

# Deed of Amendment

## Smartsave "Members Choice" Superannuation Master Plan

Date: 25 June 2020

**Diversa Trustees Limited ABN 49 006 421 638 (Trustee)**

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# Deed of Amendment

Date: 25 June 2020

## PARTIES

**Diversa Trustees Limited ABN 49 006 421 638** of Level 9, 287 Collins Street, Melbourne, Victoria 3000 (**Trustee**)

## RECITALS

- A. Smartsave "Members Choice" Superannuation Master Plan (as it is now known) (**Plan**) was established by a deed dated 18 March 1991 made by East Yara Nominees Pty Ltd as trustee (**Original Deed**). The Original Deed has been amended from time to time, including (relevantly) by deeds dated 17 April 2003, 14 April 2004, 18 May 2005, 25 May 2006, 4 August 2006, 28 June 2007, 7 August 2007, 27 April 2009 and 1 July 2010. The Original Deed, as amended from time to time, is referred to in this deed as the **Trust Deed**.
- B. The Trustee is the current trustee of the Plan.
- C. The Trustee has power under rule 16 of the Trust Deed to amend the Trust Deed by deed executed by the Trustee as follows:
16. AMENDMENT DEED
- 16.1 Subject to any limitations or restrictions upon the power of the Trustee to change these Rules which are contained in the Complying Fund Requirements the Trustee, at any time, may change these Rules (including this sub-Rule) in any way. Without limiting the above, the Trustee may alter, add to, revoke or delete all or any of the trusts or other provisions of these Rules. A change may be made by a Deed (Amending Deed) executed by the Trustee. Each change takes effect from the date of commencement which is set out in the Amending Deed or if no date of commencement is set out from the date of the Amending Deed.
- 16.2 Despite Rule 16.1 no change may be made to these Rules which:
- 16.2.1 may reduce or prejudice any benefits which have accrued to a Member (a "**benefit reduction**") unless the Complying Fund Requirements allow the benefit reduction to be made;
- 16.2.2 alters the characteristics of a class of beneficial interests in the Plan that is a MySuper Product such that it no longer satisfies all of the characteristics required of a MySuper Product under the Relevant Requirements unless such an alteration is permitted by the MySuper Rules.
- D. The Trustee proposes to transfer the members and assets of LESF to the Plan by successor fund transfer. To this end, the Trustee wishes to amend the Trust Deed:

- (a) to ensure that the members of LESF will receive equivalent rights to benefits in the Plan as they currently have in LESF on the successor transfer of the benefits of those members to the Plan; and
  - (b) for any ancillary and incidental amendments.
- E. The Trustee is satisfied that the amendments set out in this deed are permitted under the terms of rule 16 of the Trust Deed.

**OPERATIVE CLAUSES**

**1. INTERPRETATION**

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- 1.1 In this deed, unless the context otherwise requires:
- (a) the Introduction is correct;
  - (b) headings do not affect interpretation;
  - (c) a provision must be read down to the extent necessary to be valid and if it cannot be read down to that extent, it must be severed.

**2. AMENDMENTS**

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- 2.1 The following definition is inserted in clause 1.2 immediately after the definition of "General Reserve":
- "Income Entitlement"** means an amount determined in accordance with Rule 25.
- 2.2 The following words are inserted at the end of the first sentence in Rule 4A.1:
- "and may provide more than one MySuper Product"
- 2.3 The Trust Deed is amended by inserting new a Schedule 4 "Lesf and Macmahon Super Division" and new Schedule 5 "AIA Risk only Members Division", which are set out in the Annexure to this deed.
- 2.4 The amendments set out in this deed have effect from the date of this deed.


**3. GOVERNING LAW**

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This deed is governed by the law of South Australia.

