

TELSTRA SUPERANNUATION SCHEME

("Scheme")

Special Determination

Subject Matter of Determination: Part-time Employees - division 2 and division 5

Effective Date: 1 July 1998

1 Interpretation

1.1 Definitions in Deed

- (a) Except where expressly defined otherwise in this Determination, a word or expression defined in the Deed has, when used in this Determination, the same meaning as the word or expression is given in the Deed.
- (b) This Determination is subject to part 1.2 of the Deed.
- (c) This Determination applies to division 2 and division 5 of the Deed.

1.2 Special definitions

In this Determination -

"Authorised Delegate" means at any particular date and for any particular purpose a person who is an authorised delegate of the Principal Employer at that time and for that purpose in accordance with relevant delegations made by the Principal Employer.

"Part-time Employee" means an Employee who with the agreement of the Employer regularly works less than prescribed full-time hours in a pay period, not including an Employee who takes approved leave without pay to make up normal prescribed full-time hours or a casual employee.

1.3 Clarification

An Authorised Delegate may resolve any doubt regarding the interpretation or effect of this Determination.

2 Part-time Employees in division 2

2.1 Basis of determination of Salary for superannuation purposes

Subject to the Deed (including without limitation paragraphs (a) and (b) of the definition of "Salary" in division 2 of the Deed), the Salary of a Member of division 2 as at a Salary Review Date, as defined in division 2 of the Deed,

during any period when the Member of division 2 is a Part-time Employee is the sum of -

- (a) the Salary which would have applied to the Member as at that date in accordance with the Special Determination regarding Salary if the Member was doing the same work on a full-time basis but ignoring any loading or allowance due to the Member;
- (b) where a percentage loading is due to the Member, the applicable percentage of the Member's Salary determined under paragraph (a) above; and
- (c) the actual amount of any allowance due to the Member, determined in accordance with the Special Determination regarding Salary.

2.2 Final Average Salary

Subject to the Deed (including without limitation paragraphs (a) and (b) of the definition of "Salary" in division 2 of the Deed), for the purpose of determining a Member's Final Average Salary the Salary of the Member of division 2 as at a relevant Salary Review Date during a period when the Member is a Part-time Employee shall be determined in the manner provided in clause 2.1 above.

2.3 Member contributions

The amount to be contributed to the Scheme during a pay period of Division 2 Membership when a Member of division 2 is a Part-time Employee and a Defined Benefit Contribution Rate Option other than 0% applies to the Member will be calculated in accordance with the following formula -

$$\text{Contributions} = \text{CRO} \times \frac{S}{\text{YPP}} \times \frac{\text{AH}}{\text{EFTH}}$$

Where:

- "CRO" is the Defined Benefit Contribution Rate Option which applies to the Member during that pay period;
- "S" is the Member's Salary (determined in accordance with clause 2.1 of this Determination);
- "YPP" is the number of pay periods in the calendar year in which that pay period commenced, based on the established pay system as at the commencement of that pay period;
- "AH" is the number of hours (and any fraction of an hour not forming part of a complete hour) worked by the Member during the pay period; and
- "EFTH" is the number of hours (and any fraction of an hour not forming part of a complete hour) which the Member would have worked during the pay period if, while a Part-time Employee, the Member had done the same work but on a full-time basis.

2.4 Calculation of benefits

(a) Special adjustments

The following special adjustments shall be made when calculating the benefits to be provided in respect of a Member who has at any time during Division 2 Membership been a Part-time Employee.

(b) Fund Multiple and Member Financed Benefit

In determining -

- (a) the Member's Fund Multiple; and
- (b) the Member's Member Financed Benefit,

each value of "FMC" shall be determined in the manner provided in the definition of "Fund Multiple" in the Deed and then adjusted in respect of each pay period during Division 2 Membership when the Member was a Part-time Employee in the ratio which AH bears to EFTH, where each of "AH" and "EFTH" has the meaning given in clause 2.3 of this Determination.

(c) Constant 5% Multiple

The Member's Constant 5% Multiple as at any particular date shall be determined in the manner provided in the Deed and then adjusted in respect of each pay period during Division 2 Membership when the Member was a Part-time Employee in the ratio which AH bears to EFTH, where each of "AH" and "EFTH" has the meaning given in clause 2.3 of this Determination.

