

Superannuation Administration Act 1996 No 39

[1996-39]



New South Wales

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Notes—

- **Does not include amendments by**
[Superannuation Legislation Amendment Act 2005 No 52](#) (not commenced)

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Superannuation Administration Act 1996 No 39



New South Wales

An Act to provide for trustees for State public sector superannuation schemes and the provision of investment and administration services for such schemes; to constitute as a trustee for the accumulation style schemes open to new members the FSS Trustee Corporation; to continue as a trustee for the defined benefit style schemes closed to new members the SAS Trustee Corporation (formerly the State Authorities Superannuation Board); to enable the establishment of additional superannuation schemes for State public sector employees by trust deed; and for other purposes.

Part 1 Preliminary

1 Name of Act

This Act is the *Superannuation Administration Act 1996*.

2 Commencement

This Act commences on a day or days to be appointed by proclamation.

3 Objects of Act

The objects of this Act are as follows:

- (a) to establish trustees for State public sector superannuation schemes and to establish separate trustees for the accumulation style schemes that are open to new members (the FSS Trustee Corporation) and the defined benefit style schemes that are closed to new members (the SAS Trustee Corporation),
- (b) to provide for the provision of investment management services and other services for State public sector superannuation schemes,
- (c) to set out the functions and responsibilities of trustees and service providers for State public sector superannuation schemes,
- (d) (Repealed)
- (e) to enable the establishment of additional superannuation schemes for State public sector employees by trust deed.

4 Definitions

In this Act:

benefit means a pension or lump sum retirement or superannuation benefit.

exercise a function includes perform a duty.

FTC means the FSS Trustee Corporation established by this Act.

FTC fund or **FTC scheme** means a superannuation fund or superannuation scheme established or constituted under any of the following Acts:

- (a) [First State Superannuation Act 1992](#),
- (b) (Repealed)
- (c) any other Act declared under section 5 to be an Act for the purposes of this definition.

function includes a power, authority or duty.

local authority means a council within the meaning of the [Local Government Act 1993](#).

public authority means a person or body constituted or established by an Act for a public purpose.

SAC means the Corporation constituted under the [Superannuation Administration Authority Corporatisation Act 1999](#).

STC means the SAS Trustee Corporation continued by this Act.

STC fund or **STC scheme** means a superannuation fund or superannuation scheme established or constituted under any of the following Acts:

- (a) [Police Regulation \(Superannuation\) Act 1906](#),
- (b) [Superannuation Act 1916](#),
- (c) [Local Government and Other Authorities \(Superannuation\) Act 1927](#),
- (d) [Transport Employees Retirement Benefits Act 1967](#),
- (e) [New South Wales Retirement Benefits Act 1972](#),
- (f) [Public Authorities Superannuation Act 1985](#),
- (g) [State Public Service Superannuation Act 1985](#),
- (h) [State Authorities Superannuation Act 1987](#),
- (i) [State Authorities Non-contributory Superannuation Act 1987](#).

superannuation fund means a fund established under a superannuation scheme.

superannuation scheme means a scheme, fund or arrangement (whether or not established by an Act) under which any benefits are provided.

5 Declaration of FTC schemes and funds

The Governor may, by order published in the Gazette, declare to be an Act for the purposes of the definition of **FTC fund** or **FTC scheme** any Act that establishes a superannuation scheme under which employees of the Crown or of a public or local authority are entitled to receive superannuation or retirement benefits.

6 Notes in text

Introductory notes to Parts or Divisions and other notes in the text of this Act do not form part of this Act.

Part 2 Trustee for FTC schemes (FTC)

Introductory note—

This Part establishes the FSS Trustee Corporation and gives it the functions of the trustee for the FTC schemes. The schemes currently included are accumulation style schemes established under Acts and are still open to new members. Generally, the trustee will have functions (which include powers, authorities and duties) that are consistent with the requirements of the [Superannuation Industry \(Supervision\) Act 1993](#) of the Commonwealth. That Act regulates the functions of trustees of superannuation funds and the administration of superannuation schemes but does not apply directly to the FTC schemes. The new trustee will also be subject to provisions of the [Trustee Act 1925](#). The new trustee will have (among other functions) the function of administering the schemes and investing and managing the superannuation funds concerned. However, it will be required to arrange for these services to be provided by service providers in accordance with this Act. This will not detract from the primary responsibility and power of the trustee in these matters.

Division 1 Establishment and principal functions of FTC

7 Establishment of FTC

- (1) There is constituted by this Act a body corporate with the corporate name of FSS Trustee Corporation. The body may also be called FTC, and the use of that name has the same effect for all purposes as the use of its corporate name.
- (2) FTC is, for the purposes of any Act, a statutory body representing the Crown.