**EXECUTION**

Signed as a deed by Diversa Trustees Limited: )

  
 \_\_\_\_\_  
 Signature of director

ANDREW PETERSON  
 \_\_\_\_\_  
 Name of director (please print)



\_\_\_\_\_  
 Signature of secretary

ROBERT GOOD  
 \_\_\_\_\_  
 Name of secretary (please print)

**ANNEXURE A**  
**Schedule 4 - Lesf and Macmahon Super Division**

**1. General Interpretation**

(a) Application of Schedule

This Schedule 4 only applies to members of Lesf and of white label subplans in Lesf, including Macmahon, Grow Super and Zuper Super, who are members of the Lesf and Macmahon Super Division constituted by this Schedule 4. Whenever the word "Member" is used in this Schedule, it means a Member who is a member of the Lesf and Macmahon Super Division.

(b) Inconsistency

In the event of any inconsistency arising between the provisions of this Schedule 4 and the Rules in the Deed, the provisions of Schedule 4 prevail to the extent of any inconsistency

**2. Definitions**

**"Account"** means any one of the following:

- (a) Accumulation Account;
- (c) Pension Account
- (d) Any other accounts required to be opened or maintained by the Trustee in accordance with the Relevant Requirements or any other accounts the Trustee decides to establish and maintain;

**"Accumulation Account"** means the Account established on behalf of each Member or Beneficiary as described in rule 3.

**"Annuity"** means a Benefit payable by instalments that satisfies the meaning of an annuity in regulation 1.05 of the SIS Regulations or any other provision of the Relevant Requirements.

**"Binding Death Benefit Nomination"** means a nomination made by a Member in relation to the payment or application of a death benefit that is binding on the Trustee in accordance with Relevant Law.

**"Employer"** has the meaning given in Relevant Law.

**"Gainful Employment"** in relation to a Member means engagement in any business, trade, profession, vocation, calling, occupation or employment for personal gain to the extent required by the Relevant Requirements.

**"LESF"** means the fund established by a deed dated 1 May 1989 and originally called the Queensland Law Society Superannuation (Employees) Scheme.

**"Legal Personal Representative"** has the meaning given in the SIS Act.

**"Member Account"** means a Member's Accumulation Account or Pension Account as the case may be.

**“Non-Binding Death Benefit Nomination”** means a nomination made by a Member in relation to the payment or application of a death benefit that is not binding on the Trustee.

**"Normal Retirement Age"** means the age of 65 or any other age not less than 55 that is acceptable to or required by the Relevant Requirements and as the Trustee determines.

**“Participating Employer”** means any party that by agreement with the Trustee is admitted to participation in the Fund under rule 6.

**"Pension Account"** means the account established in respect of a Pensioner in accordance with rule 4.

**“Policy”** means any policy of insurance including:

- (a) a policy on the life of Member for endowment, term, disablement, accident or sickness insurance, effected either as an individual policy or as a group policy in relation to a Member or a former Member;
- (b) any policy which provides that Benefits are payable to the Trustee on the death or disablement of Member unless the acquisition of the policy is prohibited by Relevant Law.

**"Preservation Age"** has the meaning given in the SIS Regulations.

**"Rule"** means a rule in the Deed and **"rule"** means a rule in this Schedule 4.

**"Temporarily Totally Disabled":**

A Member will be recognised as having become disabled (but not Totally and Permanently Disabled) by the Trustee if:

- (i) The Member is disabled as a result of illness, accident, or injury which commences at or prior to the Member attaining the age of 65 years or the Member's Normal Retirement Age (whichever is the earlier);
- (ii) As a result of the said illness, accident, or injury the Member has been continuously absent from the Member's business, trade, profession, vocation, calling occupation or employment for the eligibility period contained in any Policy effected in respect of the Member;
- (iii) The Trustee has effected a Policy with the Insurer to cover temporary total disablement;
- (iv) The Trustee after consultation with the Insurer is satisfied that the Member is disabled within the meaning of the definition of temporary total disablement agreed upon by the Trustee and the Insurer; and
- (v) The Trustee expects the Member's disablement to be temporary

and "Temporary Total Disablement" has a corresponding meaning.