2.5 Calculation of death and invalidity benefits before age 60

In the case of a Member who has at any time during Division 2 Membership been a Part-time Employee and who -

- (a) dies while an Employee before attaining the age of 60 years; or
- (b) ceases to be an Employee before attaining the age of 60 years because of Total and Permanent Invalidity,

for the purpose of calculating the benefit payable under clause 2.3.2 or clause 2.3.3 of the Deed, as the case may be, the value of "FM60" shall be determined in the manner provided in clause 2.3.2 and then adjusted in the ratio which T1 bears to T2, where -

"T1" is the sum of the values of AH (as defined in clause 2.3 of this Determination) in respect of the pay periods in the Relevant Period, including any pay period in which the Relevant Period commences or ends;

"T2" is the sum of the values of EFTH (as defined in clause 2.3 of this Determination) in respect of the pay periods in the Relevant Period, including any pay period in which the Relevant Period commences or ends;

and

“**Relevant Period**” means the period of 2 years of Superannuation Membership immediately preceding the date the Member ceases to be an Employee (or the actual period of Superannuation Membership immediately preceding that date, if less than 2 years).

3 Part-time Employees in division 5

3.1 Basis of determination of Salary for superannuation purposes

Subject to the Deed, the Salary of a Member of division 5 as at any particular date during any period when the Member is a Part-time Employee is the sum of -

- (a) the Salary which would have applied to the Member as at that date in accordance with the Special Determination regarding Salary if the Member was doing the same work on a full-time basis but ignoring any loading or allowance due to the Member;
- (b) where a percentage loading is due to the Member, the applicable percentage of the Member’s Salary determined under paragraph (a) above; and
- (c) the actual amount of any allowance due to the Member, determined in accordance with the Special Determination regarding Salary.

3.2 Final Average Salary

Subject to the Deed, for the purpose of determining a Member’s Final Average Salary the Salary of the Member as at any relevant date during a period when the Member is a Part-time Employee shall be determined in the manner provided in clause 3.1 above.

3.3 Member contributions

The amount to be contributed to the Scheme during a pay period of Division 5 Membership when a Contributory Member is a Part-time Employee and has selected a Member Defined Benefit Contribution Rate will be calculated in accordance with the following formula -

$$\text{Contributions} = \text{MCR} \times \frac{\text{S}}{\text{YPP}} \times \frac{\text{AH}}{\text{EFTH}}$$

Where:

- “**MCR**” is the Member Defined Benefit Contribution Rate which applies to the Member during that pay period;
- “**S**” is the Member’s Salary (determined in accordance with clause 3.1 of this Determination);
- “**YPP**” is the number of pay periods in the calendar year in which that pay period commenced, based on the established pay system as at the commencement of that pay period;

- “AH”** is the number of hours (and any fraction of an hour not forming part of a complete hour) worked by the Contributory Member during the pay period; and
- “EFTH”** is the number of hours (and any fraction of an hour not forming part of a complete hour) which the Contributory Member would have worked during the pay period if, while a Part-time Employee, the Contributory Member had done the same work but on a full-time basis.

3.4 Calculation of benefits

(a) Special adjustments

The following special adjustments shall be made when calculating the benefits to be provided in respect of a Member who has at any time during Division 5 Membership been a Part-time Employee.

(b) Contributory Membership

In determining -

- (a) the Member's Contributory Membership; and
- (b) the Member's Interim Scheme Membership,

each Aggregate Contribution Percentage shall be determined in the manner provided in the Deed and then adjusted in respect of each pay period during Division 5 Membership when the Member was a Part-time Employee in the ratio which AH bears to EFTH, where each of “AH” and “EFTH” has the meaning given in clause 3.3 of this Determination.

(c) Maximum 5% Average Contribution Percentage

The Member's Maximum 5% Average Contribution Percentage as at any particular date shall be determined in the manner provided in the Deed and then adjusted in respect of each pay period during Division 5 Membership when the Member was a Part-time Employee in the ratio which AH bears to EFTH, where each of “AH” and “EFTH” has the meaning given in clause 3.3 of this Determination.

3.5 Calculation of death and invalidity benefits before age 65

In the case of a Member who has at any time during Division 5 Membership been a Part-time Employee and who -

- (a) dies while an Employee before attaining the age of 65 years; or
- (b) ceases to be an Employee before attaining the age of 65 years because of Total and Permanent Invalidity,

for the purpose of calculating the benefit payable under clause 5.6.4 or clause 5.6.6 of the Deed, as the case may be, the period of Contributory Membership shall be determined in the manner provided in clause 5.6.4 and then adjusted in the ratio which T1 bears to T2, where -

- “T1” is the sum of the values of AH (as defined in clause 3.3 of this Determination) in respect of the pay periods during the Member’s period of Superannuation Membership; and
- “T2” is the sum of the values of EFTH (as defined in clause 3.3 of this Determination) in respect of the pay periods during the Member’s period of Superannuation Membership.

This Determination entirely replaces any previous Special Determination regarding the specified Subject Matter, with effect on the Effective Date.

Authorised Delegate of Principal Employer
Full Name: Anthony P. CHERUBIN
Signature: [Handwritten Signature]
Date: 3/7/02