8 FTC to be trustee for FTC schemes

- (1) FTC is the trustee for the FTC schemes and is to hold in trust for the persons who are or will be entitled to benefits under the FTC schemes all assets held by, and all contributions and other money paid or payable to, FTC under this Act and any Act under which an FTC scheme is constituted or established.
- (2) FTC is a trustee for the purposes of the [Trustee Act 1925](#). Accordingly, subject to this Act, and unless this Act, the [Trustee Act 1925](#) or any other Act otherwise provides, FTC has the obligations, rights and duties of a trustee under Division 2 of Part 2 of the

Trustee Act 1925.

Note—

The effect of this is that FTC is subject to both the common law obligations, duties and rights of trustees and the obligations, duties and rights of trustees under the *Trustee Act 1925*. These are in addition to its obligations, duties and rights under this Act, unless the *Trustee Act 1925* or this Act otherwise provides.

9 Principal functions of FTC

(1) The principal functions of FTC are:

- (a) to administer the FTC schemes, and
- (b) to invest and manage the FTC funds, and
- (c) to provide for the custody of the assets and securities of FTC schemes, and
- (d) to ensure that benefits payable to the persons entitled to receive benefits under the FTC schemes are paid in accordance with the Acts under which the schemes are established or constituted, and
- (e) to determine disputes under those Acts, and
- (f) to exercise such other functions with respect to the FTC schemes and FTC funds as the Minister may from time to time approve by order in writing.

(1A) The Minister may in an order for the purposes of subsection (1) (f), direct that a function specified in the approval may be exercised by FTC directly or only by entering into a contract or arrangement under section 12 with SAC or (if the direction so provides) with a person of FTC's choosing, under which SAC or that person undertakes to carry out the function on behalf of FTC.

(2) FTC has such other functions as may be conferred or imposed on it by or under this or any other Act.

10 Duties relating to functions

(1) FTC must:

- (a) act honestly in all matters relating to its functions relating to the FTC schemes, and
- (b) exercise, in relation to all matters affecting the FTC schemes, the same degree of care, skill and diligence as an ordinary prudent person would exercise in dealing with property of another for whom the person felt morally bound to provide, and
- (c) ensure that its functions relating to the FTC schemes are exercised in the best interests of persons entitled to receive benefits under the FTC schemes, and

- (d) not enter into any contract or arrangement, or do anything else, that would prevent FTC from, or hinder FTC in, properly exercising FTC's functions as a trustee.

Note—

The duties contained in subsection (1) reflect the covenants required of superannuation scheme trustees under the *Superannuation Industry (Supervision) Act 1993* of the Commonwealth.

- (2) In exercising its functions, FTC must have regard to:
 - (a) the interests of persons entitled to receive benefits under the FTC schemes, and
 - (b) the Heads of Government Agreement, commencing 1 July 1996, relating to the exemption of certain State public sector superannuation schemes from the *Superannuation Industry (Supervision) Act 1993* of the Commonwealth, and
 - (c) any statement in writing of the policy of the Government on any matter that is relevant to the functions of FTC given by the Minister to FTC.
- (3) Subsection (1) (d) does not prevent FTC from entering into a contract or an arrangement under section 12.

Note—

Members of the FTC Board have a duty to ensure that FTC carries out its duties (see section 28).

11 Government policy statements to be laid before Parliament

- (1) The Minister is required to lay before each House of Parliament, within 14 sitting days after giving a statement under section 10 (2) (c), a copy of the statement.
- (2) If a House of Parliament is not sitting when the Minister seeks to comply with this section, the Minister is required to present a copy of the relevant statement to the Clerk of the House.
- (3) A copy of a statement presented to the Clerk of a House of Parliament under this section:
 - (a) is, on presentation and for all purposes, taken to have been laid before the House, and
 - (b) is required to be printed by authority of the Clerk, and
 - (c) if printed by the authority of that Clerk, is, for all purposes, taken to be a document published by order or under the authority of that House, and
 - (d) is to be recorded in the Minutes, or Votes and Proceedings, of that House on the first sitting day of that House after receipt of the copy by that Clerk.

12 Power to enter into contracts or arrangements

- (1) FTC may enter into contracts or arrangements with any person:
 - (a) under which the person undertakes to carry out the function of providing superannuation investment management services for a superannuation fund or part of a fund under one or more of the FTC schemes, on behalf of FTC, or
 - (b) under which the person undertakes to carry out the function of providing superannuation scheme administration services for one or more of the FTC schemes on behalf of FTC, or
 - (c) under which the person undertakes to carry out the function of providing custodial services for one or more of the FTC schemes on behalf of FTC, or
 - (d) under which the person undertakes to carry out any other functions on behalf of FTC under this or any other Act, or
 - (e) for the performance of any other services.
- (2) A person who enters into a contract or an arrangement with FTC under this section has, while acting in accordance with the terms of the contract or arrangement, those functions of FTC specified in the contract or arrangement.
- (3) FTC may enter into a contract or an arrangement under this section only if FTC is satisfied that the contract or arrangement is in the interests of the persons entitled to receive benefits under the FTC schemes.
- (4) Any such contract or arrangement may deem the person with whom FTC makes the contract or arrangement to be an agent of FTC.
- (5) A contract or an arrangement entered into by FTC under this section does not confer on the other party any of the principal functions and responsibilities of FTC as trustee.

