less than 60 years of age and who:

30/3/93 D52.1 reached Retirement after having completed 40 years or more of Contributory Service; or

30/3/93 D52.2 reached Retirement without having completed 40 years or more of Contributory Service or 40 years or more of employment in the Local Authority sector, but who survives for such period that the Contributor would have completed 40 years of service in the Local Authority sector had the Contributor not retired.

D53 PROVISION FOR ANNUAL ADJUSTMENT

30/3/93 Subject to **clause D54**, every Pension shall be adjusted annually with effect on and after the first four-weekly payment of the Pension under **clause D38** in each financial year.

D54 INITIAL ADJUSTMENT

D54.1 Subject to **clause D54.2** the initial adjustment to be made to any Pension shall be made with effect on and after the first annual adjustment date in the financial year commencing after the Contributor’s Date of Qualification.

D54.2 Where the Date of Qualification of a Contributor is before 1 April 1981, the initial adjustment shall be made with effect on and after 9 April 1981.

D55 PERCENTAGE OF ANNUAL ADJUSTMENT

30/3/93
20/10/16 The aggregate percentage of increase to be applied to a Basic Pension or annuity in accordance with **clause D53** for the purpose of determining the annual adjustment for any year shall be the percentage (if any) calculated by the Government Statistician and proportionately adjusted (where appropriate) in accordance with the formula in **clause D46** by which the all groups index number of the New Zealand Consumers Price Index for the December quarter of the calendar year immediately preceding that which includes the date for the annual adjustment exceeds the basic number, being:

30/3/93 D55.1 in any case where the Date of Qualification falls between 1 October and 31 March (both days inclusive), the basic index number for the preceding June quarter;

D55.2 in any case where the Date of Qualification falls between 1 April and 30 September (both days inclusive), the basic index number for the preceding December quarter.

D56 AMOUNT OF ANNUAL ADJUSTMENT

D56.1 Subject to **clause D56.2** the annual amount of the Pension to be paid on and after the date of any annual adjustment until the next adjustment shall be determined by adding to the Basic Pension or annuity an amount calculated by applying the Aggregate percentage of increase to the Basic Pension or annuity.

D56.2 The annual amount of any Pension as so determined, to be paid on and after the date of any annual adjustment, shall be increased or reduced, as the case may be, in accordance with any election by the Contributor under **clause D27**.

D57 CESSATION OF ADJUSTMENTS

Notwithstanding any of the foregoing provisions of this Part VIII of this Section D, no adjustments to any Pension under this Part VIII of this Section D shall be made with respect to any period on or after the annual adjustment date next following the 60th anniversary of the Contributor's birth.

D58 EFFECT OF PART VII

30/3/93 No adjustments under **clause D43** shall be made to any Pension or annuity calculated under this Section D or the Annuitants Scheme until such time as the Pension or annuity so adjusted under **clause D43** would exceed the Pension or annuity as adjusted under this Part VIII of this Section D.

PART IX

MISCELLANEOUS

20/10/16 **D59 REDUCTIONS IN BENEFITS UNDER PART III SUPERANNUATION SCHEMES ACT 1989 (AS IT WAS PRIOR TO ITS REPEAL)**

D59.1 Notwithstanding any other provisions of this Section D, the annual rate of every Pension, allowance or annuity (other than a Child's allowance payable under **clause D36**) the first instalment of which is payable before 1 April 1990 shall with effect from the first payment date after 31 March 1990 be reduced according to the following scales:

D59.1.1 in the case of persons receiving a Pension, allowance or annuity where the appropriate tax code as at 31 March 1990 is code T:

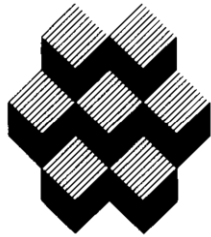
On so much of the Pension, allowance or annuity as

Reductions:

Does not exceed \$4,853	zero
Exceeds \$4,853 but does not exceed \$6,240	15%
Exceeds \$6,240 but does not exceed \$9,880	35%

D59.1.2 in the case of persons receiving a Pension, allowance or annuity where the appropriate tax code as at 31 March 1990 is not code T:

		On so much of the Pension, allowance or annuity as:	Reductions:
		Does not exceed \$9,500	15%
		Exceeds \$9,500 but does not exceed \$30,875	28%
		Exceeds \$30,875	33%
30/3/93	D59.2	For the purposes of calculating the amount of any reduction to be made under clause D59.1 , the amount of any Pension, allowance or annuity shall be before the effect of any adjustment made under Part VII or Part VIII on the first payment date after 31 March 1990, but shall include the last adjustment made under the equivalent provisions of the Existing Nursing Services Superannuation Scheme before 1 April 1990.	
30/3/93	D59.3	Where any Pension, allowance or annuity the first instalment of which was payable before 1 April 1990 under this Section D ceases, or has ceased to be payable because of any reason and subsequently again becomes payable, clause D59.1 and clause D59.2 shall apply to that Pension, allowance or annuity and a reduction shall be made under clause D59.1 and under clause D59.4 as if:	
	D59.3.1	an instalment of the Pension, allowance or annuity had been payable on the first payment date which would have occurred after 31 March 1990 had the Pension, allowance or annuity not ceased; and	
	D59.3.2	the Pension, allowance or annuity had been payable at 31 March 1990.	
30/3/93	D59.4	The Basic Pension, allowance or annuity (referred to in clause D45 and clause D51) of any person to whom a Pension, allowance or annuity (other than a child's allowance payable under clause D36) is payable on 31 March 1990 shall, with effect from the first payment date after 31 March 1990, be reduced by the same percentage as the Pension, allowance or annuity is reduced under clause D59.1 .	



**NATIONAL
PROVIDENT**

**ANNOTATED TRUST DEED
FOR THE
LOCAL AUTHORITIES SECTION OF THE DBP
CONTRIBUTORSSCHEME**

This is an Annotated Trust Deed for the Scheme and not the official signed trust deed that governs the Scheme. The Scheme trust deed is subject to change. Therefore, if you wish or need to rely on the terms of the trust deed, please contact the Scheme Administrator for a copy of the signed trust deed.

Marginal dates indicate that text in the clause (including any subsequent clauses included under that clause) beside which they are placed was amended with effect from the dates stated. If you wish to consult the terms of the trust deed as it applied in the past, please contact the Scheme Administrator.

TABLE OF CONTENTS

SECTION E	1
LOCAL AUTHORITIES SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED	1
PART I	1
GENERAL	1
E1 TITLE	1
E1A FMC Act	1
E2 DEFINITION AND CONSTRUCTION	1
E3 APPLICATIONS AND ELECTIONS TO BE IN WRITING	4
PART II	5
CONTRIBUTORS & CONTRIBUTORY SERVICE	5
E4 CONTRIBUTORS	5
E5 APPLICATION TO CONTRIBUTE IN RESPECT OF PREVIOUS SERVICE	5
E6 TRANSFER TO SECTION A NOT PERMITTED	6
E7 APPLICATION TO COUNT PREVIOUS SERVICE	6
E8 PERMITTED PERIOD OF ABSENCE FROM SERVICE OF CONTRIBUTING EMPLOYER	6
E9 RIGHT TO CEASE TO BE A CONTRIBUTOR	7
PART III	7
CONTRIBUTIONS	7
E10 DEFINITION OF SALARY	7
E11 CONTRIBUTIONS TO BE DEDUCTED FROM SALARY	8
E12 ELECTION TO CONTRIBUTE AT FLAT RATE OF 6 PERCENT	9
E13 CONTRIBUTIONS TO THE 60 PERCENT SCHEME	9
E14 ELECTION TO CONTRIBUTE ON HIGHER SALARY IF SALARY REDUCED	10
E15 PAYMENT FOR CONSTRUCTIVE CONTRIBUTORY SERVICE	10
E16 CONTRIBUTING EMPLOYER MAY PAY PORTION OF SUM PAYABLE FOR CONSTRUCTIVE CONTRIBUTORY SERVICE	11
E17 PAYMENT OF BALANCE DUE UPON RETIREMENT OR EARLIER DEATH OF CONTRIBUTOR	11
E18 CONTRIBUTIONS TO BE PAID BY CONTRIBUTING EMPLOYER	11
E19 ABSENCE OF CONTRIBUTOR FROM EMPLOYMENT	12
PART IV	12
CONTRIBUTOR'S BENEFITS ON RETIREMENT	12
E20 ENTITLEMENT TO A PENSION	12
E21 COMPUTATION OF PENSION	13
E22 PENSION WHERE CONTRIBUTOR PERMANENTLY INCAPACITATED	15
E23 PENSION ON EARLY RETIREMENT	15
E24 ELECTION TO SURRENDER PORTION OF PENSION AND RECEIVE CASH PAYMENT	16
E25 ELECTION TO SURRENDER PORTION OF PENSION TO PROVIDE ANNUITY FOR DEPENDANT AFTER DEATH OF CONTRIBUTOR	17
E26 ELECTION TO RECEIVE VARIABLE PENSION	17
E27 ELECTION ON MARRIAGE AFTER RETIREMENT TO SURRENDER PORTION OF PENSION TO PROVIDE ANNUITY FOR SPOUSE	18

E28	ELECTION AT AGE 60 BEFORE RETIREMENT TO SURRENDER PORTION OF PENSION TO PROVIDE ANNUITY FOR DEPENDANT AFTER DEATH.....	18
E29	[RESERVED]	18
E30	REJOINING NOT PERMITTED ON RE-EMPLOYMENT AFTER RETIREMENT ON PENSION	18
E31	REFUND OF CONTRIBUTIONS ON CEASING SERVICE BEFORE ENTITLEMENT TO PENSION	18
E32	REACTIVATION OF PREVIOUS CONTRIBUTORY SERVICE.....	19
PART V		20
DEATH BENEFITS		21
E33	DEATH OF CONTRIBUTOR LEAVING SPOUSE WHO BECAME THE SPOUSE BEFORE RETIREMENT	21
E34	DEATH OF CONTRIBUTOR LEAVING SPOUSE WHO BECAME THE SPOUSE AFTER RETIREMENT	23
E35	DEATH OF A CONTRIBUTOR LEAVING NO SPOUSE.....	24
E36	CHILDREN'S ALLOWANCES	24
E37	PROVISIONS APPLYING TO ANNUITY TO SPOUSE OR DEPENDANT ON DEATH OF CONTRIBUTOR	24
PART VI		25
FINANCIAL		25
E39	METHOD OF PAYMENT OF PENSIONS, ALLOWANCES AND ANNUITIES	25
E40	REFUND OF BALANCE OF CONTRIBUTIONS AFTER DEDUCTING BENEFITS PAYABLE	26
E41	MINIMUM BENEFIT	26
PART VII		26
COST OF LIVING PROVISIONS		26
E42	COMMENCEMENT AND APPLICATION.....	26
E43	ADJUSTABLE PENSIONS, ALLOWANCES AND ANNUITIES	26
E44	PROVISION FOR ANNUAL ADJUSTMENT	27
E45	BASIS OF ANNUAL ADJUSTMENT	27
E46	AMOUNT OF ANNUAL ADJUSTMENT	27
E47	PERCENTAGE TO BE APPLIED TO ANY PENSION, ALLOWANCE OR ANNUITY	27
E48	DATE OF QUALIFICATION	28
E49	INITIAL ADJUSTMENTS.....	28
E50	QUALIFYING YEAR	29
E51	[RESERVED]	29
PART VIII		29
PRE-AGE 60 COST OF LIVING		29
E52	COMMENCEMENT	29
E53	INTERPRETATION.....	29
E54	APPLICATION OF THIS PART	30
E55	PROVISION FOR ANNUAL ADJUSTMENT	30
E56	INITIAL ADJUSTMENT	30
E57	PERCENTAGE OF ANNUAL ADJUSTMENT	30
E58	AMOUNT OF ANNUAL ADJUSTMENT	30
E59	RIGHTS OF SURVIVING SPOUSES	31
E60	CESSATION OF ADJUSTMENTS	31

E61	EFFECT OF PART VII	31
PART IX	.....	31
MISCELLANEOUS	.....	31
E62	REDUCTION IN BENEFITS UNDER PART III SUPERANNUATION SCHEMES ACT 1989 (PRIOR TO ITS REPEAL)	31
PART X	.....	32
SUPPLEMENTARY TERMS AND CONDITIONS OR HARBOURMASTERS AND PILOTS	.....	32
E63	EFFECT OF PART X	33
E64	INTERPRETATION.....	33
E65	CONTRIBUTIONS TO BE PAID BY HARBOUR BOARD	33
E66	ENTITLEMENT TO A PENSION	33
E67	DETERMINATION OF ACTUAL CONTRIBUTORY SERVICE OR CONSTRUCTIVE CONTRIBUTORY SERVICE OR SUBSIDISED SERVICE.....	33
E68	PAYMENT FOR SUBSIDISED SERVICE OTHER THAN AS A CONTRIBUTING PILOT	33
E69	CONTRIBUTING PILOT CEASING TO BE A PILOT	34

SECTION E

LOCAL AUTHORITIES SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED

PART I

GENERAL

E1 TITLE

30/3/93 This Section E of this Deed shall be known as the “Local Authorities Section” of the DBP Contributors Scheme (the or this “Scheme”).

20/10/16 **E1A FMC Act**

E1A.1 For the purposes of the FMC Act:

E1A.1.1 this Scheme is treated as a trust established and governed by a trust deed interpreted and administered in accordance with New Zealand law;

E1A.1.2 and for the purposes of any other enactment, this Scheme must be treated as if it were registered on the register of managed investment schemes under the FMC Act as a restricted scheme that is a Superannuation Scheme; and

E1A.1.3 the Board is the 'manager' and the 'issuer' of the Scheme.

E2 DEFINITION AND CONSTRUCTION

E2.1 In this Section E, unless inconsistent with the context, -

“Act” means the National Provident Fund Restructuring Act 1990;

30/3/93 “Actual Contributory Service” means:

(a) service in the employment of a Contributing Employer after an election to become a Contributor has taken effect and during the whole of which contributions have been paid to this Scheme in accordance with this Section E; and

(b) service counted as Actual Contributory Service under **clause E7** or **clause E8**;

30/3/93 “Actuary” means a person who is a Fellow of the New Zealand Society of Actuaries who has been appointed by the Board under **clause F26** of Section F of this Scheme, and whose appointment has not been terminated;

“Annuitants Scheme” means the DBP Annuitants Scheme established under section 41 of the Act;

30/3/93 “Beneficiary” means a natural person who is eligible to receive a benefit from this Section E or from the Annuitants Scheme calculated in accordance with this Scheme under this Section E;

30/3/93 “Benefit” means any lump sum, annuity, pension, allowance, refund, or other payment arising from membership of this Scheme under this Section E and payable from this Scheme or from the Annuitants Scheme;

“Board” means the National Provident Fund Board established under section 9 of the National Provident Fund Act 1950; as continued in existence by section 12 of the Act and renamed from 1 April 1991 by that section as the Board of Trustees of the National Provident Fund;

30/3/93
29/2/96 **“Child”** in relation to any Contributor means a child of that Contributor’s family and **“Children”** shall be construed accordingly;

30/3/93 **“Constructive Contributory Service”** means service which is counted as Constructive Contributory Service pursuant to **clause E5** and in respect of which contributions have been paid or agreed to be paid to this Scheme in accordance with this Section E;

30/3/93 **“Contributing Employer”** means a Local Authority which is or was a contributor to the Scheme under this Section E and includes any other employer accepted under Part III of the National Provident Fund Act 1950 as a contributor to the Existing Local Authorities Scheme who is a contributor to this Scheme under this Section E;

30/3/93 **“Contributor”** means a person who for the time being is or was actually contributing to this Scheme in accordance with this Section E or in respect of whom a Contributing Employer is liable to make payments under **clause E19.1** and includes a person deemed to be a Contributor under **clause E8**;

30/3/93 **“Contributory Service”** includes both Actual Contributory Service and Constructive Contributory Service but does not include any period in respect of which a lump sum payment is made in lieu of accrued annual leave or holiday or retiring leave or in respect of which a gratuity is paid;

30/3/93
29/2/96 **“Dependant”** in relation to a Contributor means a person of that Contributor’s family (other than a Spouse or a Child of the Contributor) who is acknowledged by the Board as being financially dependent upon the Contributor;

20/10/16 **“Employee”** means any person who is engaged to work or works under a contract of service or apprenticeship with an employer whether by way of manual labour, clerical or professional work or otherwise but does not include any person who would be a 'shareholder-employee' (where a 'shareholder-employee', in relation to any income year and to any company, means any person who, at any time in that income year, is an officer or employee of that company and who (i) at any time in that income year holds 50 percent or more of the paid-up capital, or of the nominal value of the allotted shares, or of the voting power in that company; or (ii) at any time in that income year has, by any means whatsoever, control of that company; or (iii) by reason of his shareholding at the end of that income year would be entitled to 50 percent or more of the profits of that company for that income year if those profits were distributed by way of dividend at the end of that year);

30/3/93 **“Existing Defined Benefit Plan”** and **“Existing Local Authorities Scheme”** have the meanings assigned to them in Recital A of this Deed;

30/3/93 **“Final Average Salary”** means the average rate of annual Salary on the basis of which a Contributor contributed to this Section E during the last five years immediately preceding the Contributor’s Retirement or, if the length of Contributory Service is less than five years, during Contributory Service;

30/3/93 **“financial year”** means the year from 1 April to 31 March, or such other period as may be the financial year of the Board;