**"Temporary Incapacity":**

A Member will be recognised as suffering Temporary Incapacity (but not Totally and Permanently Disabled) by the Trustee if:

- (i) The Member is disabled as a result of illness, accident, or injury which commences at or prior to the Member attaining the age of 65 years or the Member's Normal Retirement Age (whichever is the earlier);
  - (ii) As a result of the said illness, accident, or injury the Member has been continuously absent from the Member's business, trade, profession, vocation, calling occupation or employment for the eligibility period contained in any Policy effected in respect of the Member;
  - (iii) The Trustee has effected a Policy with the Insurer to cover temporary incapacity;
  - (iv) The Trustee after consultation with the Insurer is satisfied that the Member is disabled within the meaning of the definition of temporary incapacity agreed upon by the Trustee and the Insurer; and
  - (v) The Trustee expects the Member's disablement to be temporary
- and "Temporarily Incapacitated " has a corresponding meaning.

**"Terminal Illness"** exists if two medical practitioners have certified that the Member is suffering from an illness or has an injury that is likely to result in death within a period (**certification period**) that ends no more than 24 months after the date of certification; at least one of the medical practitioners is a specialist practising in an area related to the Member's illness or injury, and the certification period has not ended.

### 3. **Accumulation Account**

- (a) The Trustee must establish an Accumulation Account for each Member or Beneficiary to which will be credited or debited:
  - (i) The amount in the Member's Accumulation Account in LESF on the day before its transfer to this Fund where the Member was previously a member of LESF; and
  - (ii) The amounts to be debited or credit to this account under Rule 24 of the Rules.

### 4. **Pension Account**

- (a) Establishment

Where the Trustee determines to pay all or any of the Benefits to the Member as a Pension, the Trustee must establish a Pension Account in respect of the Member.

- (b) Amounts to be transferred.

The Trustee must transfer to the Pension Account:

- (i) any amount standing to the credit of the Member's Pension Account in LESF on the day immediately before its transfer to this Fund where the Member was previously a member of LESF; and
- (ii) any assets of the Fund or amounts as are determined in accordance with this Deed which the Trustee believes are necessary in order to

provide the Member's Benefit as a Pension.

(c) Amounts to be credited

The Trustee must credit to the Pension Account that portion of the Income Entitlement (if positive) as the Trustee determines under Rules 24 and 25 of the Rules, and any other amounts as the Trustee determines and which are permitted by the Relevant Requirements.

(d) Amounts to be debited

The Trustee must debit to the Pension Account all amounts required by this Deed and the Relevant Requirements including Benefits paid to Members or Beneficiaries, that portion of the Income Entitlement (if negative) as the Trustee determines under Rules 24 and 25 of the Rules, and any other amounts as the Trustee determines and which are permitted by the Relevant Requirements.

**5. Policies of Insurance**

(a) Members Policies

The Trustee may determine to effect Policies with an Insurer and may secure the Benefit of a Member by means of an individual Policy or Policies or a group Policy or Policies or partly in one and partly in another.

(b) Member may request a specific Policy

Where a Member makes a written request to the Trustee in writing to effect a Policy of a specified type in respect of the Member, the Trustee must effect that Policy unless:

- (i) The Trustee thinks the Policy is not in the best interests of the Member or the Dependants of the Member; or
- (ii) The Member has in writing withdrawn, cancelled or altered the Member's original request.

(c) Trustee to effect Policy if required

If the Trustee has informed a Member that a Policy of a specified type will be effected in respect of a Member, the Trustee must effect the Policy except if the Member has requested the Trustee in writing not to effect the same.

(d) Premiums

Any premiums for a Policy effected may, if the Trustee considers it appropriate, be debited to an Insured Member's Accumulation Account.

(e) Limitation on Liability of Trustee

Where a Trustee is not required to exercise the power to effect a Policy or Policies, the Trustee is not responsible or liable to a Member, a Member's Legal Personal Representative or Dependant if the Trustee decides not to exercise the power to effect that Policy or those Policies.