12A Special powers in relation to First State Superannuation Scheme

- (1) FTC may enter into a trust deed that makes provision for the workings of the superannuation scheme established by the *First State Superannuation Act 1992*, as provided for by Part 4 of that Act.
- (2) FTC has, in relation to that scheme, such functions as are conferred or imposed on it by or under the trust deed as are not inconsistent with its functions in relation to the scheme under this Act or with the *First State Superannuation Act 1992*.

13 Powers of FTC

Without limiting any other function conferred or imposed on it, FTC may do all things that are necessary or convenient to be done for, or in connection with, the exercise of FTC's functions.

Division 2 Investment of FTC funds

14 Investment strategy

- (1) FTC must determine and give effect to an investment strategy for the FTC funds (the **investment strategy**) and a strategy for the prudential management of any reserves of the funds (the **reserves strategy**).
- (2) The investment strategy must have regard to the circumstances of the FTC schemes, including but not limited to the following:
 - (a) the risk involved in making, holding and realising, and the likely return from, the investments having regard to the schemes' objectives and their cash flow requirements,
 - (b) the composition of the investments as a whole, including the extent to which the investments are diverse or involve exposure to risks from inadequate diversification,
 - (c) the liquidity of the investments having regard to the schemes' cash flow requirements,
 - (d) the ability to discharge the existing and prospective liabilities under the FTC schemes,
 - (e) any other matter which a trustee is required to consider in determining an investment strategy under the *Superannuation Industry (Supervision) Act 1993* of the Commonwealth.
- (3) The reserves strategy must be consistent with the investment strategy and the ability to discharge the existing and prospective liabilities under the FTC schemes (whether actual or contingent) as and when they fall due.
- (4) In determining the reserves strategy, FTC must have regard to any other matter which a trustee is required to consider in determining a reserves strategy under the *Superannuation Industry (Supervision) Act 1993* of the Commonwealth.
- (5) FTC may not contract out its functions under this section.

15 Investment manager to be appointed

- (1) In exercising its function of investing and managing an FTC fund, or part of a fund, FTC must enter into a contract or an arrangement under section 12 with an investment manager or managers who undertake to provide superannuation investment management services for a superannuation fund or part of a fund under the FTC scheme concerned, on behalf of FTC. FTC may not itself provide such services.
- (1A) FTC may engage an investment manager to provide superannuation investment

management services under section 15 of this Act without the approval of the Treasurer under section 25 of the *Public Authorities (Financial Arrangements) Act 1987* and that Act applies as if any investment manager so engaged were an approved funds manager under section 25 of that Act.

- (2) FTC must ensure that the investment manager or managers operate within the investment powers of FTC and comply with the investment strategy and reserves strategy determined by FTC.
- (3) FTC may enter into contracts or arrangements for the provision of superannuation investment management services with more than one provider of services.
- (4) (Repealed)
- (5) For the purposes of this section:

superannuation investment management services include (but are not limited to) the following:

- (a) acting as investment manager for any superannuation fund or funds concerned or part of any such fund,
- (b) advising on investments and investment strategies and other related strategies for any superannuation fund or funds concerned or part of any such fund.

16 Custodian to be appointed

- (1) FTC may exercise its function of providing for the custody of the assets and securities of an FTC scheme only by entering into a contract or an arrangement under section 12 with a person who undertakes to provide custodial services for the scheme on behalf of FTC.
- (2) FTC must ensure that the person operates within the powers of FTC and complies with the policies determined by FTC.

17 Borrowing and investment powers

- (1) FTC may:
 - (a) obtain financial accommodation, and
 - (b) effect financial adjustments, and
 - (c) make investments,under and subject to the *Public Authorities (Financial Arrangements) Act 1987*.
- (2) FTC may take appropriate action to control or to enhance or protect the value of any investment made from the FTC funds or to enhance or protect the return on any such

investment.