30/3/93 **“Local Authority”** -

- 20/10/16 (a) means a local authority within the meaning of section 5 of the Local Government Act 2002; and
- (b) includes any body that is declared by an enactment to be a local authority for the purposes of the National Provident Fund Act 1950 or the Act;
- 30/3/93 **“marriage”** means, in the case of a Contributor who is legally married, the legal marriage and in the case of a Contributor who has a Spouse but is not legally married, the date which the Board determines as the date on which the Spouse became the Contributor’s Spouse and **“marry”** shall be construed accordingly;
- 30/3/93 **“Member”** means a natural person who has been admitted to membership of this Scheme under this Section E and who is, or may become, entitled to any Benefits;
- 30/3/93 **“Pension”** means a non-assignable annual amount payable from the Annuitants Scheme to a Contributor on Retirement from the service of the Contributing Employer in accordance with the provisions of this Section E;
- 30/3/93 **“Permanent Employee”** means an Employee who is in continuous employment with a Contributing Employer for at least one year (including former employment with a Contributing Employer or with the Government of New Zealand being government service as defined in the Government Superannuation Fund Act 1956) and is not employed for less than one half of full time salary, unless the Board decides otherwise; but any Employee who has been in continuous employment for less than one year may be deemed a Permanent Employee at the discretion of the Contributing Employer;
- 30/3/93 **“Permanent Incapacity”** means permanent physical or mental incapacity suffered by any person that is in the opinion of the Board of such extent that, having regard to the previous employment and other characteristics of that person, the person is unlikely to have a significant earning capacity in the future;
- 30/3/93 **“Refundable Contributions”** means in respect of a Contributor’s Contributory Service:
- (a) those contributions paid to this Section E of this Scheme by a Contributor under **Clause E11**; plus
- (b) those contributions, if any, paid to this Section E of this Scheme by a Contributor under **clause E7, clause E8, clause E12, clause E13, clause E14, clause E15 or clause E19**; plus
- (c) in respect of Actual Contributory Service for the period or any part of the period between 1 April 1975 and 15 December 1975 there shall be included an amount of 1 per cent of the employee’s gross taxable earnings in lieu of the employer’s contributions for that period or part thereof;
- PROVIDED THAT** “Refundable Contributions” shall not include any interest paid or payable in respect of the aforesaid contributions;
- “Retirement”** means final termination of employment, however occasioned;
- 30/3/93 **“Salary”** has the meaning assigned to it under **clause E10** and where applicable includes any notional salary on which contributions are payable under **clause E14**;
- “Section E”** and **“this Section E”** mean this Section E of this Scheme and where necessary or

appropriate include the Existing Local Authorities (including Harbour Master and (Ship's) Pilots) Scheme operated by the Board prior to 1 April 1991;

30/3/93
29/2/96

"Spouse", in relation to a Contributor who is alive, means a woman or man to whom the Contributor is married and may include, whether or not the Contributor is legally married to another person, a woman or man whom the Board in its discretion regards as being the wife or husband or partner of the Contributor, being a woman or man who, although not legally married to the Contributor, has lived as that Contributor's wife or husband or partner on a permanent domestic basis for such period as the Board determines;

30/3/93

"Subsidised Service" means:

- (a) Actual Contributory Service; and
- (b) Constructive Contributory Service with respect to which the contributions required to be paid by the Contributor and the Contributing Employer have been paid;

20/10/16

"Superannuation Scheme" has the meaning given to it in the Act;

30/3/93
29/2/96

"Surviving Spouse", in relation to a Contributor that has died, means a woman or man to whom that Contributor was married immediately before the Contributor's death and may include, whether or not the Contributor was legally married to another person, a woman or man whom the Board in its discretion regards as having been the wife or husband or partner of the Contributor immediately before death, being a woman or man who although not legally married to the Contributor had lived as that Contributor's wife or husband or partner on a permanent domestic basis for such period as the Board determines;

PROVIDED THAT where under the provisions of this Section E more persons than one have claims as the Surviving Spouse of any Contributor the total amount of any payment payable to them in respect of any Benefit to which one Surviving Spouse would be entitled may be divided by the Board between them in such shares and proportions as the Board from time to time thinks fit and in any case where they disagree regarding the making of an election under this Section E the Board may deem them to have made an election and the provisions of this Section E shall apply accordingly.

30/3/93

E2.2

Unless inconsistent with the context, terms not defined in this Section E but defined in the Act shall have the same meaning as in the Act, whether specific reference is made to the Act or not.

30/3/93

E2.3

In the construction of this Section E, unless inconsistent with the context, -

E2.3.1 references to **clauses** and Parts are to clauses and parts of this Section E;

E2.3.2 references to any statute, are references to the statute as from time to time amended and include substituted provisions that substantially correspond to those referred to and also include any regulations, Orders in Council and other instruments from time to time issued thereunder;

E2.3.3 the singular includes the plural and vice versa, and words importing any gender include the other genders except in **clause E20** and **clause E23.1**;

E2.3.4 the headings and sub-headings appear as a matter of convenience and shall not affect the construction of this Section E.

E3

APPLICATIONS AND ELECTIONS TO BE IN WRITING

- 30/3/93 E3.1 Every application, election, notice of withdrawal and other notification given or required to be given by any person for the purposes of this Section E shall be in writing signed by the person and delivered to the Board, and shall be deemed to be made or given when it is received by the Board.
- 30/3/93 E3.2 Every notification given or required to be given by the Contributing Employer to the Board for the purposes of this Section E shall be in writing signed by a responsible officer on behalf of the Contributing Employer and delivered to the Board.

PART II

CONTRIBUTORS & CONTRIBUTORY SERVICE

E4 CONTRIBUTORS

- 30/3/93 E4.1 Subject to the terms of this Section E of this Scheme, persons who satisfy the requirements of section 38 of the Act may be Contributors to this Scheme. For ease of reference, a copy of section 38 (in the form as at 8 May 1992) is annexed to this Deed.
- 30/3/93 E4.2 Only contributors (within the meaning of section 41(4) of the Act) can be members of this Section E of this Scheme.
- 29/2/96 E4.3 This Section E is closed to new Contributors and to rejoining Contributors as from 1 January 1996.

E5 APPLICATION TO CONTRIBUTE IN RESPECT OF PREVIOUS SERVICE

- 30/3/93 E5.1 On the application of a Contributor before attaining the age of 50 or within six months after becoming a Permanent Employee, whichever is the later, and subject to the payment of the sums payable under **clause E15** and **clause E16**, the Board may in its discretion allow to be counted as Constructive Contributory Service such service, study, or experience as is specified in **clause E5.2** and **clause E5.3**;

PROVIDED THAT nothing in this **clause E5** shall prevent the Board in its discretion from accepting and approving an application in that regard from a Contributor whose age exceeds 50 if in the opinion of the Board there are exceptional circumstances.

- 30/3/93 E5.2 The whole or any part of service in the employment of:
- E5.2.1 any past or present Contributing Employer; or
 - E5.2.2 the New Zealand Government being government service as defined in the Government Superannuation Fund Act 1956; or
 - E5.2.3 the Government of Samoa, the Western Samoa Trust Estate Corporation, or the Bank of Western Samoa prior to the 12th day of August 1972.
- E5.3 The whole or any part (not exceeding in the aggregate five years) of:
- E5.3.1 service in the employment of the Government of any territory within the Commonwealth other than New Zealand;
 - E5.3.2 a course of study leading to some recognised degree or diploma or certificate and including apprenticeships which in the opinion of both the Contributing Employer and the Board is or has been of substantial benefit to the performance of the

applicant's duties while a Contributor; or

- E5.3.3 experience as a practitioner, tradesperson, or employee in a type of work providing a specialised skill or knowledge which in the opinion of both the Contributing Employer and the Board is or has been of substantial benefit to the performance of the applicant's duties while a Contributor.

E6 TRANSFER TO SECTION A NOT PERMITTED

30/3/93
29/2/96 No Contributor may transfer from this Section E to Section A of this Scheme after 1 January 1996.

E7 APPLICATION TO COUNT PREVIOUS SERVICE

30/3/93
20/10/16 E7.1 A Contributor who:

E7.1.1 was previously contributing to the Government Superannuation Fund or to a Superannuation Scheme recognised by the Board as providing benefits substantially equivalent to those under this Section E; and

E7.1.2 has not taken a refund of contributions from that fund or other scheme; and

E7.1.3 is not receiving a pension from that fund or other scheme;

may apply to the Board within six months of the commencement of service with the Contributing Employer to have such previous service in relation to which contributions have been made counted as Actual Contributory Service.

30/3/93 E7.2 The Board may in its discretion and subject to the payment of such sums as the Board thinks fit allow the whole or a portion of the previous service to which **clause E7.1** applies to be counted as Actual Contributory Service.

E8 PERMITTED PERIOD OF ABSENCE FROM SERVICE OF CONTRIBUTING EMPLOYER

30/3/93 E8.1 Where a Contributor ceases to be in the service of a Contributing Employer before the Contributor becomes entitled to a Pension under this Section E and does not accept a refund of Refundable Contributions under **clause E31** the Contributor may remain a Member of this Section E for a period (in this **clause E8** referred to as "the permitted period of absence") commencing on the day following the date on which the Contributor terminates service with the Contributing Employer and terminating on the expiry of a period of 18 months from that day or when the Contributor re-enters the service of the Contributing Employer or enters the service of another Contributing Employer and recommences contributing to this Scheme under this Section E, whichever first happens;

PROVIDED THAT the Board may in its discretion extend the permitted period of absence for such further period as it may allow or determine in any case.

30/3/93 E8.2 If the Contributor during the permitted period of absence pays or causes to be paid to this Section E in respect of the permitted period of absence such sums as the Board in its discretion may determine and at the times and in the manner agreed to by the Board, the Contributor shall be entitled to count the permitted period of absence as Actual Contributory Service;

PROVIDED THAT if the Contributor so elects, payment of the sums to be paid under this **clause E8** may be delayed until the Contributor returns to the service of a Contributing Employer

and then be paid as approved by the Board, subject to the payment of interest at a rate to be fixed by the Board, but if payment is so delayed no person shall be entitled during the permitted period of absence to any of the Benefits under **clause E20, clause E22, clause E23, clause E33, clause E35 or clause E36** in respect of the Contributor.

- 30/3/93 E8.3 Where the Contributor after taking no longer than the permitted period of absence re-enters the service of the same or enters the service of another Contributing Employer, recommences contributions to this Scheme under this Section E, and elects not to pay the sums required under this **clause E8** in respect of the permitted period of absence, the following provisions shall apply:
- E8.3.1 the former period of Contributory Service is reactivated in full and is added to current Contributory Service; and
- E8.3.2 the permitted period of absence is treated as a period of non-contributory service and cannot be bought back at a later date.
- 30/3/93 E8.4 Notwithstanding the provisions of **clause E8.3** where the permitted period of absence is not more than three months the Contributor shall be required to meet the personal contributions and the contributions due from the Contributing Employer required to bridge the break in Contributory Service.
- 30/3/93 E8.5 The contribution rate applicable before the Contributor took a permitted period of absence shall, upon resumption of contributions to this Scheme under this Section E with a Contributing Employer, be retained.

E9 RIGHT TO CEASE TO BE A CONTRIBUTOR

- 30/3/93 E9.1 Subject to the conditions of a Contributor's employment any Contributor may at any time give notice in writing of intention to cease to be a Contributor from a future date nominated by the Contributor.
- 30/3/93 E9.2 On the expiration of six months from the giving of any such notice, the Contributor shall cease to be a Contributor, and shall be entitled to receive from this Scheme a refund of Refundable Contributions;
- PROVIDED THAT** no person who becomes a Contributor on or after 1 April 1985 shall be entitled to receive any refund of the type provided under this **clause E9** while remaining in service.
- 30/3/93
29/2/96 E9.3 Any person who has ceased to be a Contributor pursuant to this **clause E9** shall not at any future time whether in respect of the same or any other employment become a Contributor.
- 30/3/93 E9.4 Contributions due from the Contributor and the Contributing Employer are to be remitted by the Contributing Employer up to the nominated date of the Contributor ceasing to contribute to this Section E.
- 30/3/93 E9.5 Notice of intention to cease to be a Contributor may be revoked by a further notice in writing prior to the expiration of the period of six months prescribed in **clause E9.2**.

PART III

CONTRIBUTIONS

E10 DEFINITION OF SALARY

- 30/3/93 E10.1 For the purposes of this Section E “Salary” shall be deemed to include;
- E10.1.1 wages;
- E10.1.2 any bonus paid as a permanent addition to salary and approved by the Board;
- E10.1.3 any allowance or the value of any concession or benefit provided to the Contributor by the Contributing Employer and approved by the Board;
- E10.1.4 payments during or in respect of annual leave, holiday or retiring leave taken as such by the Contributor during employment by the Contributing Employer.
- 30/3/93 E10.2 For the purpose of this Section E “Salary” shall not include:
- E10.2.1 payment for overtime work;
- E10.2.2 any bonus other than a bonus approved under **clause E10.1.2**;
- E10.2.3 any allowance or the value of any concession or benefit not approved by the Board under **clause E10.1.3**;
- E10.2.4 any lump sum or other payment on Retirement in lieu of accrued annual leave, holiday, or retiring leave not taken as such during employment;
- E10.2.5 any gratuity paid on Retirement under section 6 of the Finance Act (No 2) 1941 or any other enactment;
- E10.2.6 any exceptionally large increment during the last five years immediately preceding Retirement if in the opinion of the Board it was not earned or justified by added duties, responsibilities or qualifications or by any other change in conditions of employment.
- 30/3/93 E10.3 If any question arises as to what remuneration or payment in money or money’s worth or otherwise is included or is not included in the Salary of any Contributor for the purposes of this **clause E10** or as to the value of any Salary received or enjoyed otherwise than as money, such question may be decided by the Board, and its decision shall be final.
- 30/3/93 E10.4 In particular there may be included as Salary if the Board in any particular case approves, the value of any concession or benefit, whether free of charge or otherwise, in respect of a Contributor’s employment by way of board or lodging or by the use of a house or by way of an allowance instead of so being provided with board or lodging or the use of a house, on or subject to such conditions as the Board may impose and at such rate as it may think fit.
- E11 CONTRIBUTIONS TO BE DEDUCTED FROM SALARY**
- 30/3/93 E11.1 The Contributing Employer shall deduct from every payment of Salary made to a Contributor for employment by the Contributing Employer or in respect of a period during that employment the Contributor’s contributions at the appropriate percentage determined, subject to **clause E12** and **clause E13**, according to the following table:

Table of Deductions

**Age of Contributor at Commencement of
Actual Contributory Service**

Percentage of Salary

Under 30	6
30 and under 35	7
35 and under 40	8
40 and under 45	9
45 and under 50	10
50 and over	11

- 30/3/93 E11.2 A Contributor shall be deemed to attain the age of 30 on the thirtieth anniversary of birth, and the other ages referred to in the above table shall be calculated respectively in the same manner.

E12 ELECTION TO CONTRIBUTE AT FLAT RATE OF 6 PERCENT

- 30/3/93 E12.1 Subject to **clause E12.5**, any Contributor may at any time elect that the Contributor will, in lieu of contributing on the basis of the scale of contributions set out in **clause E11**, contribute on the modified basis of the flat rate of 6 percent of salary, so that there will be payable Benefits in relation to the proportion that 6 percent bears to the contribution rate payable under **clause E11**. Every election to contribute at the rate of 6 percent made at the time when the Contributor joins this Section E shall take effect from the date from which contributions commence, and in every other case shall take effect at the expiry of six months from the making of the election.
- 30/3/93 E12.2 Subject to **clause E12.5**, any Contributor contributing at the flat rate of 6 percent in terms of **clause E12.1** may at any time elect to contribute at the full rate under **clause E11**. Every such election shall take effect at the expiry of six months from the making of the election.
- 30/3/93 E12.3 Subject to the consent of the Board any Contributor electing to change from the flat rate of 6 percent may at the same time elect to contribute at the full rate under **clause E11** in respect of the whole or any part of the period when the Contributor's contributions were made at the flat rate of 6 percent.
- 30/3/93 E12.4 In every case under **clause E12.3** the Contributor shall make good to this Scheme under this Section E the balance of the contributions from the Contributor and the Contributing Employer that would have been received had the Contributor contributed at the full rate under **clause E11** with interest at such rate as may be determined by the Board, and upon payment of this amount in full the Board shall count the period of service to which the Contributor's election relates as Subsidised Service purchased at the full contribution rate.
- 30/3/93 E12.5 No Contributor may change the Contributor's basis of contributions whether as set out in **clause E12** or as set out in **clause E13** more than twice during the whole of the Contributor's Contributory Service.
- E12.6 Where the Contributor contributes at the flat rate of 6 percent during any period, every Pension, allowance or annuity payable to any person by reason of the contributions made by or on behalf of the Contributor for that period shall be reduced to the proportion that 6 percent bears to the full contribution rate.

E13 CONTRIBUTIONS TO THE 60 PERCENT SCHEME

- E13.1 Notwithstanding the provisions of **clause E11** those Contributors who were as at 31st March 1975 contributing on a 60 percent basis may continue to contribute on such basis.
- 30/3/93 E13.2 Subject to **clause E12.5**, any Contributor contributing on the 60 percent basis may at any time elect to contribute on a 100 percent basis under **clause E11**. Every such election shall take effect at the expiry of six months from the making of the election.

- 30/3/93 E13.3 Where the Contributor contributes on a 60 percent basis during any period of Contributory Service the Contributor's contributions for that period shall be 60 percent of the contributions prescribed by **clause E11**.
- 30/3/93 E13.4 Where a Contributor contributes on a 60 percent basis during any period of Contributory Service, every Pension, allowance or annuity payable to any person by reason of the Contributor contributing for that period shall be reduced to 60 percent thereof whether or not it is payable at a minimum rate prescribed by this Section E.
- 30/3/93 E13.5 Subject to the consent of the Board any Contributor electing to change from the 60 percent basis to the 100 percent basis under **clause E11** may at the same time elect to contribute on the 100 percent basis under **clause E11** in respect of the whole or any part of the period of contributions on the 60 percent basis.
- 30/3/93 E13.6 In every case to which **clause E13.5** applies the Contributor shall make good to this Scheme under this Section E the balance of the contributions from the Contributor and the Contributing Employer that would have been received had the Contributor contributed on the 100 percent basis under **clause E11**, with interest at such rate as may be determined by the Board and upon payment to this Section E in full the Board shall count the period of service to which the election relates as Subsidised Service purchased at the full rates under **clause E11**.

E14 ELECTION TO CONTRIBUTE ON HIGHER SALARY IF SALARY REDUCED

- 30/3/93 E14.1 Where for any reason other than misconduct or a permanent reduction in normal hours of duty, a Contributor's Salary is reduced (whether by reason of transfer or appointment to another position with the same Contributing Employer or another Contributing Employer or otherwise), the Contributor may within three months of the date when such reduction first took effect elect to have the aggregate amount of deductions from the Contributor's Salary and contributions from the Contributing Employer maintained as if that Salary had not been so reduced, and in that event the Contributor shall on Retirement be entitled to have the Contributor's Pension (if any) computed as if the Salary had not been so reduced;

PROVIDED THAT the election shall be subject to the consent of the Contributing Employer, and if any break in employment between Contributing Employers exceeds three months, to the consent of the Board;

AND FURTHER PROVIDED THAT if the former higher Salary of a Contributor who has so elected would have been increased from time to time in accordance with general increases fixed under a salary or wage fixing procedure had the Contributor remained on the former rate of Salary the amount deducted from the Salary shall be based on the former higher Salary as if it had not been increased by such notional increases unless and until the Salary actually paid exceeds the notional salary on which deductions were made.