## 6. Participating Employers

### (a) Application for admission

In the event that any person, firm or corporation:

- (i) Makes application to the Trustee to be admitted and to make Contributions to the Fund as a Participating Employer on behalf of Members or persons who wish to become Members;
- (ii) The Trustee consents to the admission of the Participating Employer; and
- (iii) The person, firm or corporation making such application executes a deed on terms which are acceptable to the Trustee in respect of such application,

then such person, firm or corporation shall become a "Participating Employer" subject to the terms, conditions and provisions of the Deed and this Schedule 4, and the entry of the details of the Participating Employer by the Trustee in such register as the Trustee may maintain from time to time shall be conclusive of the due admission of the Participating Employer to the Fund.

### (b) Deemed application

Notwithstanding the provisions of rule 6(a), the payment to the Fund by person, firm or corporation of a contribution in respect of a Member shall be deemed to constitute an application to be admitted as a Participating Employer and upon acceptance of that contribution by the Trustee, that person, firm or corporation shall become a Participating Employer subject to the terms, conditions and provisions of the Deed and this Schedule 4, and the entry of the details of the Participating Employer by the Trustee in such register as the Trustee may maintain from time to time shall be conclusive of the due admission of the Participating Employer to the Fund.

## 7. Membership

### (a) Eligibility for Membership

- (i) The Trustee may admit any person who applies for Membership in the Fund unless his or her admission would cause the Fund to breach the Relevant Requirements.
- (ii) If the Trustee accepts a person's application for Membership, the person becomes a Member from the date and on the terms that the Trustee determines.

### (b) Application for Membership

Each application for Membership must be made by the relevant applicant in the form approved by the Trustee

### (c) Admission to Membership without application

The Trustee may, subject to the Relevant Requirements, admit a person as a Member even though he or she has not applied for Membership in accordance with rules 6(a) and (b).

(d) Members and Beneficiaries to provide information

Each applicant for Membership and any Beneficiary must whenever requested by the Trustee give any information the Trustee thinks necessary for the purposes of any investigations in connection with the Fund, however where the Trustee is or becomes aware that the information given is incorrect or misleading or any relevant information has been deliberately withheld, the Trustee may alter or amend the Benefits to amounts which would have been determined had full and accurate information been supplied.

(e) Member bound by Deed

Each Member by virtue of the member's application is deemed to have consented to be bound by the Deed and this Schedule 4.

(f) Member to be medically examined

To effect, increase or otherwise vary any Policy or Annuity, the Trustee may require any Member or any person who has applied to become a Member to be medically examined or to submit other evidence of health or to provide proof of age to the satisfaction of the Insurer or to take steps necessary for those purposes.

(g) Member refusing to be medically examined

If any Member or person who has applied to become a Member refuses to undergo a medical examination or to undertake any other step which may reasonably be required for those purposes or if he or she fails to do anything which would or might prejudice the Policy or result in the Policy moneys or any part thereof not becoming payable, the Trustee may adjust the Benefit to be provided by the Fund for and in respect of that Member or person in any manner the Trustee considers appropriate.

8. **Contributions**

Subject to the Relevant Requirements and in the absence of any agreement to the contrary, no Member, Employer or any other person permitted under the Relevant Requirements to contribute on behalf of a Member is under any obligation to make a contribution to the Fund in respect of any period.

9. **Types of Benefits**

(a) Benefit Entitlement

Where a Member becomes entitled, under this Deed and the Relevant Requirements, to a Benefit and there are no cashing restrictions that apply to the Benefit under the Relevant Requirements, the Member may elect in writing to the Trustee to be paid the Benefit in one or more of the forms permitted by the Relevant Requirements including:

- (i) one or more lump sums; or
- (ii) one or more income streams; or
- (iii) any other form of benefit permissible by the Relevant Requirements.