18 Restrictions on investment powers

FTC must not, from the assets of the funds under administration or in obtaining financial accommodation:

- (a) lend money to a contributor to, or to a person entitled to or receiving a benefit under, an FTC scheme, either by lending the money directly or by lending it under arrangements entered into in the exercise of a general power of investment of the assets of the scheme, or
- (b) borrow money or maintain an existing borrowing of money, whether by way of a secured or unsecured loan, otherwise than to obtain temporary finance, or
- (c) invest any of the assets of an FTC fund otherwise than on an arms-length basis, unless it is an in-house asset within the meaning of Part 8 of the *Superannuation Industry (Supervision) Act 1993* of the Commonwealth.

Division 3 Administration of FTC schemes

19 Administrator to be appointed

- (1) FTC may exercise its function of administering an FTC scheme only by entering into a contract or an arrangement under section 12 with a person (a **scheme administrator**) who undertakes to provide superannuation scheme administration services for the scheme on behalf of FTC.
- (2) FTC must ensure that the scheme administrator operates within the powers of FTC and complies with the policies determined by FTC.
- (3)-(7) (Repealed)

20 Provision of additional benefits

FTC may enter into a contract or an arrangement under section 12 with any person:

- (a) for the insurance by that person, or the arranging of insurance by that person (on an individual or a group basis), of members of an FTC scheme for the purpose of paying death or invalidity benefits (not being benefits based on past service) to or in respect of them, or
- (b) for the management of a scheme, carried out by or on behalf of that person, for the purpose of paying any such benefits to or in respect of any such members.

21 FTC may compromise or settle claims

- (1) FTC may compromise or otherwise settle any claim made against it.

- (2) If FTC compromises or otherwise settles a claim in relation to a benefit, the compromise or settlement discharges FTC's obligations as regards the benefit, and the amount payable is to be regarded as a benefit under the FTC scheme concerned and is payable from the appropriate FTC fund accordingly.
- (3) To the extent that an amount payable by FTC following a compromise or settlement is not a benefit under the relevant FTC scheme, the amount is payable from whichever fund or funds that FTC considers appropriate.
- (4) FTC may make such inquiries and investigations with respect to a claim made against it as it thinks fit.

22 Determination of disputes

- (1) A dispute under this or any other Act concerning an FTC scheme is to be determined by FTC, except as otherwise provided by the regulations.
- (2) Regulations made for the purposes of this section may require that a dispute concerning the entitlements or obligations of an employee or beneficiary arising in respect of service by the employee with an employer that:
 - (a) was responsible for the payment of benefits under an FTC scheme of which the employee was a member or to which the employee was a contributor, and
 - (b) has ceased to be responsible for the payment of benefits under that scheme but is responsible for the payment of benefits under a new superannuation scheme created in accordance with section 127,be determined, not by FTC, but by the trustee of the new superannuation scheme.
- (3) In determining a dispute, FTC or the relevant trustee may inform itself on any matter in such manner as it thinks fit and, in so doing, is not bound to observe rules of law relating to evidence.
- (4) A trustee acting in accordance with regulations referred to in subsection (2) has and may exercise the powers conferred on FTC by sections 21 and 23.

23 Evidence from third parties

- (1) FTC may request a person who has made a claim against FTC, or who has a dispute with FTC, to provide FTC with an authority to obtain from a third person any information or evidence that is relevant to the subject-matter of the claim or dispute.
- (2) If such a person does not comply with any such request, FTC is not obliged to proceed to process the claim or determine the dispute concerned.

Division 4 Management of FTC

24 FTC Board

- (1) FTC is to have a Board consisting of 9 part-time members appointed by the Minister.
- (2) Of the members:
 - (a) 1 is to be appointed as Chairperson of the FTC Board, and
 - (b) 4 are to be appointed as employer representatives, and
 - (c) 4 are to be appointed as employee representatives.
- (3) Schedule 1 has effect with respect to the members and procedure of the Board.
- (4) The FTC Board has the function of managing and controlling the affairs of FTC.
- (5) Any act, matter or thing done in the name of, or on behalf of, FTC by the FTC Board is taken to have been done by FTC.

25 Chairperson of FTC Board

- (1) The Chairperson of the FTC Board is to be appointed by the Minister.
- (2) To be eligible for appointment as Chairperson a person must:
 - (a) have significant knowledge of, and experience in, the conduct of superannuation schemes, investments, financial management or public administration, and
 - (b) be independent of employers and employees and their respective interests.
- (3) The Minister must not appoint a person as Chairperson without having consulted Unions NSW.

26 Employer representative members

- (1) Of the members of the FTC Board appointed as employer representatives, one is to be appointed on the recommendation of the Treasurer.
- (2) To be eligible for appointment as an employer representative a person must have knowledge of, and experience in, the conduct of superannuation schemes, investments, financial management or public administration.

27 Employee representative members

- (1) The members of the FTC Board appointed as employee representatives are to be nominated by Unions NSW.
- (2) Unions NSW must not nominate a person to be a member unless it has consulted with organisations representing members of the FTC schemes about the nomination.