- 30/3/93 E14.2 Where payments are made under **clause E14.1** on a notional salary, the amount of the contributions which would be required from the Contributing Employer if the notional salary were actual Salary shall be paid by the Contributor or the Contributing Employer in such proportions as agreed by those parties.

E15 PAYMENT FOR CONSTRUCTIVE CONTRIBUTORY SERVICE

- 30/3/93 E15.1 There shall be payable to this Section E of this Scheme in respect of each period of service, study or experience counted as Constructive Contributory Service under **clause E5** such sums as the Board may in each case determine, having regard to the additional prospective burden on this

Scheme or the Annuitants Scheme of Benefits due to the counting of such period.

- 30/3/93 E15.2 The sums payable under **clause E15.1** or such portions thereof as the Board may in any case direct, together with interest thereon at a rate to be fixed by the Board, shall be paid at the direction of the Board either by deductions from the Contributor's Salary or by the payment by the Contributor of one sum or instalments to the Contributing Employer for transmission to the Board.

E16 CONTRIBUTING EMPLOYER MAY PAY PORTION OF SUM PAYABLE FOR CONSTRUCTIVE CONTRIBUTORY SERVICE

- E16.1 In respect of each Contributor who makes an application under **clause E5** which is allowed by the Board, the Contributing Employer may agree with the Board if it has legal power so to do, to pay from its own funds a portion of the sums determined by the Board under **clause E15**;

PROVIDED THAT any amounts so paid by the Contributing Employer shall not form part of the Contributor's Refundable Contributions.

- 30/3/93 E16.2 The moneys payable under this **clause E16** shall be paid to this Section E in one sum within three months of receipt by the Contributing Employer of notification of the sum payable;

PROVIDED THAT if within those three months the Contributing Employer notifies the Board in writing of its intention so to do, the Contributing Employer may pay the said sum by equal monthly or four-weekly instalments extending over a period to be stated in the Contributing Employer's notification and not to exceed 10 years, with interest at a rate to be fixed by the Board, and the Board shall notify the Contributing Employer of the amount of the monthly or four-weekly payment required so to discharge the said sum with interest. The first of such monthly or four-weekly payments shall fall due and be payable on the last day of the monthly or four-weekly accounting period in which the said Contributing Employer's notification is given and **clause E18** shall apply to any such payment as if it were payable for the monthly or four-weekly period on the last day of which it falls due.

E17 PAYMENT OF BALANCE DUE UPON RETIREMENT OR EARLIER DEATH OF CONTRIBUTOR

- 30/3/93 If upon the Retirement or earlier death of the Contributor the sums payable under **clause E7, clause E8, clause E15, clause E16 or clause E18** have not all been paid, the balance shall thereupon become due and may be deducted from any Benefits payable under this Section E or the Annuitants Scheme to or in respect of the Contributor or collected as the Board may direct, or the Board may in its discretion disallow any Contributory Service in respect of which contributions or payments have not been made.

E18 CONTRIBUTIONS TO BE PAID BY CONTRIBUTING EMPLOYER

- 30/3/93 E18.1 There shall be paid into this Section E by the Contributing Employer:

E18.1.1 the amounts deducted from Salary in accordance with **clause E11**;

E18.1.2 an amount payable out of the Contributing Employer's own funds equal to one hundred and seventy percent of the amounts specified in **clause E18.1.1**;

- 20/10/16 **PROVIDED THAT** a Contributing Employer that was accepted under section 58 of the National Provident Fund Act 1950 (prior to its repeal) shall pay such greater amounts as the Board may direct;

E18.1.3 the amounts deducted from Salary or paid by the Contributor for transmission to this Scheme under **clause E8** or **clause E15**;

E18.1.4 any sums payable in respect of Constructive Contributory Service under **clause E16** or **clause E19**;

E18.1.5 any additional money payable by the Contributing Employer under **clause E23.4**.

30/3/93 E18.2 All money payable by the Contributing Employer under **clause E18.1** shall be due on the last day of each four-weekly or monthly accounting period.

E18.3 Interest at a rate determined by the Board may be charged as from the due date thereof on any amounts unpaid after the expiration of the 20th day in the calendar month following that date.

E19 ABSENCE OF CONTRIBUTOR FROM EMPLOYMENT

30/3/93 E19.1 Subject to **clause E19.3**, the absence of a Contributor from employment pursuant to leave of absence granted by the Contributing Employer whether with or without pay, shall not affect the liability of the Contributing Employer to make the several payments which would otherwise be payable in accordance with the provisions of **clause E16** or **clause E18**, but this provision is without prejudice to the incidence of liability between the Contributing Employer and the Contributor in respect of any of these payments.

E19.2 Notwithstanding the provisions of **clause E19.1** a Contributor who is granted leave of absence for a period in excess of three months may elect in accordance with **clause E32** to reactivate previous Contributory Service on return to service by recommencement of contributions to this Section E (in which case **clause E19.1** will not apply);

PROVIDED THAT such election must be made before the leave of absence commences unless the Board otherwise permits.

30/3/93 E19.3 In respect of any Contributor who is granted leave of absence for a period in excess of three months, the Contributing Employer shall not be required to make the payments referred to in **clause E19.1** except in respect of the initial period of three months or such other initial period as may be agreed by the Contributing Employer and the Contributor (the "initial period"), and in the event that the Contributing Employer makes no other payments other than in relation to the initial period, the Contributor shall be deemed to have ceased to be in the service of the Contributing Employer at the end of the initial period and to have elected to leave contributions in this Scheme under this Section E on a contingent basis under **clause E32**.

PART IV

30/3/93 **CONTRIBUTOR'S BENEFITS ON RETIREMENT**

E20 ENTITLEMENT TO A PENSION

1/4/21 E20.1 There shall be payable to a male Contributor:

E20.1.1 at any time after attaining the age of 65; or

E20.1.2 on his Retirement at any time after attaining the age of 65; or

E20.1.3 on his Retirement at any time after attaining the age of 60 having completed 40 years'

Contributory Service; or

E20.1.4 on his Retirement at any time after completing 40 years' Actual Contributory Service which commenced before the 1st day of October 1946,

a Pension for the rest of his life.

1/4/21 E20.2 Subject to the provisions of clause **E20.3** there shall be payable to a female Contributor with Actual Contributory Service which commenced before the 1st day of July 1963:

E20.2.1 at any time after attaining the age of 65; or

E20.2.2 on her Retirement at any time after attaining the age of 55; or

E20.2.3 on her Retirement at any time after attaining the age of 50 having completed 30 years Contributory Service,

a Pension for the rest of her life.

30/3/93 E20.3 Where a female Contributor has Actual Contributory Service which commenced before the 1st day of July 1963 solely by reason of service while contributing to the Government Superannuation Fund allowed by the Board under **clause E7** of this Scheme, her right to a Pension shall be the same as her prospective right to a Pension (subject where appropriate to the provision for an actuarial reduction) existing under the Government Superannuation Fund Act 1956 at the date of termination of her membership of that fund;

PROVIDED THAT nothing in this **clause E20.3** shall entitle her to a Pension at any earlier date than would have been the case if **clause E20.2** applied to her.

30/3/93
1/4/21 E20.4 There shall be payable to a female Contributor with Actual Contributory Service which commenced after the 30th day of June 1963:

E20.4.1 at any time after attaining the age of 65; or

E20.4.2 on her Retirement at any time after attaining the age of 65;

E20.4.3 on her Retirement at any time after attaining the age of 60 having completed 40 years Contributory Service,

a Pension for the rest of her life.

E21 COMPUTATION OF PENSION

30/3/93 E21.1 The Pension as payable under **clause E20** shall be payable from the Annuitants Scheme and shall be of an annual amount being the sum of two portions made up as follows:

E21.1.1 the first portion shall be one one-hundred-and-twentieth part of the Contributor's Final Average Salary for each year of the Contributor's Contributory Service, with a proportionate addition for any additional part of a year of Contributory Service; and

E21.1.2 the second portion shall be one one-hundred-and-twentieth part of the Contributor's Final Average Salary for each year of the Contributor's Subsidised Service, with a proportionate addition for any additional part of a year of Subsidised Service;

PROVIDED THAT the number of years of Subsidised Service under this **clause E21.1.2**

shall not exceed forty and if this proviso applies the forty years of Subsidised Service shall be the first forty years of such service;

AND PROVIDED FURTHER THAT where the Contributor's Contributory Service is or includes a period or periods of employment otherwise than on a full time basis, the length of Contributory Service shall be reduced proportionately to the extent that the Board may determine in each case. For the purposes of determining whether reduced Contributory Service occurs before 1 April 1990 or after 31 March 1990 this Section E shall be read as if the provisions of this proviso relating to the reduction in length of Contributory Service were omitted.

E21.2 Every Pension payable under this Section E the first instalment of which is payable after 31 March 1990, shall (before any election is made by the Contributor under **clause E24.1**) be adjusted as follows:

E21.2.1 that part of the Pension which relates to Contributory Service before 1 April 1990 shall be multiplied by the fraction -

$$\frac{(12 - \frac{t}{5})}{15}$$

where t equals the number of complete years (and for any part year, the fraction of that year) which will elapse from 1 April 1990 up until the day on which the first instalment of the Pension is payable (both days inclusive);

PROVIDED THAT the value of t shall not exceed 20;

E21.2.2 that part of the Pension which relates to Contributory Service after 31 March 1990 shall be multiplied by the fraction -

$$\frac{8}{15}$$

30/3/93

E21.3 In addition to the adjustment under **clause E21.2** any Pension (the first instalment of which is payable after 31 March 1990 but before 1 April 1992) shall be further adjusted (after any election has been made by the Contributor under **clause E24.1**) so as to be the average of the amounts calculated under **clause E21.3.1** and **clause E21.3.2** below:

E21.3.1 y multiplied by z

Where:

y is the number of complete years (and for any part year, the fraction of that year) which will elapse from the day after the first instalment of the Pension is payable up until 31 March 1992 (both days inclusive); and

z is the amount of the Pension payable (as computed before the adjustment is made under clause E21.2 but after any election has been made by the Contributor under clause E24.1) after the Pension has been reduced according to the following scale:

On so much of that Pension as:

Reduction:

Does not exceed \$9,500

15%

Exceeds \$9,000 but does not exceed \$30,875 28%

Exceeds \$30,875 33%

E21.3.2 the number of complete years (and for any part year, fraction of that year) which will elapse from 1 April 1990 up until the day on which the first instalment of the Pension is payable (both days inclusive) multiplied by the amount of the Pension (as adjusted under **clause E21.2** and after any election has been made by the Contributor under **clause E24.1**).

30/3/93
29/2/96 E21.4 In determining whether Contributory Service occurs before 1 April 1990 or after 31 March 1990 for the purposes of **clause E21.2** and **clause E21.3**, this Section E shall be read as if the provisions of **clause E32.4** which deem Contributory Service to have occurred at a time (as specified in that clause) have been omitted.

E22 PENSION WHERE CONTRIBUTOR PERMANENTLY INCAPACITATED

30/3/93 E22.1 There shall be payable to a Contributor on Retirement on the grounds of Permanent Incapacity a Pension the amount of which shall be calculated under **clause E21** and payable from the Annuitants Scheme.

30/3/93 E22.2 Where any Contributor has retired and is receiving a Pension under this **clause E22**, the Board may from time to time require such proof of continuation of Permanent Incapacity as it deems necessary.

30/3/93 E22.3 The Board may in its discretion reduce, suspend or cancel any Pension to which a person is entitled under this **clause E22** if:

E22.3.1 the Contributor resumes employment whether with the Contributing Employer or elsewhere, or becomes gainfully self-employed; or

E22.3.2 the Contributor fails without sufficient justification to submit to a request to undergo a medical examination when and as often as required by the Board.

E22.4 The Board may in its discretion vary or revoke any decision made by it under this **clause E22**.

30/3/93 E22.5 No Pension payable under this **clause E22** shall be reduced, suspended, or cancelled after the date on which the Contributor would have become entitled under **clause E20** to receive a Pension on Retirement had the Contributor not sooner retired by reason of Permanent Incapacity. Any decision by the Board to reduce or suspend any such Pension shall cease to apply after that date, and where a Pension has been reduced or suspended it shall be reinstated as from that date.

E23 PENSION ON EARLY RETIREMENT

30/3/93 E23.1 On the Retirement of a Contributor after attaining the age of 55 the Board may in its discretion grant a Pension for the rest of the Contributor's life;

PROVIDED THAT in the case of a female Contributor with Actual Contributory Service which commenced before the 1st day of July 1963 the Board may grant a Pension under this **clause E23.1** on Retirement after attaining the age of 50; and

PROVIDED FURTHER THAT any Retirement under this **clause E23.1** shall be with the consent of the Contributing Employer.

- 30/3/93 E23.2 On the Retirement of a Contributor after attaining the age of 50 having completed not less than 20 years' Contributory Service, the Contributor may be granted a Pension for the rest of the Contributor's life, subject to the consent of both the Contributing Employer and the Contributor, and subject also to the approval of the Board.
- 30/3/93 E23.3 The amount of any Pension granted under this **clause E23** shall be calculated under **clause E21** and payable from the Annuitants Scheme, but the Board may in its discretion reduce any such Pension in proportion to the additional actuarial burden cast upon this Scheme or the Annuitants Scheme by reason of such Pension's earlier commencement.
- 30/3/93 E23.4 Where a Pension is granted under this **clause E23**, the Contributing Employer may, if it has legal power to do so, make a further contribution under this Section E in respect of the Contributor notwithstanding that the Contributor is no longer in its employment, in order to offset in whole or in part the actuarial reduction imposed on that Pension under **clause E23.3** and the provisions of **clause E18** shall apply to such contribution.
- E23.5 In any case to which **clause E22** and this **clause E23** may both apply, it shall be in the discretion of the Board whether a Pension as provided by **clause E22** or a Pension as provided by this **clause E23** is granted to the Contributor.
- E24 ELECTION TO SURRENDER PORTION OF PENSION AND RECEIVE CASH PAYMENT**
- 30/3/93 E24.1 Where any Contributor becomes entitled to a Pension under **clause E20**, **clause E22** or **clause E23** or where the Contributor would have been entitled to a Pension if the Contributor had retired on the date of the Contributor's election, the Contributor may elect to surrender the Contributor's right to a specified portion not being more than one-quarter of the Contributor's Pension and to receive instead payment of a sum equal to nine times the amount by which the Contributor's annual Pension is reduced pursuant to the surrender;
- PROVIDED THAT** in respect of any Pension the first instalment of which is payable to the Contributor after 31 March 1990:
- E24.1.1 the payment from the Annuitants Scheme shall be equal to eleven and one quarter times the amount surrendered;
- E24.1.2 the amount of the Pension under this **clause E24.1** shall be deemed to be the Pension before the effect of any adjustment under **clause E21.3**.
- 30/3/93 E24.2 No Contributor shall anticipate the right under this **clause E24** where the Pension payable is to commence from any date after the day following the termination of employment.
- 30/3/93 E24.3 An election under this **clause E24** may be made by a Contributor at any time within three months immediately preceding the date of becoming entitled to a Pension. Where an election is made before that date it shall be deemed to have been made on the earliest day on which the Contributor would be entitled to a Pension calculated under this Section E if the Contributor was living and retired on that day.
- 30/3/93 E24.4 Where a Contributor has made an election, under this **clause E24** or under a substantially equivalent provision in any scheme under which the Contributor was previously contributing, in respect of any previous period of Contributory Service, the amount previously surrendered may be taken into account in calculating the proportion of the Pension which the Contributor may elect to surrender.

- 30/3/93 E24.5 On the making of an election under this **clause E24** the Pension payable to the Contributor shall be reduced by the same proportion as that which the Contributor elects to surrender as aforesaid, and all rights in respect of the proportion so surrendered shall be deemed to be determined.
- 30/3/93 E24.6 Any election under this **clause E24** shall be made before the Contributor has received any instalment of the Pension from the Annuitants Scheme and shall not be revocable, and the Contributor shall not be entitled to amend or extend any such election or to make a further election.
- 30/3/93 E24.7 Any sum which a Contributor is entitled to receive under this **clause E24** shall be payable from the Annuitants Scheme and shall become payable on the date on which the Contributor becomes entitled to the Pension;

PROVIDED THAT where a Contributor dies on or after the date on which the Contributor's election becomes effective but before a Pension becomes payable the Contributor shall for the purposes of this **clause E24.7** be deemed to have become entitled to a Pension on the date of the Contributor's death.

E25 ELECTION TO SURRENDER PORTION OF PENSION TO PROVIDE ANNUITY FOR DEPENDANT AFTER DEATH OF CONTRIBUTOR

- 30/3/93 E25.1 Any Contributor, on becoming entitled under **clause E20** or **clause E23** to a Pension and on satisfying the Board as to the state of the Contributor's health, shall be entitled, before receiving payment of the first instalment of such Pension from the Annuitants Scheme to elect to surrender any specified portion of such Pension (up to a maximum to be fixed by the Board being not greater than 50 percent of the Pension otherwise payable) in order to provide for payment after the Contributor's death from the Annuitants Scheme to a Dependant approved by the Board of such annuity as the Board may determine, and the Contributor may by notice given before receiving payment of such first instalment withdraw the election so made.
- E25.2 For the purpose of enabling the Contributor to consider making an election under **clause E25.1** the Board shall, on application and on being supplied with all such information as it may require as to the age, health, and medical history of the Contributor and the age of the proposed Dependant, inform the Contributor of the maximum portion of the Pension that it would permit to be surrendered and of the amount and term of the annuity that it would grant.

E26 ELECTION TO RECEIVE VARIABLE PENSION

- E26.1 Any Contributor may within the time prescribed by **clause E26.5** and with the consent of the Board, elect to surrender from any date specified by the Board a specified portion (up to a maximum fixed by the Board) of the Pension which, but for such an election, the Contributor would be entitled to receive on Retirement under **clause E20** or **clause E23**, in order to provide for payment from the Annuitants Scheme of an increased Pension up to that specified date.
- E26.2 An election under this **clause E26** may be for one reduction of the Pension from one specified date or for successive reductions from two or more specified dates.
- E26.3 Before the Board consents to an election under this **clause E26** it may in its discretion obtain such medical evidence as to the health of the Contributor as it may require.
- E26.4 No Pension shall be granted under this **clause E26** of an amount that is calculated to impose any additional liability on this Scheme or the Annuitants Scheme, and every such Pension shall be computed as the actuarial equivalent of the Pension to which the Contributor would have been

entitled if an election had not been made under this **clause E26**.