- (b) Election
- (i) Unless otherwise agreed to by the Trustee, the election given by the Member under rule 9(a) must be in writing and state the amount to be paid and the extent to which the amount is to be paid as any one or more types of Benefit permitted to be paid by the Relevant Requirements and this rule 9
  - (ii) The election must be given to the Trustee before the Benefit commences to be paid to the Member but is not binding on the Trustee.

- (c) Benefit Entitlement - with cashing restrictions

Subject to the Relevant Requirements, where a Member becomes entitled to a Benefit in accordance with rule 12 or 13, and there are cashing restrictions that apply to the Benefit under the Relevant Requirements, the Trustee must pay that Benefit in accordance with those cashing restrictions.

- (d) Transfer of Policy as Benefit

Where a Member or a Beneficiary is entitled to be paid a Benefit and that Benefit includes any interest in a Policy of any kind on the life of the Member or Beneficiary, the Trustee may transfer the Policy to the Member or Beneficiary or to the Dependants.

- (e) Transfer in Specie as Benefit

The Trustee may, with the consent of a Member or Beneficiary to whom a Benefit is payable, transfer assets of the Fund of an equivalent value to that Member or Beneficiary in lieu of paying the whole of any part of the amount otherwise payable under the Deed and this Schedule 4.

#### 10. **Payment of Unrestricted non-preserved amount**

Notwithstanding any other provisions in this Deed which may be construed to the contrary and subject to the Relevant Requirements:

- (a) A Member may elect at any time to withdraw the whole or any part of the Unrestricted Non-Preserved Amount of that Member by giving notice to the Trustee in the form and manner determined by the Trustee; and
- (b) The minimum Unrestricted Non-Preserved Amount which may be withdrawn by a Member under rule 10(a) must be determined by the Trustee and notified to Members of the Fund.

#### 11. **Retention of Benefit in the Fund**

Where a Member or Beneficiary does not require Benefits to be paid immediately, the Trustee may retain all or any part of any Benefit in the Fund until the Member or beneficiary entitled to the Benefit requests that the Benefit is paid to that Member or Beneficiary or until they are required to be paid under the Relevant Requirements or this Deed.

#### 12. **Compulsory payment of benefits**

The Trustee of the Fund must pay a Member's benefits as soon as practicable after

the occurrence of any of the following:

- (a) The Member dies; or
- (b) Payment of the Benefit is required under this Deed or the Relevant Requirements, whichever occurs first.

### 13. **Voluntary payment of benefits**

Subject to the Relevant Requirements, a Member may elect to receive a Benefit on or after the occurrence of any of the following events:

- (a) If the Member retires from Gainful Employment;
- (e) If the Member suffers Total and Permanent Disablement;
- (f) If the Member suffers Temporary Incapacity or Temporary Total Disablement, whichever applies to the Member;
- (g) If the Member suffers Terminal Illness;
- (h) If the Member being a temporary resident permanently departs Australia in circumstances described in the SIS Regulations, including regulation 6.20A or 6.20B, and request in writing the release of his or her Benefits;
- (i) If the Member's Gainful Employment with an employer who had, or any of whose associates had, at any time, contributed to the Fund in relation to the Member is terminated;
- (j) If the Member attains age 65;
- (k) If the Member attains Preservation Age; or
- (l) Any other condition of release permitted by the Relevant Requirements.

### 14. **Pension Benefit**

The following provisions apply to the payment of a Pension:

- (a) Where the whole or part of a Member's Benefit is payable in the form of a Pension, the Trustee may, subject to the Relevant Requirements, provide a Benefit to the Member as any one or more types of Pension permitted by the Relevant Requirements.
- (b) Subject to the Relevant Requirements where the whole or part of a Member's Benefit is payable in the form of a Pension, the Trustee must provide the Pension under the governing rules of the Fund (including, but not limiting, this Deed, trustee resolutions or any pension agreement).
- (c) Where an instalment of a Pension is payable in respect of a Member and the amount standing to the credit of the Member's relevant Pension is less than the instalment payable, the lesser amount must be paid and the Trustee's liability in respect of the payment of the Pension is discharged.
- (d) Notwithstanding rules 14(a), (b) and (c), where a Benefit is payable as a Pension the Trustee may at its discretion apply an amount representing the capital value of that Benefit in the purchase of an Annuity in its name and may

arrange for payments under that Annuity to be made directly to the Member but may assign the Annuity to the Member if requested and if permitted by the Relevant Requirements.