- (3) If Unions NSW fails to nominate persons for the purposes of this section within the period specified in a written request by the Minister to do so, the Minister may appoint a member or members as employee representatives. Any such member is taken to be properly appointed under this section.
- (4) A person may hold the office of a member of the FTC Board (as an employee representative) and also the office of a full-time or part-time member of the STC Board (as an employee representative).

28 Duties of members of FTC Board

- (1) A member of the FTC Board must exercise a reasonable degree of care and diligence for the purposes of ensuring that FTC carries out the duties referred to in section 10.
- (2) For the purposes of this section, a reasonable degree of care and diligence is the degree of care and diligence that a reasonable person in the position of the member would exercise in FTC's circumstances.

Note—

Section 10 sets out FTC's principal duties as trustee.

29 Chief executive officer of FTC

- (1) The Minister, on the recommendation of the FTC Board, is to appoint a person as the chief executive officer of FTC.
- (2) The chief executive officer has the function of exercising the day-to-day management of FTC and has such other functions as may be conferred or imposed by or under this or any other Act.
- (3) The chief executive officer is subject to the control and direction of the FTC Board.
- (4) The employment of the chief executive officer is subject to Part 2A of the *Public Sector Management Act 1988*, but is not subject to Part 2 of that Act. The chief executive officer is taken, while holding that office, to be employed by FTC but FTC may not remove the chief executive officer from office.
- (5) The Minister may, from time to time, appoint a person to act in the office of the chief executive officer during the illness or absence of the chief executive officer (or during a vacancy in the office of chief executive officer) and the person, while so acting, has all the functions of the chief executive officer and is taken to be the chief executive officer.
- (5A) The Chairperson of the FTC Board may, in the absence of any appointment of a person under subsection (5), appoint a member of staff of FTC to act during the absence or illness of the chief executive officer, and the person, while so acting, has all the functions of the chief executive officer and is taken to be the chief executive

officer.

(5B) The Chairperson of the FTC Board may, at any time, remove a person appointed under subsection (5A) from office.

(5C) An appointment under subsection (5A) ceases to have effect:

- (a) on the appointment of a person under subsection (1), or
 - (b) on the expiration of 3 months after the appointment was made, or
 - (c) on the removal of the person from office as chief executive officer,
- whichever first occurs.

(6) The Minister may, at any time, remove a person from office as acting chief executive officer.

(7) An acting chief executive officer is entitled to be paid such remuneration (including travelling and subsistence allowances) as the Minister may from time to time determine.

(8) The same person may hold the office of chief executive officer of FTC and the office of chief executive officer of STC.

30 Staff of FTC

(1) FTC may employ such staff as it requires to exercise its functions.

(2) FTC may fix the salary, wages and other conditions of its staff in so far as they are not fixed by or under any other Act or law.

(3) FTC may engage consultants for the purposes of getting expert advice.

31 Agents

(1) FTC may employ and pay an agent to transact any business or do any act (including receiving or paying money) that FTC is authorised or required to transact or do in the exercise of its functions.

(2) An agent may be employed by FTC to receive or pay money even though the agent, or any subagent employed by the agent, is not a bank, building society or credit union.

(3) Section 53 (3) of the [Trustee Act 1925](#) applies to agents employed under this section.

Note—

That provision excuses a trustee from liability for the default of an agent employed in good faith.

32 Delegation of functions

(1) FTC may delegate to an authorised person any of its functions, other than this power

of delegation.

- (2) FTC may also delegate any of its functions relating to the FTC schemes:
 - (a) to a natural person with whom FTC has entered into a contract or an arrangement under this Act, or
 - (b) to the chief executive or Board of any organisation with which FTC has entered into such a contract or an arrangement.
- (3) FTC may not delegate any of its principal functions as trustee under this section.
- (4) In this section, **authorised person** means a member of the FTC Board, the chief executive officer of FTC or a committee that is comprised of or includes members of the Board.
- (5) Section 64 (7) of the [Trustee Act 1925](#) applies to FTC and to a delegate under this section.

33 Committees

- (1) The FTC Board may establish committees to give advice and assistance to the Board in connection with any particular matter or function of the Board.
- (2) It does not matter that some or all of the members of any committee are not members of the Board.
- (3) The procedure for the calling of meetings of a committee and for the conduct of business at those meetings is to be as determined by the Board or (subject to any determination of the Board) by the committee.

34 Corporate plan

- (1) FTC is required to prepare and deliver to the Minister, at least 3 months before the beginning of each financial year of FTC, a corporate plan for the financial year.
- (2) A corporate plan must specify:
 - (a) the objectives of FTC's activities for the financial year concerned, and
 - (b) the nature and scope of the activities to be undertaken, and
 - (c) the strategies, policies and budgets for achieving those objectives (including the investment strategy and the reserves strategy), and
 - (d) targets and criteria for assessing the performance of FTC.
- (3) An annual report of FTC must include an assessment of FTC's performance, according to the targets and criteria for assessment set out in the corporate plan applicable to the year concerned.