E26.5 An election under this **clause E26** may be made at any time within the three months immediately preceding the day on which the payment of a Pension is due and before the payment of the first instalment has been received.

30/3/93 **E27 ELECTION ON MARRIAGE AFTER RETIREMENT TO SURRENDER PORTION OF PENSION TO PROVIDE ANNUITY FOR SPOUSE**

30/3/93 E27.1 Any Contributor who has retired and is in receipt of a Pension under **clause E20** or **clause E23** and who has married or remarried after Retirement shall, on satisfying the Board as to the state of the Contributor's health, be entitled to elect to surrender any specified portion of the Pension (up to a maximum to be fixed by the Board being not greater than 50% of the Pension otherwise payable) in order to provide for payment after the Contributor's death from the Annuitants Scheme to the Spouse of such annuity as the Board may determine.

E27.2 Any election made in terms of this **clause E27** must be made within three months after marriage or remarriage and may be withdrawn by notice given before receiving payment of the first instalment of the Pension as so reduced.

E27.3 **Clause E25.2** shall apply in the case of an election under this **clause E27**.

E28 ELECTION AT AGE 60 BEFORE RETIREMENT TO SURRENDER PORTION OF PENSION TO PROVIDE ANNUITY FOR DEPENDANT AFTER DEATH

30/3/93 E28.1 Any Contributor having attained the age of 60 may before Retirement, but only with the express consent of the Board, elect to surrender any specified portion (up to a maximum to be fixed by the Board being not greater than 50% of the Pension otherwise payable) of the Contributor's prospective Pension in order to provide for payment from the Annuitants Scheme after the Contributor's death (whether before or after Retirement) to a Dependant approved by the Board of such annuity as the Board may determine.

E28.2 Any such election shall be irrevocable.

30/3/93 E28.3 **Clause E25.2** shall apply in the case of an election under this **clause E28**.

30/3/93
29/2/96 **E29 [RESERVED]**

E30 REJOINING NOT PERMITTED ON RE-EMPLOYMENT AFTER RETIREMENT ON PENSION

30/3/93
29/2/96 Where any Contributor who has retired and is in receipt of a Pension from the Annuitants Scheme calculated under this Section E is re-employed in the service of any Contributing Employer, the Contributor may not again become a Contributor under this Section E.

E31 REFUND OF CONTRIBUTIONS ON CEASING SERVICE BEFORE ENTITLEMENT TO PENSION

29/2/96
20/10/16 E31.1 If any Contributor ceases to be in the service of a Contributing Employer before becoming entitled to a Pension calculated under this Section E, the Contributor shall thereupon be entitled to receive from this Scheme a refund of Refundable Contributions less where Actual Contributory Service has been transferred to this Scheme under **Clause E7** any Benefits already received from this Scheme under this Section E or any scheme operated under Part III of the National Provident

Fund Act 1950 (prior to its repeal).

- | | | |
|--------------------|------------|--|
| 29/2/96 | E31.2 | Any person who ceases to be in the service of a Contributing Employer under this clause E31 may not again become a Contributor under this Section E. |
| 30/3/93 | E32 | REACTIVATION OF PREVIOUS CONTRIBUTORY SERVICE |
| 30/3/93 | E32.1 | Any Contributor under the age of 50 years who for any reason ceases to be in the service of a Contributing Employer before becoming entitled to a Pension may in addition to the options available under clause E8 and clause E31 elect to leave contributions in this Scheme under this Section E on a contingent basis. The period during which contributions are so left in this Scheme is referred to in this clause as the “non-contributory period”. |
| 30/3/93 | E32.2 | Should the Contributor resume employment with a Contributing Employer and recommence contributions to this Section E before attaining age 50 or before the non-contributory period exceeds 15 years, whichever is the earlier, the Contributor may elect to reactivate the earlier period of Contributory Service which is then aggregated with the subsequent period of Contributory Service for the purposes of calculating the Pension entitlement. |
| 30/3/93 | E32.3 | When the previous period of Contributory Service is reactivated in accordance with clause E32.2 the non-contributory period will cause the Contributor’s earlier period of Contributory Service to be discounted according to the following formula: |
| | E32.3.1 | a discount of 1.25% for each year or part of a year of the non- contributory period which can be offset against a year of Contributory Service completed before the Contributor made an election under clause E32.1 ; and |
| | E32.3.2 | a further discount of 2.25% for each year or part of a year of the non- contributory period which is in excess of the earlier period of Contributory Service. |
| 30/3/93 | E32.4 | Any period of discounted Contributory Service under clause E32.3 shall be deemed to precede immediately the date on which the Contributor again resumed contributions to this Section E and the Contributor’s rate of contributions following re-entry shall be determined according to the age of the Contributor at the date when the period of such discounted Contributory Service is deemed to commence. |
| 30/3/93 | E32.5 | The Contributor is not eligible to contribute to this Section E during the non- contributory period and no Pension or annuity is payable in respect of the earlier period of Contributory Service during that period. |
| 30/3/93 | E32.6 | The Contributor may at any time during the non-contributory period elect to take a refund of Refundable Contributions and so terminate membership of this Scheme under this Section E and forfeit the right to reactivate the earlier period of Contributory Service. |
| 30/3/93
28/1/94 | E32.7 | While a Contributor remains in this Scheme under this Section E during a non- contributory period, only the right to reactivate the earlier period of Contributory Service is protected. However, the Contributor shall be eligible to elect to transfer under Part VA of Section F of this Scheme. In the event that the Contributor dies during a non-contributory period, the estate of the Contributor will be credited with a refund of the Contributor’s Refundable Contributions. |
| 30/3/93 | E32.8 | Where a Contributor who has made an election under clause E32.1 does not resume contributing with a Contributing Employer within the time specified or the whereabouts of the Contributor cannot be ascertained the Refundable Contributions only so left in this Section E shall be held to the Contributor’s credit in this Section E and may be paid to the Contributor or the Contributor’s |

estate on request but the Contributor shall not in any other respect be treated as a Contributor and the period in which the Contributions are held for the Contributor shall not constitute Contributory Service.

30/3/93 E32.9 Where a Contributor has under **clause E8** taken a permitted period of absence which has not been counted as Actual Contributory Service such period shall not be deemed to fall under this **clause E32**;

PROVIDED THAT a Contributor may make an election under **clause E32.1** while the Contributor is taking a permitted period of absence and before the expiration of that permitted period of absence and in that event a non- contributory period will be deemed to commence at the beginning of and instead of the permitted period of absence.

30/3/93 E32.10 Where a Contributor:

E32.10.1 has had a permitted period of absence under **clause E8**;

E32.10.2 has elected under the proviso to **clause E8.2** to delay the payment of such sums as the Board determines to entitle the Contributor to count the permitted period of absence under that clause as Actual Contributory Service until after the Contributor has returned to the service of a Contributing Employer; and

E32.10.3 at the date of the Contributor's Retirement, has not made payment of all sums required to be paid under the proviso to **clause E8.2**;

then the Contributor shall have the option of either:

E32.10.4 completing the payments required under the proviso to **clause E8.2** in the manner approved by the Board under that proviso; or

E32.10.5 electing to discontinue such payments, in which case the amount of the period of absence which the Contributor is permitted to treat as Actual Contributory Service under **clause E8.2** shall be the proportion of the permitted period of absence which is equal to the proportion of the sums required to be paid under **clause E8.2** which have been paid.

30/3/93 E32.11 Where a Contributor has had a permitted period of absence under **clause E8** and makes an election under **clause E32.1** before the expiration of the permitted period of absence, the Contributor shall have the option of:

E32.11.1 making all the payments required under **clause E8.2** at the times and in the manner approved by the Board under **clause E8.2** (in which case the Contributor shall be entitled to treat the permitted period of absence which falls before the date of the Contributor's election under **clause E32.1** as Actual Contributory Service); or

E32.11.2 not making any payments under **clause E8.2** (or any further payments if such payments have already commenced) in which case the non- contributory period will be deemed to commence at the beginning of such permitted period of absence (or, if such payments have already commenced, at the end of that part of the permitted period of absence which the Contributor is entitled to treat as Actual Contributory Service by virtue of having made some of the payments required to be made under **clause E8.2**).

PART V

DEATH BENEFITS**E33 DEATH OF CONTRIBUTOR LEAVING SPOUSE WHO BECAME THE SPOUSE BEFORE RETIREMENT**

30/3/93 E33.1 Where a Contributor dies before or after becoming entitled to a Pension, and while still entitled thereto leaves a Surviving Spouse who became the Spouse before Retirement, there shall be payable out of the Annuitants Scheme to the Surviving Spouse an allowance at the rate provided in **clause E33.2**.

30/3/93 E33.2 The allowance so payable shall not be in any case (except as otherwise provided in this Section E of this Deed) at a rate of less than \$390 a year, and subject thereto shall:

E33.2.1 In the case of a Contributor dying before Retirement, be an allowance calculated as:

$$P/2$$

Where:

p is the Pension to which the deceased Contributor would have been entitled if the Contributor had retired on the date of death on the grounds of Permanent Incapacity, such Pension to be:

E33.2.1.1 calculated before the effect of any adjustment under **clause E21.3**;

E33.2.1.2 calculated as if the words “the day on which the first instalment of the Pension is payable” in **clause E21.2.1** were omitted and the words “the day after the date of death” were substituted therefor;

E33.2.1.3 calculated on the basis that the Contributor died without exercising any of the rights of election contained in **clause E28**.

E33.2.2 Any allowance so calculated (the first instalment of which is payable after 31 March 1990 but before 1 April 1992), shall be further adjusted (after any election has been made by the Surviving Spouse under **clause E38.2**) so as to be the average of the amounts calculated under **clause E33.2.2.1** and **clause E33.2.2.2**:

E33.2.2.1 y multiplied by z

Where

y is the number of complete years (and for any part year, the fraction of that year) which will elapse from the day following the day after the date of death of the Contributor up until 31 March 1992 (both days inclusive); and

z is the amount of the allowance payable:

- (a) calculated using the formula $P/2$ mentioned above in **clause E33.2.1** but for these purposes as if p were the Pension before the effect of any adjustment under **clause E21.2** and **clause E21.3**; and
- (b) reduced by the same proportion as that which the Surviving Spouse has elected to surrender under **clause E38.2**;

after that amount of the allowance has been reduced according to the following scale:

On so much of that allowance as:	Reduction
Does not exceed \$9,500	15%
Exceeds \$9,500 but does not exceed \$30,875	28%
Exceeds \$30,875	33%

E33.2.2.2 the number of complete years (and for any part year, fraction of that year) which will elapse from 1 April 1990 up until the day on which the first instalment of the allowance is payable (both days inclusive) multiplied by the amount of the allowance (as computed using the formula $\frac{P}{2}$ mentioned in **clause E33.2.1** and reduced by the same proportion as that which the Surviving Spouse has elected to surrender under **clause E38.2**.

E33.2.3 in the case of a Contributor dying after Retirement, be one-half of the annual Pension paid or payable before the taking effect of any election made under **clause E25** or **clause E28**;

PROVIDED THAT where any of the provisions of this **clause E33.2** apply on the death of a Contributor who was contributing at either 6% or 60% as permitted in accordance with **clause E12** or **clause E13** respectively the Surviving Spouse shall receive a minimum allowance reduced in the proportion that the actual contributing rate bears to the full contributing rate under **clause E11** for age.

- 30/3/93 E33.3 If the allowance ceases by reason of the death of the Surviving Spouse before the Contributor's Refundable Contributions have been exhausted in payment of the allowance and any other Benefits, the balance of the Refundable Contributions after deducting Benefits prospectively payable under **clause E25**, **clause E28**, **clause E36** (other than **clause E36.4**) or **clause E37** (other than **clause E37.2**) shall forthwith be paid from the Annuitants Scheme to the Surviving Spouse's legal personal representatives.
- 30/3/93 E33.4 In the absence of any election under **clause E25** or **clause E28**, a Surviving Spouse becoming entitled to an allowance under this **clause E33** may:
- E33.4.1 by notice given before receiving the first instalment of the allowance, elect to receive in lieu of the allowance a refund of the Contributor's Refundable Contributions less any Benefits already paid under this Section E or the Annuitants Scheme;
- E33.4.2 by notice given before receiving such a refund, withdraw such notice of election;
- E33.5 Any refund payable under **clause E33.4** shall be paid from the Annuitants Scheme if the Contributor died after becoming entitled to a Pension but otherwise shall be paid from this Scheme.
- E33.6 No person shall be entitled to receive more than one allowance calculated under this **clause E33** or **clause E34**, and if such an entitlement were possible but for this **clause E33.6**, the person may, subject to the approval of the Board, choose whichever one of the allowances is desired.
- 30/3/93 E33.7 Nothing in this **clause E33** shall apply in respect of any Surviving Spouse of a Contributor who died before 1 April 1975, unless the Surviving Spouse was the Spouse of the Contributor at the

date of the Contributor's death.

E34 DEATH OF CONTRIBUTOR LEAVING SPOUSE WHO BECAME THE SPOUSE AFTER RETIREMENT

30/3/93 E34.1 Where a Contributor dies after becoming entitled to a Pension, and while still entitled thereto leaves a Surviving Spouse who became the Spouse after Retirement, there shall be payable from the Annuitants Scheme to the Surviving Spouse an allowance at the rate provided in **clause E34.2**.

PROVIDED THAT an entitlement under this **clause E34** shall have no effect for payment purposes for any period prior to 1 April 1986.

30/3/93 E34.2 The allowance so payable shall not be in any case (except as otherwise provided in this Section E of this Deed) at a rate of less than \$390 a year, and subject thereto shall be:

E34.2.1 10% of the Contributor's Pension when the Contributor dies less than 2 years after the marriage;

E34.2.2 20% of the Contributor's Pension when the Contributor dies 2 or more years but less than 3 years after the marriage;

E34.2.3 30% of the Contributor's Pension when the Contributor dies 3 or more years but less than 4 years after the marriage;

E34.2.4 40% of the Contributor's Pension when the Contributor dies 4 or more years but less than 5 years after the marriage;

E34.2.5 50% of the Contributor's Pension when the Contributor dies 5 or more years after the marriage;

PROVIDED THAT the minimum rate of allowance shall be reduced in such proportion of that rate as is appropriate in terms of the ratios given in this **clause E34.2**.

AND FURTHER PROVIDED THAT on the death of a Contributor who was contributing at either 6% or 60% as permitted in accordance with **clause E12** or **clause E13** respectively the Surviving Spouse shall receive a minimum allowance further reduced in the proportion that the actual contribution rate bears to the full contribution rate under **clause E11** for age.

30/3/93 E34.3 If the allowance ceases by reason of the death of the Surviving Spouse before the Contributor's Refundable Contributions have been exhausted in payment of the allowance and any other Benefits, the balance of the Refundable Contributions after deducting Benefits prospectively payable from the Annuitants Scheme under **clause E25**, **clause E27**, **clause E28**, **clause E36** (other than **clause E36.4**) or **clause E37** (other than **clause E37.2**) shall forthwith be paid out of the Annuitants Scheme to the Surviving Spouse's legal personal representatives.

30/3/93 E34.4 In the absence of any election under **clause E25**, **clause E27** or **clause E28**, a Surviving Spouse becoming entitled to an allowance under this **clause E34** may:

E34.4.1 by notice given before receiving the first instalment of the allowance, elect to receive in lieu of the allowance a refund of the Contributor's Refundable Contributions less any Benefits already paid under this Section E or the Annuitants Scheme;

E34.4.2 by notice given before receiving such a refund, withdraw such notice of election.

30/3/93 E34.5 No person shall be entitled to receive more than one allowance under this **clause E34** and **clause E33**, and if such an entitlement were possible but for this **clause E34.5**, the person may subject to any requirements of the Board choose whichever one of the allowances is desired.

30/3/93 E34.6 Nothing in this **clause E34** shall apply in respect of any Surviving Spouse of a Contributor who died before 1 April 1975, unless that Surviving Spouse was the Spouse of the Contributor at the date of the Contributor's death.

E35 DEATH OF A CONTRIBUTOR LEAVING NO SPOUSE

30/3/93 On the death of a Contributor, whether before or after Retirement, leaving no Surviving Spouse, there shall forthwith be paid from this Scheme or the Annuitants Scheme (as applicable) to the legal personal representatives any balance of the Refundable Contributions after deducting therefrom any Benefits prospectively payable under the Annuitants Scheme and calculated under **clause E25**, **clause E28**, **clause E36** or **clause E37** (other than **clause E37.2**).

E36 CHILDREN'S ALLOWANCES

30/3/93 E36.1 On the death of a Contributor, whether before or after Retirement leaving a Child or Children under the age of 16, there shall be paid out of the Annuitants Scheme in respect of each such Child until such Child attains the age of 16 an allowance at the rate of \$78.00 a year;

PROVIDED THAT no allowance shall be payable in respect of any Child in respect of whom an allowance is payable as the Child of another deceased Contributor or member of any scheme originally authorised under Part III of the National Provident Fund Act 1950.

E36.2 If any Child in respect of whom the allowance is payable remains at school after attaining the age of 16, the allowance may be continued so long as the Child remains at school until the end of the year in which the Child attains the age of 18.

30/3/93 E36.3 If any Child in respect of whom the allowance is payable is by reason of physical or mental incapacity unable to maintain herself or himself and is not being maintained free of charge in a state institution the allowance may thereafter be continued in the discretion of the Board as trustee of the Annuitants Scheme.

30/3/93 E36.4 If all allowances payable under this **clause E36** cease after all other Benefits in respect of the Contributor have ceased to be payable and before the Contributor's Refundable Contributions have been exhausted in payment of the allowances and other Benefits, the balance of those Refundable Contributions shall be paid out of the Annuitants Scheme in equal shares in respect of the Children of the Contributor then surviving.

30/3/93 E36.5 Money payable in respect of Benefits calculated under this **clause E36** in respect of any Child may be expended by the Board for the benefit of the Child in such manner as the Board thinks fit and may be paid to any person to be expended on behalf of the Child.