**15. Death Benefits**

(a) Application

This rule 15 applies to a Member's Benefit payable on or following the death of a Member under rule 12(a).

(b) Payment if no binding Death Benefit Nomination

Subject to rule 15(c) a Member's Benefit may be paid or applied, on or following the death of the Member, as the Trustee decides subject always to the Relevant Requirements including by way of one or more Annuities, one or more income streams or one or more lump sums or any combination of those methods of payment (in each case upon the terms the Trustee decides) either:

- (i) To one or more of the Nominated Beneficiaries (if any) designated in the most recent Non-Binding Death Benefit Nomination made by the Member, or other Dependants of the Member and in the proportions that the Trustee decides; or
- (ii) To one or more of the Legal Personal Representatives of the Member.

(c) Payment if Binding Death Benefit Nomination

If a member made a Binding Death Benefit Nomination that at the date of death was valid under the Relevant Requirements, any Benefit payable on or following the death of the Member must be paid by the Trustee in accordance with that Binding Death Benefit Nomination.

(d) Commutation of Income Stream

Notwithstanding any other Rule of this Deed and subject to the Superannuation Law, the Trustee may, and must where required by the Superannuation Law, discharge its liability to a Member, Dependant or Beneficiary in respect of a Pension by paying to the Member, Dependant or Beneficiary a lump sum equal to the amount standing to the relevant Pension in the Pension Account.

**16. Binding Death Benefit Nomination**

(a) A Member may make a Binding Death Benefit Nomination to the Trustee that:

- (i) Is in writing;
- (ii) Is signed, and dated, by the Member in the presence of 2 witnesses, being persons:
  - (A) Each of whom has turned 18 years; and
  - (B) Neither of whom is a person mentioned in the notice; and
- (iii) Contains a declaration signed, and dated, by the witnesses stating that the notice was signed by the Member in their presence.

- (b) Subject to the Relevant Requirements, a Member may in a Binding Death Benefit Nomination nominate:
  - (i) The person or persons to whom their Benefit must be paid so long as that person or each of those persons are a Legal Personal Representative or Dependant of the Member;
  - (ii) The proportions in which the Benefit is to be paid to that person or each of those persons; and
  - (iii) The manner in which those benefits must be aid to the person or each of those persons.
- (c) A Binding Death Benefit Nomination may be confirmed, amended or revoked at any time by the Member and is otherwise effective until revoked.
- (d) A Binding Death Benefit Nomination may be revoked by making a later valid Binding Death Benefit Nomination or by otherwise revoking it by notice in writing given to the Trustee.

**17. Payment if Binding Death Benefit Nomination is invalid or ineffective**

Subject to the Relevant Requirements, if a Member had made a Binding Death Benefit Nomination that at the date of death is invalid or ineffective, the Binding Death Benefit Nomination is treated as a Non-Binding Death Benefit Nomination made at the date of making the Binding Death Benefit Nomination whether or not validly or effectively binding at that date.

**18. Non-lapsing Death Benefit Direction**

- (a) The Trustee may offer a Member the opportunity to enter into a death benefit agreement with the Trustee which will be taken to override any Binding Death Benefit Nomination of the Member or nomination of a Reversionary Beneficiary.
- (b) Under a death benefit agreement, the Member, with the Trustee's consent, will be entitled to determine who will receive their death benefit after their death.
- (c) A death benefit agreement can be offered on such terms and conditions as the Trustee determines from time to time and can be offered in respect of each different interest of the Member in the Fund (where applicable).
- (d) If the death benefit agreement provides for the payment of a death benefit in a manner which is inconsistent with the Relevant Requirements, the Trustee will pay that part of the death benefit that relates to the part of the agreement that does not comply with the Relevant Requirements in accordance with rules 15(b) and 17.