(4) This section is subject to the requirements of any other Act or law.

Note—

FTC must prepare annual reports for presentation to Parliament under the *Annual Reports (Statutory Bodies) Act 1984*.

35 Personal and other liability

- (1) A matter or thing done or omitted to be done by FTC, the FTC Board, a member of the Board or any person acting under the direction of FTC or the Board, does not, if the matter or thing was done or omitted in good faith for the purpose of executing this or any other Act, subject such a member or a person so acting personally to any action, liability, claim or demand.
- (2) A decision made, or any act or thing done or omitted, by FTC, the FTC Board, a member of the Board or any person acting under the direction of FTC or the Board may not be called into question on any of the following grounds:
 - (a) an alleged conflict of interest because FTC, the Board or the person is involved in administering different Acts or different superannuation schemes,
 - (b) that knowledge gained by FTC, the Board or the person is or may be relevant to the exercise of a function under another such Act or scheme.
- (3) Subsection (1) does not preclude FTC from being subject to any action, liability, claim or demand. Any money becoming payable by FTC in respect of an action, liability, claim or demand is to be paid out of an FTC fund or funds as determined by FTC.
- (4) However, money is not payable under subsection (3) in circumstances in which a trustee may not be indemnified under the *Superannuation Industry (Supervision) Act 1993* of the Commonwealth.
- (5), (6) (Repealed)

Division 5 Financial provisions

36 FTC to maintain administration account

FTC must maintain an account called the FTC Administration Account.

37 Administration costs generally

- (1) FTC must charge administration costs that it incurs (including the remuneration or allowances of members of the FTC Board and the chief executive officer) against the FTC Administration Account.
- (2) The administration costs (including costs related to preserved benefits and investment management) that FTC incurs in relation to the FTC schemes are to be

paid in accordance with this section to the FTC Administration Account.

- (3) The administration costs (including costs related to preserved benefits and investment management) that FTC incurs in relation to the FTC schemes are payable by employers and contributors or members and former contributors or former members under the FTC schemes, in accordance with the Acts under which those schemes are established.
- (4) If employees are employed by a group of employers, the costs are payable by the group of employers. If a contributor or member belongs or a former contributor or a former member belonged to a group of contributors or members which contributes to a scheme, the costs are payable by the group of contributors or members.
- (5) The amount, the rate and the basis on which an employer, group of employers or contributor or member or former contributor or former member or group of contributors or members is required to pay is to be determined by FTC from time to time.
- (6) After calculating the appropriate amount or rate payable, FTC may debit the appropriate account, fund or reserve in the relevant FTC fund in accordance with this Division.
- (7) If the person who is chief executive officer of FTC is also the chief executive officer of STC, the costs of the remuneration of the chief executive officer are to be apportioned between FTC and STC as determined by FTC and STC.

38 Source of administration costs

The administration costs (including costs relating to preserved benefits and investment management) payable in respect of an FTC fund are to be paid from the reserves or accounts established for that purpose in the fund in accordance with the Act under which the fund is established.

39 Financial year of FTC

- (1) The financial year of FTC is the year commencing on 1 July.
- (2) A different financial year may be determined by the Treasurer under section 4 (1A) of the [Public Finance and Audit Act 1983](#).

Division 6 Miscellaneous

40 Appeals

- (1) A person aggrieved by a determination of FTC under section 22 (relating to determination of disputes) may appeal against the determination to the Industrial Relations Commission in Court Session (the **Commission**).

- (2) The appeal must be made within 6 months after the appellant is notified of the determination of FTC or within such further period as the Commission allows.
- (3) In dealing with the appeal, the Commission may exercise any function that could have been exercised by FTC in making the determination the subject of the appeal.
- (4) In dealing with the appeal, the Commission is to have regard to this Act and any other relevant provisions regulating the superannuation scheme concerned and such other matters as it considers to be relevant.
- (5) In dealing with the appeal, the Commission is not bound by the rules of evidence and may inform itself in any manner it thinks fit.
- (6) The final determination made by the Commission on the appeal is to be given effect as if it were a determination of the Board.

41 FTC Board must report events affecting functions

- (1) If the FTC Board becomes aware of the occurrence of an event, or of a change in circumstances, having a significant adverse effect on the exercise of the functions of FTC, the Board must give written notice to the Minister setting out particulars of the event or change in circumstances.
- (2) The FTC Board must give the notice no later than the third business day after becoming aware of the event or change in circumstances.
- (3) Without limiting subsection (1), the FTC Board must give written notice of an event if, as a result of the event, FTC will not, or may not, be able to make payments to beneficiaries as and when the obligation to make those payments arises.