E37 PROVISIONS APPLYING TO ANNUITY TO SPOUSE OR DEPENDANT ON DEATH OF CONTRIBUTOR

30/3/93 On the death of a Contributor who has made an election for the payment of an annuity under **clause E25**, **clause E27** or **clause E28**, the following provisions shall apply:

30/3/93 E37.1 An annuity so payable shall be in addition to any allowance payable under **clause E33** or **clause E34** of this Scheme;

- 30/3/93 E37.2 If on the death of the last of the Spouse or any Dependant who has survived the retirement and death of the Contributor there remains in this Scheme or in the Annuitants Scheme any balance of the Contributor's Refundable Contributions, all claims to that date having previously been satisfied, such balance after deducting therefrom any Benefits prospectively payable under the Annuitants Scheme and calculated under **clause E33**, **clause E34** or **clause E36** (other than **clause E36.4**) shall thereupon be paid out of this Scheme or the Annuitants Scheme (as appropriate) to the legal personal representative of such Spouse or Dependant.
- E38 ELECTION BY SURVIVING SPOUSE TO SURRENDER PORTION OF ALLOWANCE AND RECEIVE CASH PAYMENT**
- 30/3/93 E38.1 This **clause E38** shall apply to any Surviving Spouse who becomes entitled to an allowance calculated under this Section E on or after the 12th day of April 1979 and who is less than 61 years of age at the time the entitlement to the allowance arises.
- 30/3/93 E38.2 Where any such Surviving Spouse of any Contributor who has died before or after Retirement becomes entitled to an allowance calculated under this Section E, such Surviving Spouse may elect to surrender up to one-quarter of the allowance payable and to receive instead payment of a sum equal to nine times the amount by which the allowance is reduced pursuant to the surrender;
- PROVIDED THAT** where the first instalment of any such allowance becomes payable after 31 March 1990:
- E38.2.1 the word "nine" in this **clause E38.2** shall be omitted and the words "eleven and one quarter" shall be substituted therefor;
- E38.2.2 the allowance referred to under this **clause E38.2** shall be deemed to be the allowance calculated before the effect of any adjustment to the allowance under **clause E33.2.2**.
- E38.3 Any refund payable under **clause E38.2** shall be paid from the Annuitants Scheme.
- 30/3/93 E38.4 Any election under this **clause E38** shall be made in writing delivered to the Board before the Surviving Spouse has accepted any instalment of the allowance.
- 30/3/93 E38.5 No Surviving Spouse shall have the right to revoke, amend or extend any election made under this **clause E38**.
- 30/3/93 E38.6 On the making of any such election the allowance payable to the Surviving Spouse shall be reduced by the same proportion as that which the Surviving Spouse has elected to surrender as aforesaid, and all rights in respect of the proportion so surrendered shall be deemed to be determined.

PART VI

FINANCIAL

- 30/3/93 **E39 METHOD OF PAYMENT OF PENSIONS, ALLOWANCES AND ANNUITIES**
- E39.1 All Pensions, allowances and annuities calculated under this Section E shall be payable from the Annuitants Scheme and shall be non-commutable and non-assignable and shall be paid by instalments at four-weekly intervals in advance and each shall be paid to the end of the period in which it ceases to be payable.
- 30/3/93 E39.2 Each such four-weekly instalment shall be calculated as 28/365th of the annual amount

payable to the nearest cent above, provided that the minimum four- weekly instalment of an allowance calculated at the rate of \$390 per annum under **clause E33** or **clause E34** shall be \$30 and four-weekly instalment of the Children's allowance payable under **clause E36** shall be \$6 (except where **clause E12**, **clause E13**, **clause E34.2** or **clause E38** apply).

30/3/93 E39.3 Every such instalment shall be paid to the person entitled thereto personally unless the Board in its discretion directs that it shall be paid to some other person on behalf of the person entitled;

PROVIDED THAT in any case where by reason of age or infirmity of the person entitled or for any other sufficient cause it is not convenient that payment be made to the person entitled personally, payment may be made to any person or bank account duly authorised by the person entitled to receive payment on that person's behalf.

30/3/93 E39.4 All Pensions and other Benefits calculated under this Section E shall be payable in New Zealand dollars and to a bank account in New Zealand, or, if the Board agrees, by posting a cheque in New Zealand dollars to an address nominated by the person entitled to receive the Pension or other Benefit.

E40 REFUND OF BALANCE OF CONTRIBUTIONS AFTER DEDUCTING BENEFITS PAYABLE

30/3/93 Wherever provision is made in this Section E or the Annuitants Scheme for payment of the balance of Refundable Contributions after deducting Benefits paid or prospectively payable, the amount to be deducted shall be determined by the Board with such actuarial advice as it may elect to seek and shall be paid out of this Section E or the Annuitants Scheme as appropriate.

E41 MINIMUM BENEFIT

30/3/93 The value of any Benefit payable under this Section E or the Annuitants Scheme shall not be less than the Contributor's own contributions to this Section E together with any credits the Contributor has transferred from any previous scheme to this Section E.

PARTVII

COST OF LIVING PROVISIONS

30/3/93 **E42 COMMENCEMENT AND APPLICATION**

30/3/93 The provisions of this Part VII of this Section E shall be deemed to have come into force on the 1st day of April 1971 for all Contributors other than those who were not obliged to and who did not contribute under Part VI of the First Schedule to the Existing Local Authorities Scheme (as Section E then was) until 1 April 1975;

PROVIDED THAT any Contributor who did not contribute under those provisions until 1 April 1975 may at the discretion of the Board elect to contribute from the 1st day of April 1971 under such terms and conditions as the Board may determine.

E43 ADJUSTABLE PENSIONS, ALLOWANCES AND ANNUITIES

The following Pensions, allowances, and annuities payable from the Annuitants Scheme shall be adjusted in accordance with this Part VII of this Section E:

30/3/93 E43.1 Pensions payable under **clause E20**, **clause E22** or **clause E23**;

E43.2 Annuities payable under **clause E25, clause E27 or clause E28**;

E43.3 Allowances payable under **clause E33 or clause E34**.

E44 PROVISION FOR ANNUAL ADJUSTMENT

30/3/93 Subject to the provisions of this Part VII of this Section E and to **clause E61**, every Pension, allowance and annuity specified in **clause E43** shall be adjusted annually where appropriate on and after the date of the first four-weekly payment of the Benefit in each financial year commencing on the 1st day of April and ending with the 31st day of March.

E45 BASIS OF ANNUAL ADJUSTMENT

30/3/93 The aggregate percentage of increase to be applied to a Basic Pension, allowance or annuity (as defined in **clause E46**) for the purpose of determining the annual adjustment for any year shall be the percentage (if any) calculated by the Government Statistician and adjusted where appropriate in accordance with the formula in **clause E47** by which the annual all groups index number of the New Zealand Consumers Price Index for the December quarter of the calendar year immediately preceding that which includes the date for the annual adjustment exceeds the index number determined under **clause E49.2 or clause E49.3**.

E46 AMOUNT OF ANNUAL ADJUSTMENT

30/3/93 For the purposes of the adjustment scheme under this Part VII of this Section E the term “Basic Pension, allowance or annuity” means the annual amount of Pension, allowance or annuity as initially payable after the effect of any election made under **clause E24, clause E25, clause E27, clause E28 or clause E38**. The annual amount of the Basic Pension, allowance or annuity shall be determined by applying the movement in the cost of living, as measured by the New Zealand Consumers Price Index from the date of qualification, to the Basic Pension, allowance or annuity and adding the amount so ascertained to the Basic Pension, allowance or annuity.

E47 PERCENTAGE TO BE APPLIED TO ANY PENSION, ALLOWANCE OR ANNUITY

E47.1 Where the Contributor’s Contributory Service terminated before the 1st day of April 1971 the proportion of the percentage to be applied under **clause E45** shall be 80 percent.

E47.2 Where the Contributor’s Contributory Service commenced before the 1st day of April 1971, and had not terminated by that date the proportion of the percentage to be applied under **clause E45** shall be 80 percent plus a percentage calculated in accordance with the following formula:

$$\frac{a}{b} \times 20 \text{ percent}$$

where:

E47.2.1 “a” is the period of Contributory Service after the 31st day of March 1971; and

E47.2.2 “b” is the total period of Contributory Service.

E47.3 For the purposes of the calculations under this **clause E47** the calculation is to be to the nearest whole number percent unless the application of the formula gives a figure exactly half of one percent below a whole number percent, in which case the calculation shall be to the nearest whole number percent above.

30/3/93 E47.4 Where the Contributor’s Contributory Service commenced on or after the 1st day of April 1971

the percentage to be applied under **clause E45** of this Scheme is 100 percent.

30/3/93
20/10/16

- E47.5 Where the Contributor whose Contributory Service commenced before the 1st day of April 1971 and had not terminated by the 1st day of April 1975 became liable to contribute under the adjustment provisions on and after the 1st day of April 1975 and did not elect to contribute under the adjustment provisions from the 1st day of April 1971 the proportion of the percentage to be applied under **clause E45** shall be 80 percent plus a percentage calculated in accordance with the formula in **clause E47.2** except that in the formula 'a' in that **clause E47.2** shall be the period of Contributory Service after the 31st day of March 1975.

E48 DATE OF QUALIFICATION

30/3/93

- E48.1 Subject to the proviso in **clause E49.1**, the Date of Qualification as defined in **clause E49.1** for the initial adjustment to any Pension payable under any of the provisions of **clause E20**, **clause E22** or **clause E23** shall be the later of:

E48.1.1 the date of attaining the age of 60 years; or

E48.1.2 the day immediately preceding the date on which the first instalment of the Pension was or will be payable.

- E48.2 The Date of Qualification for the initial adjustment to any allowance calculated under any of the provisions of **clause E33** or **clause E34** shall be the later of:

E48.2.1 the date of attaining the age of 55 years; or

E48.2.2 the day immediately preceding the date on which the first instalment of the allowance was or will be payable.

30/3/93

- E48.3 The Date of Qualification for the initial adjustment to the annuity calculated under **clause E25**, **clause E27** or **clause E28** shall be the later of:

E48.3.1 the day immediately preceding the date on which the first instalment of the Contributor's Pension was or will be payable; or

E48.3.2 the day on which the Contributor if the Contributor were still alive, would have attained the age of 60 years.

E49 INITIAL ADJUSTMENTS

30/3/93

- E49.1 For the purpose of this Part VII of this Section E "Date of Qualification" in relation to a Beneficiary means the Beneficiary's date of qualification as determined under **clause E48**;

PROVIDED THAT the Board may in its discretion deem the Date of Qualification in relation to a Pension calculated under **clause E22** or **clause E23** to be earlier than the date as determined under **clause E48.1**.

- E49.2 Where the Date of Qualification falls between the 1st day of April and the 30th day of September (both days inclusive) the index number for the December quarter of the calendar year immediately preceding the calendar year in which the first day of the Contributor's Qualifying Year falls shall apply.

- E49.3 Where the Date of Qualification falls between the 1st day of October and the 31st day of March (both days inclusive) the index number of the June quarter of the calendar year in which the first day of the

Contributor's Qualifying Year falls shall apply.

E49.4 Where the proviso to **clause E49.1** applies the index number for the December quarter of the calendar year immediately preceding the calendar year in which the Date of Qualification falls shall apply.

30/3/93 E49.5 The initial adjustment to be made to any adjustable Pension, allowance or annuity shall be made within 6 to 18 months after commencement, on the first April payment date as determined under **clause E44**, as follows:

E49.5.1 where the Date of Qualification falls between the 1st day of April and the 30th day of September (both days inclusive) on that April payment date in the following year;

E49.5.2 where the Date of Qualification falls between the 1st day of October and the 31st day of March (both days inclusive), on the first such April payment date to occur after twelve months have elapsed.

E50 QUALIFYING YEAR

30/3/93 "Qualifying Year" in relation to a Beneficiary means the financial year commencing on the 1st day of April and ending with the 31st day of March in which the Beneficiary's Date of Qualification falls;

PROVIDED THAT in the event of the death of any Contributor during the period between the Contributor's Date of Qualification and the date for the Contributor's initial adjustment, the initial adjustment to any annuity to a Dependant or Spouse of that Contributor under **clause E25**, **clause E27** or **clause E28** shall be made on and after the day on which the initial adjustment would have been made if the Contributor were still alive and the base index number as defined in **clause E49.2**, **clause E49.3** or **clause E49.4** shall apply as if the Contributor were still alive;

PROVIDED FURTHER THAT in the event of the death of the Contributor at any time after the date of the Contributor's initial adjustment the initial adjustment of any annuity to the Dependant or Spouse calculated under **clause E25**, **clause E27** or **clause E28** of that Contributor shall be made on the date on which the next annual adjustment would have been made to the Pension of the Contributor if the Contributor were alive;

PROVIDED FURTHER THAT the first and second provisos to this **clause E50** shall not apply in any case where the date of the Contributor's initial adjustment or next annual adjustment would be earlier than the Date of Qualification of the Dependant or Spouse;

PROVIDED FURTHER THAT no increased payment shall be made in respect of any period before 1 April 1971.

30/3/93 **E51 [RESERVED]**

PART VIII

PRE-AGE 60 COST OF LIVING

E52 COMMENCEMENT

The provisions of this Part VIII of this Section E shall be deemed to have come into force on 9 April 1981.

E53 INTERPRETATION

For the purposes of this Part VIII of this Section E:

E53.1 “Aggregate percentage of increase”, in relation to any Basic Pension, allowance or annuity, means the aggregate percentage of increase determined pursuant to **clause E57**;

E53.2 “Basic Pension, allowance or annuity” has the meaning ascribed to it in **clause E46**; and

E53.3 “Date of Qualification” has the meaning ascribed to it in **clause E49**.

E54 APPLICATION OF THIS PART

30/3/93 This Part VIII of this Section E shall apply to every Contributor who is less than 60 years of age and who:

E54.1 reached Retirement after having completed 40 years or more of Contributory Service; or

E54.2 reached Retirement without having completed 40 years or more of Contributory Service or 40 years or more of employment in the Local Authority sector, but who survives for such period that the Contributor would have completed 40 years of service in the Local Authority sector had the Contributor not retired.

E55 PROVISION FOR ANNUAL ADJUSTMENT

Subject to **clause E56**, every Pension shall be adjusted annually with effect on and after the first four-weekly payment of the Pension under **clause E39** in each financial year.

E56 INITIAL ADJUSTMENT

E56.1 Subject to **clause E56.2** the initial adjustment to be made to any Pension shall be made with effect on and after the first annual adjustment date in the financial year commencing after the Contributor’s Date of Qualification.

E56.2 Where the Date of Qualification of a Contributor is before 1 April 1981, the initial adjustment shall be made with effect on and after 9 April 1981.

20/10/16 **E57 PERCENTAGE OF ANNUAL ADJUSTMENT**

The aggregate percentage of increase to be applied to a Basic Pension, allowance or annuity in accordance with **clause E55** for the purpose of determining the annual adjustment for any year shall be the percentage (if any) calculated by the Government Statistician and proportionately adjusted (where appropriate) in accordance with the formula in **clause E47** by which the all groups index number of the New Zealand Consumers Price Index for the December quarter of the calendar year immediately preceding that which includes the date for the annual adjustment exceeds the basic index number, being:

30/3/93 E57.1 in any case where the Date of Qualification falls between 1 October and 31 March (both days inclusive), the basic index number for the preceding June quarter;

E57.2 in any case where the Date of Qualification falls between 1 April and 30 September (both days inclusive), the basic index number for the preceding December quarter.

E58 AMOUNT OF ANNUAL ADJUSTMENT

E58.1 Subject to **clause E58.2** the annual amount of the Pension to be paid on and after the date of any annual adjustment until the next adjustment shall be determined by adding to the Basic Pension, allowance or annuity an amount calculated by applying the aggregate percentage of increase to the Basic Pension, allowance or annuity.

E58.2 The annual amount of any Pension as so determined, to be paid on and after the date of any annual adjustment, shall be increased or reduced, as the case may be, in accordance with any election by the Contributor under **clause E26**.

E59 RIGHTS OF SURVIVING SPOUSES

30/3/93 If a Surviving Spouse elects under **clause E33** or **clause E34** to receive an allowance, then the Pension of the deceased Contributor shall be deemed to include any adjustments made under this Part VIII of this Section E before the date of death of the Contributor.

E60 CESSATION OF ADJUSTMENTS

Notwithstanding any of the foregoing provisions of this Part VIII of this Section E, no adjustments to any Pension under this Part VIII of this Section E shall be made with respect to any period on or after the annual adjustment date next following the 60th anniversary of the Contributor's birth.

E61 EFFECT OF PART VII

30/3/93 E61.1 No adjustments under **clause E44** shall be made to any Pension, allowance or annuity calculated under this Section E or the Annuitants Scheme until such time as the Pension, allowance or annuity so adjusted under **clause E44** would exceed the Pension, allowance or annuity as adjusted under this Part VIII of this Section E.

30/3/93 E61.2 For the purpose of determining:

E61.2.1 when any allowance payable to a Surviving Spouse under **clause E44** would exceed any allowance as adjusted under this Part VIII of this Section E; and

E61.2.2 the amount of the allowance that forms the Basic Pension, allowance or annuity for the purposes of **clause E46**;

the allowance shall not include any amount by which it was increased under **clause E59** and shall be reduced by the amount of any surrender under **clause E38**.

PART IX

MISCELLANEOUS

20/10/16 **E62 REDUCTION IN BENEFITS UNDER PART III SUPERANNUATION SCHEMES ACT 1989 (PRIOR TO ITS REPEAL)**

30/3/93 E62.1 Notwithstanding any other provisions of this Section E, the annual rate of every Pension, allowance or annuity (other than a Child's allowance payable under **clause E36**) the first instalment of which is payable before 1 April 1990 under this Scheme shall with effect from the first payment date after 31 March 1990 be reduced according to the following scales:

E62.1.1 in the case of persons receiving a Pension, allowance or annuity where the appropriate tax code as at 31 March 1990 is code T:

On so much of the Pension allowance or annuity as:	Reduction
Does not exceed \$4,853	Zero
Exceeds \$4,853 but does not exceed \$6,240	15%
Exceeds \$6,240 but does not exceed \$9,880	35%

E62.1.2 in the case of persons receiving a Pension, allowance or annuity where the appropriate tax code as at 31 March 1990 is not code T:

On so much of the Pension, allowance or annuity as:	Reduction
Does not exceed \$9,500	15%
Exceeds \$9,500 but does not exceed \$30,875	28%
Exceeds \$30,875	33%

PROVIDED THAT in no event shall any Surviving Spouse's allowance the first instalment of which is payable before 1 April 1990 be reduced below the minimum rate for Surviving Spouse's allowances specified in **clause E33** or **clause E34**.