## Schedule 5 - AIA Risk Only Division

### PART 1

#### 1. General Interpretation

(a) Application of Schedule

This Schedule 5 only applies to the AIA Risk Only Division. Whenever the word "Member" is used in this Schedule, it means a Member who is a member of the AIA Risk Only Division.

(b) Inconsistency

In the event of any inconsistency arising between the provisions of this Schedule 5 and the Rules in the Deed, the provisions of Schedule 5 prevail to the extent of any inconsistency.

#### 2. Definitions

**"Binding Death Benefit Nomination"** means a nomination made by a Member in relation to the payment or application of a death benefit that is binding on the Trustee in accordance with Relevant Law

**"Employee"** means:

- (a) an employee of an Employer;
- (b) a director of the Employer if the Employer is a company; or
- (c) any other person permitted by Superannuation Law.

**"Employee Member"** means an Employee who becomes a Member of the AIA Risk Only Division.

**"Employer"** has the meaning given in Relevant Law.

**"Policy"** means any policy of insurance including:

- (a) a policy on the life of Member for endowment, term, disablement, accident or sickness insurance, effected either as an individual policy or as a group policy in relation to a Member or a former Member;
- (b) any policy which provides that Benefits are payable to the Trustee on the death or disablement of Member unless the acquisition of the policy is prohibited by Relevant Law.

**"Rule"** means a Rule of the Deed and **"rule"** means a rule of this Schedule 5

**"Terminal Illness"** in relation to a Member:

- (a) has the same meaning as that expression (or an expression corresponding to it) in any Policy that applies to or in respect of the Member under which insurance proceeds may become payable under the Member suffering a terminal illness; or
- (b) if paragraph (a) does not apply, means a "terminal medical condition" existing in relation to the Member as defined in the Relevant Requirements.

### **"Total and Permanent Disablement"**

- (a) has the same meaning as that expression (or an expression corresponding to it) in any Policy effected by the Trustee and applying to the Member under which insurance may become payable upon the disablement of the Member; or
- (b) If paragraph (a) does not apply, means permanent incapacity under the Relevant Requirements.

### **"Total Temporary Disablement"**

- (a) has the same meaning as that expression (or an expression corresponding to it) in any Policy effected by the Trustee and applying to the Member under which insurance may become payable upon the temporary disablement of the Member; or
- (b) If paragraph (a) does not apply, means temporary incapacity under the Relevant Requirements.

## **PART 2**

### **1. Plans**

- (a) The AIA risk Division will comprise a number of separate Plans for each Employer. Each Plan may have different benefits, features conditions and fees. The Employees of an Employer who become Employee Members will become a Member of the Plan established for his or her Employer.
- (b) The Trustee must establish Plans (which may be called sub-plans) in the Division accordingly. The Plans do not constitute separate trust funds.

### **2. Application of Schedule**

- (a) Insured benefits for Employee Members

The AIA Risk Only Division offers each eligible Employee who becomes an Employee Member insured benefits only under a Policy affected by the Trustee.

- (b) Cessation of cover

Unless otherwise agreed between the Trustees, the Employer and the Employee Member, cover under the Policy will cease in respect of an Employee Member on the earlier of:

- (i) the date the Member ceases to be an Employee other than by death or Total and Permanent Disablement; and
- (ii) the date the Member ceases to participate in the AIA Risk Only Division.

### **3. Eligibility**

- (a) Application by Employer

An Employer is eligible to participate in the AIA Risk Only Division in respect of some or all of its Employees if:



- (i) the Trustee accepts an application made by the Employer specifying the benefits, features and conditions that are to apply under the Policy in respect of the Employer's Employees; and
- (ii) a contribution is received and accepted by the Trustee in respect of some or all of the Employer's Employees.

