



New South Wales

Superannuation (APRA Employees) Transitional Regulation 1999

under the

Superannuation Act 1916

His Excellency the Governor, with the advice of the Executive Council, has made the following Regulation under the *Superannuation Act 1916*.

BOB CARR, M.P.,

Premier

Explanatory note

The New South Wales Financial Institutions Commission (FINCOM) is abolished and some of its functions transferred to the Australian Prudential Regulation Authority (APRA) by the *Financial Sector Reform (New South Wales) Act 1999*. That Act provides that certain employees of FINCOM may be transferred to the employment of APRA. Some of those employees are members of the State Superannuation Fund established under the *Superannuation Act 1916*. The object of this Regulation is to allow those contributors to choose, before they become employees of APRA:

- (a) to cease to contribute to the Fund and transfer their benefits in the Fund to another scheme of their choice, or
- (b) to cease to contribute to the Fund and preserve their existing benefits in the Fund.

If a contributor does not choose one of the options specified in paragraph (a) or (b), the employee will remain a member of the Fund, and APRA will make contributions to the Fund as his or her employer.

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Explanatory note

This Regulation is made under clause 4 of Schedule 23 to the *Superannuation Act 1916*.

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Superannuation (APRA Employees) Transitional Regulation 1999

1 Name of Regulation

This Regulation is the *Superannuation (APRA Employees) Transitional Regulation 1999*.

2 Commencement

This Regulation commences on 1 July 1999.

3 Definitions

In this Regulation:

APRA means the Australian Prudential Regulation Authority established under the *Australian Prudential Regulation Authority Act 1998* of the Commonwealth.

contributor means a contributor to the Fund who:

- (a) is employed by FINCOM, and
- (b) is to become an employee of APRA under section 32 of the *Financial Sector Reform (New South Wales) Act 1999*.

FINCOM means the New South Wales Financial Institutions Commission.

preserved benefit means a preserved benefit in the Fund provided by Division 3A of the Act.

regulated superannuation fund has the meaning given to it by section 19 of the *Superannuation Industry (Supervision) Act 1993* of the Commonwealth.

the Act means the *Superannuation Act 1916*.

4 Notes

The explanatory note and table of contents do not form part of this Regulation.

5 Application of Schedule 23 to the Act (Special provisions for preserving the benefits of certain contributors) to certain contributors transferring to APRA

The transfer of employment of contributors from FINCOM to APRA under section 32 of the *Financial Sector Reform (New South Wales) Act 1999* is declared to be a transfer of employment to which Schedule 23 applies.

6 Preservation of accrued benefit without transferring it

If, on or before becoming an employee of APRA, a contributor:

- (a) exercises his or her entitlement to make provision for a preserved benefit, and
- (b) does not exercise the entitlement conferred by clause 3 of Schedule 23 to the Act,

the benefit is to be preserved in accordance with Division 3A of Part 4 of the Act from and including the date on which the contributor becomes an employee of APRA.

7 Transfer of preserved benefit to regulated superannuation fund

(1) If, on or before becoming an employee of APRA, a contributor:

- (a) exercises his or her entitlement to make provision for a preserved benefit, and
- (b) exercises the entitlement conferred by clause 3 of Schedule 23 to the Act,

STC is required to pay that benefit to a regulated superannuation fund nominated by the contributor.

(2) The payment must be made as soon as practicable after the date on which the contributor exercises his or her entitlement to make provision for a preserved benefit.

8 Obligation of STC with respect to the disposition of a preserved benefit

If a contributor has, in accordance with clause 7 (1), directed his or her preserved benefit to be paid to a regulated superannuation fund, STC must, before paying the benefit to that fund, satisfy itself that that fund, or the trust deed by which that fund is established, includes provisions that will fully vest the amount to the credit of the contributor.

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9 Schedule 23 not to apply unless entitlement to preserve benefit is exercised

If a contributor does not exercise his or her entitlement to make provision for a preserved benefit on or before becoming an employee of APRA, Schedule 23 does not apply to the contributor.

BY AUTHORITY