- 30/3/93 E62.2 For the purposes of calculating the amount of any reduction to be made under **clause E62.1**, the amount of any Pension, allowance or annuity shall be before the effect of any adjustment made under Part VII and Part VIII of this Section E on the first payment date after 31 March 1990, but shall include the last adjustment made under the equivalent provisions of the Existing Local Authorities Scheme before 1 April 1990.
- 30/3/93 E62.3 Where any Pension, allowance or annuity the first instalment of which was payable before 1 April 1990 under this Section E ceases, or has ceased to be payable because of any reason and subsequently again becomes payable, **clause E62.1** and **clause E62.4** shall apply to that Pension, allowance or annuity and a reduction shall be made under **clause E62.1** and **clause E62.4** as if:
- E62.3.1 an instalment of the Pension, allowance or annuity had been payable on the first payment date which would have occurred after 31 March 1990 had the Pension, allowance or annuity not ceased; and
- E62.3.2 the Pension, allowance or annuity had been payable at 31 March 1990.
- 30/3/93 E62.4 The Basic Pension, allowance or annuity (referred to in **clause E46** and **clause E53**) of any person to whom a Pension, allowance or annuity (other than a Child's allowance payable under **clause E36**) is payable on 31 March 1990 shall, with effect from the first payment date after 31 March 1990, be reduced by the same percentage as the Pension, allowance or annuity is reduced under **clause E62.1**.

PARTX

SUPPLEMENTARY TERMS AND CONDITIONS OR HARBOURMASTERS AND PILOTS

E63 EFFECT OF PART X

E63.1 The provisions of this Part X of this Section E shall apply to every Contributing Pilot but to no employee other than a Contributing Pilot unless otherwise agreed between the Harbour Board and the Board.

E64 INTERPRETATION

E64.1 For the purposes of this Part X of this Section E “Harbour Board” means a Harbour Board within the meaning of the Harbours Act 1950 (before its repeal); and includes any board that was declared by any enactment to be a Harbour Board for the purposes of that Act.

30/3/93 E64.2 For the purposes of this Part X of this Section E, “Pilot” means an employee of a Harbour Board who has been duly appointed a pilot under section 212 of the Harbours Act 1950 (before its repeal), including any Harbourmaster who acts as a Pilot and who receives a fixed annual salary payable by the Harbour Board by which the Harbourmaster is employed.

30/3/93 E64.3 For the purposes of this Part X of this Section E “Contributing Pilot” means a Pilot who is a Contributor but does not include any Pilot who was a Contributor at 22 November 1967 and who elected under section 49 of the National Provident Fund Act 1950 to remain subject to the same terms and conditions as applied to him or her prior to 22 November 1967.

E65 CONTRIBUTIONS TO BE PAID BY HARBOUR BOARD

30/3/93 Notwithstanding the provisions of **clause E18.1.2** there shall be paid into this Section E by the Harbour Board an amount payable out of its own funds equal to one hundred and eighty percent of the amounts specified in **clause E18.1.1**;

PROVIDED THAT a Harbour Board accepted under section 58 of the National Provident Fund Act 1950 shall pay such greater amounts as the Board may direct.

E66 ENTITLEMENT TO A PENSION

30/3/93 Notwithstanding the provisions of **clause E20** there shall be payable to a Contributing Pilot on Retirement at any time:

E66.1 after attaining the age of 60; or

E66.2 after completing 40 years Actual Contributory Service which commenced before the 1st day of October 1946;

a Pension payable for the rest of the Contributor’s life.

E67 DETERMINATION OF ACTUAL CONTRIBUTORY SERVICE OR CONSTRUCTIVE CONTRIBUTORY SERVICE OR SUBSIDISED SERVICE

30/3/93 In determining the length of a Contributing Pilot’s Actual Contributory Service or Constructive Contributory Service or Subsidised Service for the purpose of determining entitlement to or the amount of any Pension or other Benefit payable to the Contributor or to the Contributor’s Spouse or to any other Dependant or Beneficiary the whole of the service of the same kind rendered by the Contributor as a Contributor whether before or after the provisions of this Part X of this Section E applied to the Contributor and whether as a Pilot or otherwise, shall be brought into account.

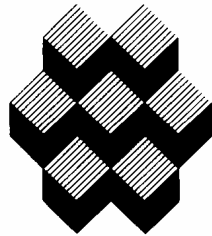
E68 PAYMENT FOR SUBSIDISED SERVICE OTHER THAN AS A CONTRIBUTING

PILOT

30/3/93 Where Subsidised Service other than as a Contributing Pilot is brought into account under **clause E67** there shall be payable to this Scheme under this Section E by the Harbour Board and the Contributing Pilot in equal shares or otherwise as they may agree such additional sums as the Board may from time to time specify in respect of that Subsidised Service.

E69 CONTRIBUTING PILOT CEASING TO BE A PILOT

30/3/93 In the event of a Contributing Pilot ceasing to be a Pilot but remaining a Contributor the provisions of this Part X of this Section E shall cease to apply and the other provisions of this Section E with the exception of this Part X of this Section E shall thereafter apply with respect to the Contributor and to the Harbour Board or other Contributing Employer by which the Contributor is employed.



NATIONAL PROVIDENT

ANNOTATED TRUST DEED FOR THE GENERAL PROVISIONS SECTION OF THE DBP CONTRIBUTORS SCHEME

This is an Annotated Trust Deed for the Scheme and is not the official signed trust deed that governs the Scheme. The Scheme trust deed is subject to change. Therefore, if you wish or need to rely on the terms of the trust deed, please contact the Scheme Administrator for a copy of the signed trust deed.

Marginal dates indicate that text in the clause (including any subsequent clauses included under that clause) beside which they are placed was amended with effect from the dates stated. If you wish to consult the terms of the trust deed as it applied in the past, please contact the Scheme Administrator.

TABLE OF CONTENTS

SECTION F	1
THE GENERAL PROVISIONS SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED	1
PART I.....	1
GENERAL.....	1
F1 TITLE	1
F1A FMC Act.....	1
F1B Trusts Act	1
F2 DEFINITION AND CONSTRUCTION	2
F3 APPLICATIONS AND ELECTIONS TO BE IN WRITING	3
PART II	3
PAYMENT OF BENEFITS FROM THIS SCHEME AND ANNUITANTS SCHEME	3
F4 PAYMENT OF BENEFITS FROM THIS SCHEME	3
F5 PAYMENT OF BENEFITS FROM ANNUITANTS SCHEME	4
F6 BOARD MAY MAKE CERTAIN ADJUSTMENTS	4
PART III.....	5
MEMBERSHIP OF THE ANNUITANTS SCHEME	5
F7 ANNUITANTS ON 1 APRIL 1991	5
F8 OTHER BENEFICIARIES.....	5
PART IV	5
TRANSFER OF PROPERTY TO ANNUITANTS SCHEME	5
F9 BASIS OF TRANSFER	5
PART V.....	6
TRUSTEE PROVISIONS	6
F10 TRUSTEES - APPOINTMENT AND REMOVAL	6
F11 POWERS OF BOARD	6
F12 POWER OF AMENDMENT	6
F13 AMENDMENTS IN RESPECT OF FUTURE TAX CHANGES.....	7
F14 DECISIONS OF BOARD UNDER THE ANNUITANTS SCHEME TO BE IMPLEMENTED	
7	
F15 LIMITATION OF LIABILITY	7
PART V	8
INVESTMENT PROVISIONS.....	8
F16 INVESTMENT	8
F17 APPOINTMENT OF ADMINISTRATION AND/OR INVESTMENT MANAGERS	9
PART VA.....	9
DISCRETIONARY TRANSFERS.....	9
F17A ELECTIONS TO TRANSFER	9
F17B CONSEQUENCES OF TRANSFER	10
F17C WHEN TRANSFER VALUES PAYABLE	13
F17D OTHER PROVISIONS RELATING TO TRANSFERS OUT	14
PART VI.....	14
MISCELLANEOUS	14

F18	[RESERVED]	14
F19	CHANGES IN BENEFITS	15
F20	PROHIBITION OF ASSIGNMENT, BORROWING AND PAYMENT OF DEBTS	16
F21	BANKRUPTCY	16
F22	INABILITY TO MANAGE AFFAIRS	16
F23	PAYMENTS IN RESPECT OF MINORS	16
F24	UNCLAIMED MONEY PAYABLE OUT OF SCHEME	16
F24A	MISSING PERSONS	17
F25	IMPLIED TERMS OR CONDITIONS	18
F26	ACTUARY	18
F27	INFORMATION TO MEMBERS	18
F28	RECOVERY OF CONTRIBUTIONS FROM LOCAL AUTHORITY	18
F29	WINDING UP	19
F30	REGISTER	19
F31	ACCOUNTING RECORDS	20
F32	FINANCIAL STATEMENTS	20
F33	AUDIT	20
F34	THE AUDITOR	20
F35	ANNUAL REPORT	20
F36	INTENTION TO BE LEGALLY BINDING	21

SECTION F**THE GENERAL PROVISIONS SECTION OF THE DBP CONTRIBUTORS SCHEME TRUST DEED****PART I****GENERAL****F1 TITLE**

30/3/93 This Section F of this Deed shall be known as the "General Provisions Section" of the DBP Contributors Scheme (this or the "Scheme") and shall be read together with and deemed part of each of Sections A to E of this Scheme.

20/10/16 **F1A FMC Act**

F1A.1 For the purposes of the FMC Act:

F1A.1.1 this Scheme is treated as a trust established and governed by a trust deed interpreted and administered in accordance with New Zealand law;

F1A.1.2 and for the purposes of any other enactment, this Scheme must be treated as if it were registered on the register of managed investment schemes under the FMC Act as a restricted scheme that is a Superannuation Scheme; and

F1A.1.3 the Board is the 'manager' and the 'issuer' of the Scheme.

1/04/21 **F1B Trusts Act**

F1B.1 The provisions of the Trusts Act are modified or excluded as follows:

F1B.1.1 Section 33 of the Trusts Act (duty not to bind or commit trustees to future exercise of discretion) is excluded from the provisions of this Deed and the provisions of this Deed are modified accordingly.

F1B.1.2 Section 34 of the Trusts Act (duty to avoid conflict of interest) is excluded from the provisions of this Deed and the provisions of this Deed are modified accordingly.

F1B.1.3 Section 36 of the Trusts Act (duty not to profit) is excluded from the provisions of this Deed and the provisions of this Deed are modified accordingly.

F1B.1.4 Any provision of the Trusts Act or rule of law restricting the remuneration of the Board including but not limited to section 37 of the Trusts Act is excluded and the provisions of this Deed are modified accordingly.

F1B.2 Nothing in this Deed shall be construed as empowering the Board to act in a manner which would contravene any provision of the Trusts Act unless this Deed expressly modifies or excludes a provision in the Trusts Act as permitted by the Trusts Act

F2 DEFINITION AND CONSTRUCTION

F2.1 In this Section F unless inconsistent with the context, -

“Act” means the National Provident Fund Restructuring Act 1990;

30/3/93 **“Actuary” means** a person who is a Fellow of the New Zealand Society of Actuaries, who has been appointed by the Board under clause F26 and whose appointment has not been terminated;

1/4/98 **“Administration Manager” means** a person appointed by the Board to manage the administration of the Scheme under clause F17.1;

“Annuitants Scheme” means the DBP Annuitants Scheme established under section 41 of the Act;

20/10/16 **“Auditor” means** the person or firm appointed as auditor of the Scheme under clause F34.

“Beneficiary” means any natural person who is eligible to receive a Benefit from any of Sections A to E of this Scheme or from the Annuitants Scheme;

“Benefit” means any lump sum, annuity, pension, allowance, refund, or other payment arising from membership of any of Sections A to E of this Scheme and payable under this Scheme or under the Annuitants Scheme;

30/3/93 **“Board” means** the National Provident Fund Board established under section 9 of the National Provident Fund Act 1950, as continued in existence by section 12 of the Act and renamed from 1 April 1991 by that section as the Board of Trustees of the National Provident Fund;

“Contributors Scheme” means the DBP Contributors Scheme established under section 41 of the Act;

20/10/16 **“FMA” means** the Financial Markets Authority (or any successor organisation);

20/10/16 **“FMC Act” means** the Financial Markets Conduct Act 2013;

“Property” means property of every kind, whether tangible or intangible, real or personal, corporeal or incorporeal, and includes, without limiting the generality of the foregoing, -

- (a) Units in the global asset trust (as defined in the Act) and any GAT subsidiary (as defined in the Act) which is a unit trust;
- (b) Goodwill;
- (c) Rights, interests, and claims of every kind in or to property, whether arising from, accruing under, created or evidenced by, or the subject of, an instrument or otherwise, and whether liquidated or unliquidated, actual, contingent, or prospective.

20/10/16 **“Superannuation Scheme” has** the meaning given to it in the Act;

28/1/94 **“Transfer Value” in respect of any Transferred Member and at any time, means:**

- (a) the dollar amount calculated under clause F17B.2; plus (or less, as appropriate)
- (b) an amount equal to the sum of the earnings that have been credited (and/or debited, as the case may be) at or prior to that time under clause F17B.4; plus (or less, as appropriate)
- (c) an amount equal to the earnings that have been credited (or debited, as the case may be) at or prior to that time under clause F17B.5;

28/1/94 **“Transfer Value Earnings Rate”** has the meaning given to it under clause F17B.7;

28/1/94 **“Transferred Member”** means a member (as defined in the Act) of this Scheme who has made an election to transfer under clause F17A and whose election to transfer has been accepted by the Board.

1/04/21 "Trusts Act" means the Trusts Act 2019.

30/3/93 F2.2 Unless inconsistent with the context, terms not defined in this Section F (and whether commencing with a capital or not) but defined in any of Sections A to E shall have the same meaning in relation to each of those sections as in the relevant section.

30/3/93 F2.3 Unless inconsistent with the context terms not defined in this Section F or in any of Sections A to E but defined in the Act shall have the same meaning as in the Act, whether specific reference is made to the Act or not.

F2.4 In the construction of this Section F, unless inconsistent with the context, -

F2.4.1 references to clauses and Parts are to clauses and parts of this Section F;

F2.4.2 references to any statute are references to the statute as from time to time amended and include substituted provisions that substantially correspond to those referred to and also include any regulations, Orders in Council and other instruments from time to time issued thereunder;

F2.4.3 the singular includes the plural and vice versa, and words importing any gender include the other genders;

F2.4.4 the headings and sub-headings appear as a matter of convenience and shall not affect the construction of this Section F.

F3 APPLICATIONS AND ELECTIONS TO BE IN WRITING

30/3/93 Every application, election, and other notification given or required to be given by any person
28/1/94 for the purposes of this Section F shall be in writing signed by the person and delivered to the
1/4/98 Board and shall be deemed to be made or given when received by the Board.

PART II

PAYMENT OF BENEFITS FROM THIS SCHEME AND ANNUITANTS SCHEME

F4 PAYMENT OF BENEFITS FROM THIS SCHEME

The following Benefits calculated under the following provisions of Sections A to E of this Scheme shall be payable from this Scheme:

- 30/3/93 F4.1 Any refund of contributions or other Benefit payable as a lump sum to any contributor, other Beneficiary or the personal representatives of any contributor or other Beneficiary and calculated under any of clauses **A18, A26, A27, A28, A30, B9, B32, B33, B34, B35, B36, B38, B41, C8, C14, C15, D9, D32, D34, D35, D37, D39, E9, E31, E32, E33, E34, E35, E37, E38 or E40.**
- F4.2 Any other Benefit payable as a lump sum to any person on account of the membership of that person or any other person in any of Sections A to E and expressed to be payable from this Scheme.

F5 PAYMENT OF BENEFITS FROM ANNUITANTS SCHEME

The following Benefits calculated under the following provisions of Sections A to E of this Scheme shall be payable from the Annuitants Scheme:

- 30/3/93 F5.1 Any pension or other Benefit payable to a contributor and calculated under any of clauses **A18, A19, A20, A21, A22, A23, B20, B21, B22, B23, B24, B25, B27, C9, C10, C11, C12, C13, C14, C16, D20, D21, D22, D23, D24, D25, D27, D35, E20, E21, E22, E23, E24 or E26.**
- 30/3/93 F5.2 Any annuity or other Benefit payable to the spouse or surviving spouse or widow of a contributor and calculated under any of clauses **A18, A24, A26, A27, A30, B28, B34, B35, B38, B39, C12, C15, C16, C17, D28, D37, E27, E33, E34, E37, or E38.**
- F5.3 Any annuity or other Benefit payable to a dependant of a contributor and calculated under any of clauses **A24, A30, B26, B29, B38, D26, D29, D37, E25, E28 or E37.**
- F5.4 Any child's allowance or other Benefit payable to the child of a contributor and calculated under any of clauses **A29, B37, C18, D36 or E36.**
- 30/3/93 F5.5 Any sum payable to the contributor or to the estate of the contributor and calculated under any of clauses **A18, A28, B25, B36, C15, C16, C17, D25, D35, E24 or E35.**
- F5.6 Any other Benefit expressed to be payable out of the Annuitants Scheme and payable to any person on account of the membership of that person or of any other person in any of Sections A to E.

F6 BOARD MAY MAKE CERTAIN ADJUSTMENTS

- 30/3/93 F6.1 Notwithstanding any provision relating to the adjustment of Benefits in any of Sections A, B, D or E, if at any time it appears to the Board that for an extended period there has been no significant increase in the cost of living, the Board may make such increases to any or all of the pensions, allowances or annuities as defined in Part VII of the relevant section of Sections A, B, D or E payable under the Annuitants Scheme as the Board, on the advice of the Actuary, considers warranted.
- 30/3/93 F6.2 Nothing in clause F6.1 shall apply to any pension allowance or annuity calculated under Section C of this Scheme and payable under the Annuitants Scheme.

PART III**MEMBERSHIP OF THE ANNUITANTS SCHEME****F7 ANNUITANTS ON 1 APRIL 1991**

In accordance with section 41(2) of the Act every person who is an annuitant immediately before 1 April 1991 (either by virtue of the definition in section 41(3)(a) of the Act or by virtue of a determination by the Minister of Finance under section 41(3)(b) of the Act) shall be deemed to be a member (as defined in the Act) of the Annuitants Scheme with effect immediately after the amalgamation referred to in section 41(1) of the Act.