42 Provision of information to relevant Ministers

- (1) FTC must furnish to the Minister administering this Act or the Minister administering the FTC fund Acts such information relating to the general administration and operation of the FTC schemes and the FTC funds as the Minister concerned may from time to time require.
- (2) Despite subsection (1), FTC must not furnish information relating to an individual member of an FTC scheme to a Minister under this section, except with the member's consent.
- (3) In this section, **FTC fund Acts** mean the Acts referred to in the definition of **FTC fund** in section 4.

42A (Repealed)

43 Accounts and records of FTC

- (1) FTC, or any person with whom FTC makes a contract or an arrangement, may

maintain accounts and other records relating to the FTC schemes or any other related functions in or on any medium, or combination of media, capable of recording information and may, from time to time, vary the manner or form in which those accounts or other records are maintained.

- (2) Subsection (1) is subject to the terms of any contract or arrangement referred to in that subsection.

44 Service of documents

- (1) A document may be served on FTC by leaving it at, or by sending it by post to:

- (a) the office of FTC, or
- (b) if it has more than one office, any one of its offices.

- (1A) FTC may approve other arrangements for the service of documents on FTC.

- (2) Nothing in this section affects the operation of any provision of a law or of the rules of a court authorising a document to be served on FTC in any other manner.

45 Proof of certain matters not required

In any legal proceedings, proof is not required (until evidence is given to the contrary) of:

- (a) the constitution of the FTC Board, or
- (b) any resolution of the FTC Board, or
- (c) the appointment of, or the holding of office by, any member of the FTC Board, or
- (d) the presence or nature of a quorum at any meeting of the FTC Board.

46 Recovery of amounts payable by FTC

- (1) Any charge, fee or money due to FTC may be recovered by FTC as a debt in a court of competent jurisdiction.
- (2) Without limiting subsection (1), FTC may recover any money owing to it under this or any other Act, together with interest on the money, as a debt in a court of competent jurisdiction.
- (3) Interest at a rate from time to time determined by FTC is payable on any amount of money owing to it under this or any other Act calculated from the date on which the amount became due for payment until the date on which the amount is recovered or is otherwise paid.

47 Seal of FTC

The seal of FTC is to be kept by the chief executive officer of FTC and may be affixed to a

document only:

- (a) in the presence of the chief executive officer or a member of staff of FTC authorised in that behalf by the chief executive officer, and
- (b) with an attestation by the signature of the chief executive officer or that member of the fact of the affixing of the seal.

Part 3 Trustee for STC schemes (STC)

Introductory note—

This Part continues in existence the State Authorities Superannuation Board, renames it the SAS Trustee Corporation and gives it the functions of the trustee for the STC schemes. These schemes are primarily defined benefit schemes established under Acts and are closed to new members. Generally, the trustee will have functions (which include powers, authorities and duties) that are consistent with the requirements of the *Superannuation Industry (Supervision) Act 1993* of the Commonwealth. That Act regulates the functions of trustees of superannuation funds and the administration of superannuation schemes but does not apply directly to the STC schemes. The trustee will also be subject to provisions of the *Trustee Act 1925*. The trustee will have (among other functions) the function of administering the schemes and investing and managing the superannuation funds concerned. However, it will be required to arrange for these services to be provided by service providers in accordance with this Act. This will not detract from the primary responsibility and power of the trustee in these matters.

Division 1 Establishment and principal functions of STC

48 Continuation of STC (formerly the State Authorities Superannuation Board)

- (1) The corporation constituted by the *Superannuation Administration Act 1987* with the corporate name of State Authorities Superannuation Board and continued by the *Superannuation Administration Act 1991* is continued by this Act.
- (2) The continued corporation is to have the corporate name SAS Trustee Corporation. The body may also be called STC, and the use of that name has the same effect for all purposes as the use of its corporate name.
- (3) STC is, for the purposes of any Act, a statutory body representing the Crown.

49 STC to be trustee for STC schemes

- (1) STC is the trustee for the STC schemes and is to hold in trust for the persons who are or will be entitled to benefits under the STC schemes all assets held by, and all contributions and other money paid or payable to, STC under this Act and any Act under which an STC scheme is constituted or established.
- (2) STC is a trustee for the purposes of the *Trustee Act 1925*. Accordingly, subject to this Act, and unless this Act, the *Trustee Act 1925* or any other Act otherwise provides, STC has the obligations, rights and duties of a trustee under Division 2 of Part 2 of the *Trustee Act 1925*.