(b) Application by Member

An Employee is eligible to become an Employee Member of the AIA Risk Only Division if:

- (i) the Trustee accepts an application made by or on behalf of the Employee, including by the Employee's Employer; and
- (ii) a contribution is received and accepted by the Trustee in respect of the Employee.

(c) Nomination of Employees

An Employer in respect of whom the Trustee has accepted an application under this rule:

- (i) may by notice to the Trustee from time to time nominate those of its Employees whom it wishes to become Employee Members;
- (ii) shall supply to the Trustee such information relating to those Employees as may be required by the Trustee including without limitation the Employee's Tax File Number;
- (iii) shall promptly give written notice to the Trustee upon an Employee Member ceasing to be an Employee of the Employer; and
- (iv) will cease to participate in the AIA Risk Only Division from the effective date of a written notice given to the Trustee of its intention to do so provided that the effective date is a date after the written notice is received by the Trustee.

**4. Contributions**

(a) Member contributions

An Employee Member may make contributions to the Division at such times and in such amounts as the Member and the Trustee may from time to time agree but not otherwise.

(b) Employer contributions

An Employer must make contributions to the Division in respect of its Employees who are Employee Members at such times and in such amounts as the Employer and the Trustee may from time to time agree but not otherwise.

(c) Application of contributions

All contributions to the Division after deduction of any expenses and liabilities (including Tax) will be applied towards the payment of premiums under a

Policy.

**5. Benefits**

(a) Total and Permanent Disablement

- (i) Subject to, upon an Employee Member suffering Total and Permanent Disablement there will be payable to the Member a Benefit equal to any proceeds received by the Trustee in respect of the Employee Member under a Policy upon the Member's Total and Permanent Disablement.
- (ii) The Trustees will also pay an additional amount in the form of Income Entitlement (if any) on the investment of the proceeds pending payment of the Benefit under rule 5(a)(i).
- (iii) The Trustee may deduct any Tax payable before paying a benefit under this clause.

(b) Terminal illness

- (i) Subject to the Relevant Requirements, upon an Employee suffering Terminal Illness (within the meaning of the Policy) there will be payable to the Member a benefit equal to the proceeds received by the Trustee in respect of the Employee under the Policy.
- (ii) The Trustee will also pay an additional amount in the form of Income Entitlement (if any) on the investment of the proceeds pending payment of the Benefit under rule 5(b)(i).

(c) Death

- (i) Subject to the Relevant Requirements, upon the death of an Employee Member, the Death Benefit payable in respect of the Member will be equal to any proceeds received by the Trustee in respect of the Member under a Policy upon the Member's death.
- (ii) The Trustee will also pay an additional amount in the form of Income Entitlement (if any) on the investment of the proceeds pending payment of the Benefit under rule 5(c)(i).
- (iii) The Trustee may deduct any Tax payable before paying a Benefit under this clause.

(d) Total Temporary Disablement

- (i) The Trustee may agree with an Employee Member that the Trustee will effect insurance covering the Employee member for Total Temporary Disablement.
- (ii) Subject to the Relevant Requirements, where an Employee Member:
  - (A) is covered for Total Temporary Disablement under a Policy;  
and
  - (B) satisfies the definition of Total Temporary Disablement,

The Employee Member is entitled to the proceeds received by the Trustee in respect of the Employee Member under the Policy upon the Employee Member's Total Temporary Disablement.

(iii) The Trustee will pay benefits to or in respect of an Employee Member under this rule 5(d).

(e) No duplication of benefits

For the avoidance of doubt, where an Employee Member is a Member of one or more other Divisions of the Fund, the Member will only be entitled to benefits calculated under Schedule 5 in respect of their membership of the AIA Risk Only Division.

## 6. **Continuation of a Binding Death Benefit Nomination**

Where a Member has been transferred to the Fund without consent and the Member lodged a valid Binding Death benefit Nomination with their former fund trustee, the Trustee must pay the Member's death benefit in accordance with that nomination unless that nomination has been withdrawn, altered or would have been no longer valid if the Member remained a member of their former fund.