F8 OTHER BENEFICIARIES**F8.1 Contributor before payment of Benefit from the Annuitants Scheme**

30/3/93 Where any Benefit is specified under **clause F5** as payable to a contributor from the Annuitants Scheme, the membership of that contributor in this Scheme shall, forthwith before payment of that Benefit, be transferred to the Annuitants Scheme.

F8.2 Spouse, Surviving Spouse, Widow or Dependant on death of Contributor

30/3/93 Where any Benefit payable to a spouse or a surviving spouse or a widow or a dependant on the death of a contributor is specified under **clause F5** as payable from the Annuitants Scheme that spouse, surviving spouse, widow or dependant shall forthwith before payment of that Benefit become a member of the Annuitants Scheme in respect of that Benefit.

30/3/93 Where any allowance payable to a child of a deceased contributor is specified under **clause F5** as payable from the Annuitants Scheme that child shall forthwith before payment of that Benefit become a member of the Annuitants Scheme in respect of that allowance.

PART IV**TRANSFER OF PROPERTY TO ANNUITANTS SCHEME****30/3/93 F9 BASIS OF TRANSFER**

29/3/06 F9.1 Where under **clause F8** any contributor or other Beneficiary becomes a member of the Annuitants Scheme the Board as trustee of this Scheme shall transfer from this Scheme to the Annuitants Scheme Property having a market value (as defined in the Act) equal to the liability of the Annuitants Scheme to pay the Benefit attributable to that person's membership or payable on account of any person's membership to any other Beneficiary (other than liability arising, or which may arise, under **clause 9A** or **clause 9B** of the trust deed for the Annuitants Scheme).

30/3/93 F9.2 Every transfer of Property under **clause F9.1** shall take into account (other than with respect to any liability arising, or which may arise, under **clause 9A** or **clause 9B** of the trust deed for the Annuitants Scheme) estimates of future investment earnings, taxation, inflation, and mortality rates, that are based on reasonable expectations over the appropriate term of the liability in respect of the Benefit referred to in **clause F9.1** assuming that the Annuitants Scheme is fully funded with an asset mix based on the investments that a trustee would make in respect of the Annuitants Scheme if

fully funded taking into account the term and nature of its liabilities.

PART V

TRUSTEE PROVISIONS

20/10/16 **F10 TRUSTEES - APPOINTMENT AND REMOVAL**

F10.1 The Board is the trustee of this Scheme pursuant to section 20(1)(a) of the Act and the "manager" of the Scheme for the purposes of the FMC Act.

30/3/93 F10.2 The members of the Board hold office in accordance with Part II of the Act.

F10.3 The Board is a body corporate, and as such cannot retire from the office of trustee, nor can another trustee be appointed other than by Act of Parliament.

F11 POWERS OF BOARD

20/10/16
1/04/21 F11.1 The Board may give guarantees, undertakings and (subject to section 135(1)(f) of the FMC Act and the Trusts Act) indemnities and incur all such obligations relating to this Scheme as the Board in its discretion thinks fit.

30/3/93 F11.2 The Board may borrow money for the purpose of -

F11.2.1 making any investment; or

F11.2.2 paying any Benefit; or

F11.2.3 meeting any liability (as defined in the Act); or

F11.2.4 the management (as defined in the Act) of this Scheme.

F11.3 The Board may enter into any insurance or re-insurance contract relating to the payment pursuant to this Scheme of any Benefit contingent on the death or survival of human life.

20/10/16 F11.4 The Board in its capacity as manager shall have the functions and duties and have the responsibilities accorded to it as a manager under the FMC Act. In particular the Board is responsible for the following functions:

F11.4.1 offering the interests in the Scheme;

F11.4.2 issuing the interests in the Scheme;

F11.4.3 managing the Scheme's Property and investments; and

F11.4.4 administering the Scheme.

F12 POWER OF AMENDMENT

20/10/16 F12.1 The Board may amend this Trust Deed from time to time **PROVIDED THAT** no amendment to this Trust Deed shall have any effect unless made:

- F12.1.1 in accordance with this clause with the consent of the FMA; or
- F12.1.2 under either of sections 140 or 187(3) of the FMC Act; or
- F12.1.3 under either of sections 22(7) or 37(6) of the Financial Markets Supervisors Act 2011 or any other power to amend or replace this Trust Deed under an enactment.
- 20/10/16 F12.2 Prior to submitting any amendment to the Trust Deed (or replacement Trust Deed, as the case may be) to the FMA for consideration, the Board must:
- F12.2.1 to meet the requirement in section 139(2)(a)(i) of the FMC Act, ensure the amendment or replacement is approved by, or is contingent on approval by the Members and Beneficiaries of this Scheme or the Annuitants Scheme at the date the amendment is made, which approval must comply with the requirements of section 139(3) of the FMC Act; or
- F12.2.2 to meet the requirement in section 139(2)(a)(ii) of the FMC Act, provide a certificate to the FMA stating that, in the opinion of the Board or its lawyer(s) the amendment or replacement does not have a material adverse effect on the Members and Beneficiaries of this Scheme or the Annuitants Scheme.

F13 AMENDMENTS IN RESPECT OF FUTURE TAX CHANGES

- 30/3/93
20/10/16 F13.1 Notwithstanding the other provisions of this Section F or any other section of this Scheme the Board may at any future time vary any Benefit under Sections A, B, D or E of the Scheme to take account of changes in taxation that may arise (other than as a result of the passing of the Income Tax Amendment Act 1989) **PROVIDED THAT** no reductions in Benefits under this **clause F13** shall be made until:
- F13.1.1 the FMA has been provided with a copy of an opinion of an actuary who is a Fellow of the New Zealand Society of Actuaries confirming that the reductions are no more than are necessary to make the Benefits of this Scheme and the Annuitants Scheme secure and the FMA has confirmed in writing to the Board that he or she agrees with that opinion; and
- F13.1.2 the FMA has confirmed in writing to the Board that it is satisfied that the reductions in Benefits are equitable as between all members and other Beneficiaries of this Scheme and the Annuitants Scheme.

F14 DECISIONS OF BOARD UNDER THE ANNUITANTS SCHEME TO BE IMPLEMENTED

The Board shall, as trustee of this Scheme, give effect to any decision of the Board as trustee of the Annuitants Scheme and to any provision of the Annuitants Scheme that requires action to be taken or not to be taken under this Scheme.

F15 LIMITATION OF LIABILITY

- F15.1 No member of the Board shall be liable to the Board or any other person, nor shall the

Board be liable, for any losses:

- F15.1.1 arising from any act or omission done bona fide in conformity with the decisions of the Board pursuant to the provisions of this Deed or the Act; or
- F15.1.2 not attributable to the wilful act or omission of the Board or member of the Board, as the case may be, known by the Board or member of the Board to be a breach of trust; or
- F15.1.3 arising from the neglect or default of any manager appointed under this Scheme or of any solicitor, banker, accountant, broker, actuary, or other adviser or agent employed or consulted by the Board.
- 30/3/93 F15.2 Without limiting **clause F15.1** of this Deed, neither the Board nor any member of the Board shall be liable for any losses attributable to the Board's or any member of the Board's negligence in the execution of the Board's or any member of the Board's duties under this Deed or the actions of any employee of the Board.
- 30/3/93 F15.3 The liability of the Board and of every member of the Board for all losses, damages, costs and expenses of the Board for all claims against the Board and for every action of the Board referred to in this **clause F15** shall be limited to the assets of this Scheme.
- 30/3/93 F15.4 No member of the Board shall be liable to contribute personally to any losses, damages, costs or expenses claimed against or payable by the Board unless the loss, damage, cost, or expense has been held by the High Court or any superior court to be attributable to that member of the Board's dishonesty or that member of the Board's omission or wilful act known by that member of the Board to be a breach of trust.
- 20/10/16
1/04/21 F15.5 Subject to the Trusts Act, the Board and the members of the Board may be indemnified for the liabilities or expenses incurred in relation to the performance of the Board's obligations as manager of the Scheme **PROVIDED THAT** such rights must only be available in relation to the proper performance of duties under section 143(1) and 144 of the FMC Act..

PART V

INVESTMENT PROVISIONS

F16 INVESTMENT

- 30/3/93
20/10/16 F16.1 The Property of this Scheme may be invested only in the global asset trust (as defined in the Act), whether by way of debt securities (as defined in the Act) or managed investment products (as defined in the Act), or otherwise.
- 30/3/93 F16.2 Nothing in **clause F16.1** shall prevent the Board as trustee of this Scheme depositing money of this Scheme into a bank account (which may be a bank account for one or more existing schemes (as defined in the Act)) to the extent necessary or desirable for the operation of this Scheme.
- 30/3/93
20/10/16
1/04/21 F16.3 None of the provisions of the Trusts Act relating to the investment of trust funds shall apply in respect of this Deed or the investment of the Property of this Scheme.

F17 APPOINTMENT OF ADMINISTRATION AND/OR INVESTMENT MANAGERS

- 30/3/93
20/10/16
- F17.1 The Board may, subject to the provisions of the FMC Act, on such terms and conditions as it thinks fit, appoint any person (including the Crown) to manage all or any part of:
- F17.1.1 the administration of this Scheme; or
- F17.1.2 the investment of the trust fund (as defined in the Act) of this Scheme; or
- F17.1.3 both.
- 30/3/93
- F17.2 All fees and expenses payable to any such manager or managers shall be paid out of the trust fund of this Scheme.
- 1/4/98
- F17.3 Where the Board has appointed an Administration Manager to, or agreed that the Administration Manager may, perform or exercise any duty or power given to the Board by this Deed, references in this Deed to the performance or exercise of that duty or power by the Board shall be deemed to be references to the performance or exercise of that duty or power by the Administration Manager.
- 20/10/16
- F17.4 In appointing any person under **clause F17.1**, the Board shall take all reasonable steps to:
- F17.4.1 ensure these functions are performed in the same manner and are subject to the same duties and restrictions, as if the Board were performing them directly; and
- F17.4.2 monitor the performance of those functions.
- 20/10/16
1/04/21
- F17.5 Any right of indemnification given to an investment manager appointed under clause F17.1 shall be subject to the Trusts Act and shall be only in relation to the proper performance of the appointee's duties in accordance with section 136(2) of the FMC Act.

28/1/94

PART VA**DISCRETIONARY TRANSFERS****F17A ELECTIONS TO TRANSFER**

- 28/1/94
20/10/16
- F17A.1 Any member (as defined in the Act) of this Scheme, other than a Beneficiary in receipt of a Benefit from this Scheme or from the Annuitants Scheme, may:
- F17A.1.1 elect to transfer to another Superannuation Scheme; and
- F17A.1.2 having made an election to transfer and subject to this Part VA, transfer to another Superannuation Scheme;
- F17A.1.3 on making a request in writing, obtain an estimate of that member's Transfer Value as calculated under **clause F17B.2** as if the date of the request was the Transfer Date **PROVIDED THAT** any such estimate shall not be binding on the Board as at that or any other date.

F17A.2 Any member who elects to transfer under this **clause F17A** shall complete an “election to transfer notice” in the form prescribed by the Board.

28/1/94
1/4/98

F17A.2A the Board (or, if the Board shall so agree in writing, and on such terms and conditions as the Board shall determine, the Administration Manager) shall consider and decide whether to accept, the Member’s election to transfer.

28/1/94
20/10/16

F17A.3 The Board is not obliged to accept a member’s election to transfer under this **clause F17A** unless it is satisfied that:

F17A.3.1 the trustees of the Superannuation Scheme to which the member has elected to transfer (referred to below as the “other scheme”) are able and have agreed to accept:

F17A.3.1.1 the member as a transferring member of the other scheme; and

F17A.3.1.2 the terms on which the member’s Transfer Value or any Withdrawal Payment (as defined in **clause F17C.3**) will be payable; and

F17A.3.2 the other scheme is governed by a trust deed under which the Transfer Value is fully vested to the transferring member immediately on payment of that amount to the other scheme,

and for this purpose the Board may require the trustees of the other scheme to certify to that effect.

28/1/94
1/4/98

F17A.4 **[RESERVED]**

29/1/94

F17B CONSEQUENCES OF TRANSFER

28/1/94

F17B.1 Once an election to transfer under **clause F17A** has been accepted by the Board, the Transfer Value for the Transferred Member shall be calculated by the Board.

28/1/94
1/4/98

F17B.2 The Transfer Value for a Transferred Member shall be calculated as at a date determined by the Board (such date being referred to in this Part VA as the “Transfer Date”) being a date not earlier than, and not more than 14 days after, the date the completed election to transfer notice was received by the Board. Subject to section 50(2)(c) of the Act, the Transfer Value for any Transferred Member as at the Transfer Date will be equal to the present value of the Transferred Member’s accrued benefits immediately prior to the Transfer Date (assuming no election to transfer had been made) calculated according to the following formula:

$CS \times S \times TF \times R$ Where:

Where

“CS” is the contributory service of the Transferred Member expressed in complete years and fractions of a year; and

“S” is the Final Average Transfer Salary of the Transferred Member which shall be calculated in the same way as the final average earnings or final average salary (as the case may be) would be calculated under Sections A, B, D or E as if, in the case of Section A, the Transfer Date were the day on which the Transferred Member is entitled to receive a pension (subject to **clause F17B.8**) and as if, in the case of Sections B, D and E, the Transfer Date were the date of the contributor’s retirement, (subject to **clause F17B.8** and **clause F17B.9**); and

“TF” is the Transfer Factor, which is a factor depending on the age of the Transferred Member (expressed to the nearer number of whole years) determined by the Board on the advice of the Actuary to calculate the present value immediately prior to the Transfer Date of the Transferred Member’s accrued benefits (using the same actuarial basis as is used to calculate TB); and

“R” is the ratio of TA/TB,

Where:

“TA” is the market value of the Property of this Scheme determined by the Board as at the date at which the most recent examination of this Scheme by the Actuary was made (referred to in this **clause 17B** as the “Examination Date”); and

“TB” is an amount determined by the Board on the advice of the Actuary to be the present value of the accrued benefits for all members of this Scheme as at the Examination Date;

PROVIDED THAT, where the Board considers that there are circumstances which make the determination of TA and TB as at the Examination Date inequitable to the Transferred Member or this Scheme, having regard to any changes in the market value of the Property of this Scheme and/or any changes to the present value of the accrued benefits of the members of this Scheme between the Examination Date and the Transfer Date, TA and TB may be determined at any later date specified by the Board, and the Transfer Value shall be determined accordingly.

- 28/1/94 F17B.3 For the purposes of section 50(2) of the Act, (as modified by section 42 of the Act and the Fifth Schedule to the Act) **clause 17B.2** has been approved in writing by the Minister of Finance and the Board and the Minister of Finance have agreed for the purposes of section 42 of the Act that provisions to the effect of the Fifth Schedule to the Act do not appear in this **clause 17B**.
- 28/1/94 F17B.4 Transfer Values shall remain in this Scheme until payable under **clause F17C**, and as soon as practicable after the end of each financial year for this Scheme, Transfer Values shall be credited (or debited, in the case of a negative rate) on such basis as the Board determines with earnings (less withholdings, if any, required to be made by law) at the Transfer Value Earnings Rate declared in respect of that financial year under **clause F17B.7.2** (and where a Transfer Value has been held in this Scheme for less than 12 months, that rate shall be applied on such proportionate basis as the Board shall determine).
- 28/1/94 F17B.5 Where during a financial year for this Scheme a Transfer Value is payable in accordance with **clause F17C**, the Transfer Value shall be credited (or debited, in the case of a negative rate) with earnings (less withholdings, if any, required to be

made by law) for the period from the later of the Transfer Date and the last day as at which earnings were credited (or debited) under **clause F17B.4** to the date of payment at:

F17B.5.1 the latest Transfer Value Earnings Rate declared in respect of that financial year under **clause F17B.7.1**; or

F17B.5.2 if no such rate has been declared in respect of that financial year, such rate as the Board shall determine, which rate shall be applied on such proportionate basis as the Board shall determine.

28/1/94 F17B.6 No contributions to this Scheme shall be payable by or on behalf of a Transferred Member and a Transferred Member shall not be a contributor for the purposes of this Scheme. A Transferred Member shall not be a contributor for the purposes of the Annuitants Scheme and shall also cease to be a member and a Beneficiary for the purposes of **clause 29** and **clause 30** of the Annuitants Scheme. A Transferred Member shall however remain a member (as defined in the Act) for the purposes of this Scheme, except for the purposes of **clause F29.3**, until the Transfer Value or a Withdrawal Payment has been paid under **clause F17C**. Nothing in this **clause F17B.6** shall prejudice **clause F17C.2** or **clause F17C.3** and **clause F20** and **clause F21** shall continue to apply to the Transferred Member as if the Transferred Member were a contributor.

F17B.7 For the purposes of this Part VA, “Transfer Value Earnings Rate” means an annual earnings rate (which may be a negative or zero rate) which:

F17B.7.1 may be declared by the Board from time to time in respect of a financial year for this Scheme; and

F17B.7.2 shall be declared by the Board in respect of each financial year for this Scheme as soon as practicable after the end of that financial year, for the purposes of this **clause F17B**, after receiving the advice of the Actuary and having regard to the net investment earnings rate of this Scheme.

28/1/94
20/10/16 F17B.8 For the purposes of calculating the Transfer Value of any Transferred Member who was a contributor who had ceased to contribute to the Scheme under **clause A9**, **clause A18**, **clause B33.1**, **clause D34.1**, or **clause E32.1** at the Transfer Date, the Final Average Transfer Salary of such Transferred Member shall be the final average earnings or final average salary (as appropriate) determined on the basis of the earnings of the Transferred Member during the last five years immediately preceding the date on which the Transferred Member ceased to contribute to the Scheme or if length of contributory service is less than five years, during contributory service;

28/1/94 F17B.9 For the purposes of calculating the Transfer Value of any Transferred Member who made an election to transfer under this Part VA during a permitted period of absence from service under Sections B, D or E, the Final Average Transfer Salary of such Transferred Member shall be the final average salary determined on the basis of the earnings of the Transferred Member during the five years immediately preceding the commencement of the permitted period of absence, or if length of contributory service is less than five years, during contributory service.

- 28/1/94 **F17C WHEN TRANSFER VALUES PAYABLE**
- 28/1/94 F17C.1 Subject to **clause F17C.2**, **clause F17C.3** and **clause F17C.4**, the Transfer Value for
20/10/16 a Transferred Member shall become payable in one lump sum to the Superannuation Scheme to which the Transferred Member has transferred (“the elected scheme”) (or to another Superannuation Scheme nominated by the Transferred Member and approved by the Board in the event that the elected scheme for any reason is unable to receive such payment), on the earlier of:
- 20/10/16 F17C.1.1 **[RESERVED]**
- 20/10/16 F17C.1.2 **[RESERVED]**
- 20/10/16 F17C.1.3 **[RESERVED]**
- 20/10/16 F17C.1.4 such date as may be agreed between the Board and the trustees of the Superannuation Scheme to which the Transfer Value is payable; or
- F17C.1.5 the date of the winding up of this Scheme,
- and the Transfer Period will be the period between the Transfer Date and the earlier of such dates.
- 28/1/94 F17C.2 If a Transferred Member (or his or her surviving spouse, widow or estate, in the event of death) would have become eligible for a Benefit during the Transfer Period under any of **clauses A19** (treating the Transferred Member’s employer as a “Contributing Employer” for the purposes of that clause), **A20** (treating the Transferred Member’s employer as a “Contributing Employer” for the purposes of that clause), **A26**, **A28**, **B20**, **B22**, **B34**, **B36**, **D20** (treating “Contributory Service” and “Actual Contributory Service” as including service of the Transferred Member after the Transfer Date with the employer which was the Contributing Employer before the Transfer Date), **D22**, **D35**, **E20** (treating “Contributory Service” and “Actual Contributory Service” as including service of the Transferred Member after the Transfer Date with the employer which was the Contributing Employer before the Transfer Date for the purposes of that clause), **E22**, **E33**, or **E35** if the Transferred Member had remained a contributor, then, subject to **clause F17C.3** and **clause F17C.4**, the Transfer Value shall, on the application in writing of the Transferred Member, surviving spouse, widow or representative of the estate (as appropriate) to the Board, become payable in one lump sum to the Transferred Member, surviving spouse, widow or estate (as appropriate).
- 28/1/94 F17C.3 If during the Transfer Period:
- F17C.3.1 circumstances arise which would have entitled the Transferred Member to receive a Benefit under any of **clauses A18**, **B32**, **D32** or **E31** if the Transferred Member had remained a contributor (treating the Transferred Member’s employer as a “Contributing Employer” for the purposes of those clauses); and
- F17C.3.2 the Transferred Member makes an application in writing to the Board for payment under this **clause F17C.3**,

the Transfer Value shall not be payable to or in relation to the Transferred Member and instead an amount (referred to in this Part VA as the “Withdrawal Payment”) calculated in accordance with **clause A18, B32, D32 or E31** (as appropriate) (and less any amount paid under **clause F17C.2**) shall become payable to the Transferred Member in one lump sum and shall be calculated as if the Transferred Member had:

F17C.3.3 remained a contributor to this Scheme; and

F17C.3.4 had no further contributions made to this Scheme by or on behalf of that person after the Transfer Date; and

F17C.3.5 elected to receive a refund of refundable contributions (less Benefits already paid) under **clause A18, B32, D32, or E31** at the same time as withdrawing from the Superannuation Scheme to which that person has transferred.

28/1/94
20/10/16 F17C.4 The Board shall not be required to pay out any Transfer Value under **clause F17C.1** or **clause F17C.2**, or any Withdrawal Payment under **clause F17C.3**, until such time as it has been able to convert the Property of this Scheme which represents that Transfer Value or Withdrawal Payment to cash (or, where the Transfer Value is payable to the trustees of a Superannuation Scheme and the Board agrees to make the payment in Property other than cash, other Property acceptable to the Board and those trustees) and for the purposes of this **clause F17C.4** the Board shall not be required to convert any Property of this Scheme to cash or other Property if to do so would or might, in the opinion of the Board, unduly prejudice the value of the Property of this Scheme representing other members’ (as defined in the Act) and Beneficiaries’ interests in this Scheme.

28/1/94
20/10/16 F17C.5 **[RESERVED]**

28/1/94 **F17D OTHER PROVISIONS RELATING TO TRANSFERS OUT**

28/1/94
20/10/16 F17D.1 Subject to **clause F17B.6**, nothing in this Part VA shall limit any right contained in any other Part of this Section F or in any other Section of this Scheme for any contributor to transfer to any other Superannuation Scheme.

28/1/94
20/10/16 F17D.2 Nothing in this Part VA shall confer upon any person any right to require the Board to provide for transfers from this Scheme to any other Superannuation Scheme.

28/1/94
20/10/16 F17D.3 The Board shall be under no obligation or liability to see to the application of any amount paid or Property transferred to the trustees of any Superannuation Scheme or any other person under this Part VA.

PART VI

MISCELLANEOUS

30/3/93
28/1/94 **F18 [RESERVED]**

F19 CHANGES IN BENEFITS

- F19.1 For the purpose of this **clause F19** “benefit” shall have the same meaning as in the Act and shall not include any reduction or potential reduction in a contribution rate or any reversion of Property on a winding up of this Scheme or the Annuitants Scheme.
- F19.2 In making any improvements or other changes in benefits (including increases to benefits in this Scheme or the Annuitants Scheme or both but not including transfers from this Scheme to other superannuation schemes) without limiting considerations other than the financial position that may be taken into account, any person (including the Board and the Crown) shall either:
- F19.2.1 take into account the combined financial position of the Annuitants Scheme and this Scheme as if -
- F19.2.1.1 those schemes had not been divided; and
- F19.2.1.2 no settlement of claims in relation to any NPF group company (as defined in the Act) had been entered into by the Board; and
- F19.2.1.3 all Property and liabilities of the Board that existed immediately before 1 April 1991 in relation to an NPF group company had been allocated among the existing schemes by the proposal (as defined in the Act) in a fair and equitable manner; and
- F19.2.1.4 the investment of the Property of those schemes had been appropriate to their liabilities; and
- F19.2.1.5 all powers, directions, actions, and obligations had been exercised, made, taken, or complied with as if **clause F19.2.1.1 to clause F19.2.1.4** (inclusive) had applied; or
- F19.2.2 take into account only the financial position of this Scheme.
- F19.3 In the event that a change in benefits is implemented under **clause F19.2.1** there shall be a transfer between this Scheme and the Annuitants Scheme of such Property as is necessary to ensure that the resulting financial position of each scheme is fair and equitable to the members and other Beneficiaries of the schemes, the Contributing Employers, and the Crown as guarantor.
- F19.4 In the event that a change in benefits under the Annuitants Scheme is implemented under **clause F19.2.2** there shall be a transfer from this Scheme to the Annuitants Scheme of Property having a market value equal to the consequential increase in the actuarial liability of the Annuitants Scheme.
- F19.5 In considering, determining, or directing a change in benefits in terms of **clause F19.2** any person (including the Board and the Crown) -
- F19.5.1 shall, in deciding which of **clause F19.2.1** or **clause F19.2.2** to apply,

take into account the position which is most favourable to members and other Beneficiaries of this Scheme and Annuitants Scheme; and

F19.5.2 shall regard as the paramount objective the need to ensure that members and other Beneficiaries of the Annuitants Scheme are not in any way disadvantaged by the implementation of any settlement of claims in relation to any NPF group company; and

F19.5.3 shall have regard to the practice of not improving benefits from a superannuation scheme unless there is an actuarial surplus in that scheme.

F20 PROHIBITION OF ASSIGNMENT, BORROWING AND PAYMENT OF DEBTS

30/3/93 F20.1 No money payable from this Scheme to any person shall be in any way assigned, charged, or passed by operation of law to any other person.

F20.2 No member shall borrow against the security of any Benefits payable from this Scheme.

30/3/93 F20.3 Any money payable from this Scheme on the death of a contributor shall not be assets for the payment of that contributor's debts or liabilities.

F21 BANKRUPTCY

No money payable out of this Scheme to any person shall pass to any other person by operation of law. The Board may forfeit to this Scheme the Benefits of a contributor or other Beneficiary in the event of the bankruptcy of the contributor or the other Beneficiary and the Board may in its discretion allocate the forfeited benefits towards the support of the contributor or Beneficiary or the contributors' dependants.

F22 INABILITY TO MANAGE AFFAIRS

The Board may, in the event of the inability of a contributor or other Beneficiary to manage his or her own affairs, administer any Benefits on that person's behalf.

F23 PAYMENTS IN RESPECT OF MINORS

F23.1 Where any Benefit is payable to any minor the Board may pay the Benefit to the minor or, subject to such terms and conditions as the Board may determine, to any other person to be applied on behalf of the minor.

F23.2 Any receipt given by a minor or other person for money paid under **clause F23.1** shall be a good discharge to the Board.

F24 UNCLAIMED MONEY PAYABLE OUT OF SCHEME

All money payable out of this Scheme to any person for which no claim or demand has been made by or on behalf of that person shall remain part of this Scheme but may at any time be paid out of this Scheme to any person establishing a lawful claim to the money.

F24A MISSING PERSONS

- 1/7/05 F24A.1 In this **clause F24A** –
- “Existing Scheme”** has the same meaning as in the Act;
- “Missing Person”** means any Member or Beneficiary from, or in respect of, whom no contributions are being received and for whom the Board has no current address.
- 1/7/05 F24A.2 The Board may deduct from any Benefit, entitlement or earnings credited to a Missing Person to which the Missing Person is entitled, a reasonable amount to cover the costs incurred by the Board in endeavouring to locate, and in confirming and satisfying the Scheme’s liability to, the Missing Person **PROVIDED THAT** this **clause F24A.2** does not limit any other power the Board may have to charge costs or expenses against this Scheme or any other Existing Scheme, or against a Member or Beneficiary.
- 1/7/05 F24A.3 The Board may allocate to any Missing Persons:
- F24A.3.1 property of this Scheme equivalent to the Missing Persons’ share in this Scheme; and
- F24A.3.2 future investment returns from that property received after the date of that allocation.
- 1/7/05
20/10/16 F24A.4 With the prior consent of the FMA, the Board may transfer Missing Persons, the liabilities of the Scheme to those Missing Persons and any property allocated to them under **clause F24A.3**, to any other Existing Scheme without the consent of Members or Beneficiaries or any other person.
- 1/7/05 F24A.5 For the purposes of **clause F24A.3.1** and except as otherwise approved in writing by the Minister of Finance, any Missing Persons’ share in this Scheme is to be calculated as the value of the liabilities (as determined by the Actuary) of this Scheme to those Missing Persons –
- F24A.5.1 **plus**, if this Scheme has an actuarial surplus, an equitable share of the surplus, as determined by the Board after receiving advice from the Actuary; or
- F24A.5.2 **less**, if this Scheme has an actuarial deficit, an equitable share of the deficit, as determined by the Board after receiving advice from the Actuary.
- 1/7/05 F24A.6 The Board may receive transfers of persons who are missing persons under the provisions of an Existing Scheme which are equivalent to this **clause F24A**, the liabilities of that Existing Scheme to those missing persons, and any property allocated to them under the provisions of that Existing Scheme which are equivalent to this **clause F24A** without the consent of Members or Beneficiaries or any other person. On receipt of such a transfer the Board shall treat any person so transferred as a Missing Person for the purposes of this **clause F24A** and the property received in respect of them as property allocated for the

purposes of **clause F24A.3**.

1/7/05 F24A.7 The Board may at any time extinguish the liabilities of this Scheme to a person who has been a Missing Person for a period of at least five years before the extinguishment (whether under this Scheme or under the provisions of any Existing Scheme which are equivalent to the provisions of this **clause F24A**) **PROVIDED THAT:**

F24A.7.1 no liability may be extinguished under this **clause F24A.7** unless the Board has used reasonable endeavours to find the current address of that Missing Person; and

F24A.7.2 if any person establishes to the satisfaction of the Board that a liability of this Scheme to him or her has been extinguished under this clause during the previous 15 years, the Board must reinstate the liability of this Scheme to that person as if it had never been extinguished.

F25 IMPLIED TERMS OR CONDITIONS

30/3/93 Every term or condition of a defined benefit scheme (as defined in the Act) that was provided in the National Provident Fund Act 1950 and is not expressly provided in the relevant section of Sections A to E of this Scheme shall be incorporated in that Section as a term or condition of the relevant section.

F26 ACTUARY

30/3/93 The Board shall appoint an Actuary for this Scheme and shall ensure that the financial position of this Scheme is examined by the Actuary so appointed as required by the FMC Act and the Act and that the requirements of those Acts in relation to actuarial examinations are complied with.

F27 INFORMATION TO MEMBERS

30/3/93
20/10/16

F27.1 Every member of this Scheme shall have the right to receive annual reports of the Board in respect of this Scheme, to receive estimates of Benefits, and to look at and receive copies of the scheme documents and reports as provided for in the FMC Act.

F27.2 The Board shall comply with the reporting requirements of the FMC Act.

F28 RECOVERY OF CONTRIBUTIONS FROM LOCAL AUTHORITY

30/3/93 F28.1 All contributions or other money from time to time due to this Scheme from a local authority shall be deemed to be a debt due by that local authority to the Board, and may be recovered accordingly on behalf of the Board by any person authorised by it in that behalf.

F28.2 Contributions payable by a local authority out of its funds on behalf of any person in respect of whom it is a contributing employer shall not be deemed to form part of the salary or wages of that person.

F28.3 The contributions payable by a local authority shall be payable monthly, and shall be due on the last day of the month for which they are payable. Interest at a rate not exceeding 5 percent per annum may be charged as from the due date thereof on any amounts unpaid after the expiration of 14 days from that date:

PROVIDED THAT where the wage accounting period of any local authority is 4 weeks, the contributions payable by a local authority shall be due and payable on the last day of every such period of 4 weeks and interest as aforesaid may be charged as from the due date thereof on any amounts unpaid after the expiration of 14 days from that date.

30/3/93 F28.4 If any local authority fails to make any contribution to this Scheme for which it is liable, or fails to deduct from the salary or wages of any person on whose behalf it is a contributing employer any contribution for which that person is personally liable, the total amount of those contributions may, at the request of the Board, be deducted by the Minister from any subsidy that may be payable to the local authority, and all amounts so deducted may, without further appropriation than this clause **F28** be paid into this Scheme.

F29 WINDING UP

F29.1 Subject to **clause F29.2** this Scheme may be wound up only at the direction of the Minister of Finance after consultation with the Board and shall be wound up in accordance with any such direction.

F29.2 This Scheme shall not be wound up unless the Annuity Scheme is being wound up at the same time.

F29.3 Immediately before the Annuity Scheme is wound up the interests of all members in this Scheme at that time shall be transferred to the Annuity Scheme and shall be distributed in accordance with the provisions of that scheme.

20/10/16 F29.4 **[RESERVED]**

20/10/16 F29.5 On the winding up of this Scheme, no part of the assets of this Scheme shall revert to any person except as provided for in **clause F29.3** without the written consent of the FMA.

20/10/16 **F30 REGISTER**

F30.1 A register of Members must be kept by the Board in a form and manner required by the FMC Act.

F30.2 Such register may be in electronic form and compiled by a delegate of the Board in a manner approved by the Board.

F30.3 The following details shall be entered on the register:

F30.3.1 The names and addresses of each Member;

F30.3.2 The date on which the Member became a Member of the Scheme;

and

F30.3.3 Such other information as the Board requires or as is required by the Act or the FMC Act.

F30.4 The Board must ensure that the register is audited at intervals of not more than 12 months or as required by and in accordance with the provisions of the FMC Act.

F30.5 The Board must advise the Registrar of the place where its registers are kept and of any change in that place. Changes must be advised to the Registrar within 10 working days of the change in place.

20/10/16 **F31 ACCOUNTING RECORDS**

F31.1 The Board shall ensure that there are kept at all times accounting records that comply with the requirements of section 455 of the FMC Act.

F31.2 In keeping or causing to be kept the accounting records under clause F31.1 the provisions of Part 7 of the FMC Act must be complied with.

20/10/16 **F32 FINANCIAL STATEMENTS**

F32.1 Subject to any law relevant to the Board or the Scheme (including the FMC Act), the Board must ensure that financial statements are prepared that comply and are in accordance with the requirements of Part 7 of the FMC Act.

20/10/16 **F33 AUDIT**

F33.1 The Board shall ensure that:

F33.1.1 the Scheme's financial statements are audited and reported on by the Auditor in accordance with the requirements of the FMC Act; and

F33.1.2 those financial statements, together with the Auditor's report on those financial statements, are delivered and lodged in accordance with any requirements of the FMC Act.

20/10/16 **F34 THE AUDITOR**

F34.1 A person or firm selected by the Board must be appointed Auditor of the Scheme. Such person or firm must be a Qualified Auditor (as defined in the FMC Act) and meet the requirements of any law relevant to the Board or the Scheme.

20/10/16 **F35 ANNUAL REPORT**

F35.1 The Board must:

F35.1.1 prepare an annual report on the affairs of the Scheme in accordance with the requirements of the FMC Act and any regulations made under the FMC Act; and

F35.1.2 send to every person any information or documentation required

and in accordance with the FMC Act; and

F35.1.3 lodge the annual report in accordance with any requirements of the FMC Act.

20/10/16

F36 INTENTION TO BE LEGALLY BINDING

It is intended that this deed be legally enforceable as between the Board, the members and the other beneficiaries in receipt of a benefit, under this Scheme or the Annuitants Scheme.

ANNEX

SECTION 38 NATIONAL PROVIDENT FUND RESTRUCTURING ACT

38. (1) No person is entitled to be a contributor to any existing scheme unless that person -
- (a) Was a contributor to that scheme immediately before the transfer day; or
 - (b) Was a contributor to another existing scheme immediately before the transfer day and is a person, or a person of a kind, whom the Board, in its discretion and after consultation with the Minister, has agreed may contribute to that scheme.
- (2) Any person -
- (a) Who has, before the transfer day, contributed to an existing scheme; and
 - (b) Whose contributions, or part of whose contributions, remain in the scheme on the transfer day -

shall, for the purposes of this section, be deemed to have been a contributor to that existing scheme immediately before the transfer day.

- (3) Any employer -
- (a) Who was not a contributor to an existing scheme immediately before the transfer day; and
 - (b) Who, after the transfer day, is or becomes the employer of an employee who was a contributor to an existing scheme immediately before the transfer day -

may, notwithstanding subsection (1) of this section but subject to the terms of the existing scheme, contribute to any existing scheme to which that employee contributes, as a corporate contributor, for the purpose of subsidising that employee's contributions or obtaining a benefit for that employee.

- (4) Nothing in this section limits -
- (a) The terms of any existing scheme; or
 - (b) Any other provision of this Act.