Note—

The effect of this is that STC is subject to both the common law obligations, duties and rights of trustees and the

obligations, duties and rights of trustees under the *Trustee Act 1925*. These are in addition to its obligations, duties and rights under this Act, unless the *Trustee Act 1925* or this Act otherwise provides.

50 Principal functions of STC

- (1) The principal functions of STC are:
- (a) to administer the STC schemes, and
 - (b) to invest and manage the STC funds, and
 - (c) to provide for the custody of the assets and securities of the STC schemes, and
 - (d) to ensure that benefits payable to the persons entitled to receive benefits under the STC schemes are paid in accordance with the Acts under which the schemes are established or constituted, and
 - (e) to determine disputes under those Acts, and
 - (f) to exercise such other functions with respect to the STC schemes and STC funds as the Minister may from time to time approve by order in writing.
- (1A) The Minister may in an order for the purposes of subsection (1) (f), direct that a function specified in the approval may be exercised by STC directly or only by entering into a contract or arrangement under section 53 with SAC or (if the direction so provides) with a person of STC's choosing, under which SAC or that person undertakes to carry out the function on behalf of STC.
- (2) STC has such other functions as may be conferred or imposed on it by or under this or any other Act.

Note—

The STC schemes include the State Authorities Superannuation Scheme, the Police Superannuation Scheme, the State Superannuation Scheme, the State Authorities Non-contributory Superannuation Scheme and other public sector schemes. None of these schemes are currently open to new members, though public sector employees still contribute to some of them.

Other particular functions and obligations of STC are contained in the legislation establishing the STC schemes, including the *Police Regulation (Superannuation) Act 1906*, the *Local Government and Other Authorities (Superannuation) Act 1927*, the *Superannuation Act 1916*, the *State Authorities Superannuation Act 1987* and the *State Authorities Non-contributory Superannuation Act 1987*.

51 Duties relating to functions

- (1) STC must:
- (a) act honestly in all matters relating to its functions relating to the STC schemes, and
 - (b) exercise, in relation to all matters affecting the STC schemes, the same degree of care, skill and diligence as an ordinary prudent person would exercise in dealing

- with property of another for whom the person felt morally bound to provide, and
- (c) ensure that its functions relating to the STC schemes are exercised in the best interests of persons entitled to receive benefits under the STC schemes, and
 - (d) not enter into any contract or arrangement, or do anything else, that would prevent STC from, or hinder STC in, properly exercising STC's functions as a trustee.

Note—

The duties contained in subsection (1) reflect the covenants required of superannuation scheme trustees under the *Superannuation Industry (Supervision) Act 1993* of the Commonwealth.

- (2) In exercising its functions, STC must have regard to:
 - (a) the interests of persons entitled to receive benefits under the STC schemes, and
 - (b) the Heads of Government Agreement, commencing 1 July 1996, relating to the exemption of certain State public sector superannuation schemes from the *Superannuation Industry (Supervision) Act 1993* of the Commonwealth, and
 - (c) the future liabilities of the STC funds, and
 - (d) any statement in writing of the policy of the Government on any matter that is relevant to the functions of STC given by the Minister to STC.
- (3) Subsection (1) (d) does not prevent STC from entering into a contract or an arrangement under section 53.

Note—

Members of the STC Board have a duty to ensure that STC carries out its duties (see section 73).

52 Government policy statements to be laid before Parliament

- (1) The Minister is required to lay before each House of Parliament, within 14 sitting days after giving a statement under section 51 (2) (d), a copy of the statement.
- (2) If a House of Parliament is not sitting when the Minister seeks to comply with this section, the Minister is required to present a copy of the relevant statement to the Clerk of the House.
- (3) A copy of a statement presented to the Clerk of a House of Parliament under this section:
 - (a) is, on presentation and for all purposes, taken to have been laid before the House, and
 - (b) is required to be printed by authority of the Clerk, and

- (c) if printed by the authority of that Clerk, is, for all purposes, taken to be a document published by order or under the authority of that House, and
- (d) is to be recorded in the Minutes, or Votes and Proceedings, of that House on the first sitting day of that House after receipt of the copy by that Clerk.

53 Power to enter into contracts or arrangements

- (1) STC may enter into contracts or arrangements with any person:
 - (a) under which the person undertakes to carry out the function of providing superannuation investment management services for a superannuation fund or part of a fund under one or more of the STC schemes, on behalf of STC, or
 - (b) under which the person undertakes to carry out the function of providing superannuation scheme administration services to the STC schemes on behalf of STC, or
 - (c) under which the person undertakes to carry out the function of providing custodial services for one or more of the STC schemes on behalf of STC, or
 - (d) under which the person undertakes to carry out any other functions on behalf of STC under this or any other Act, or
 - (e) for the performance of any other services.
- (2) The power of STC to enter into a contract or an arrangement does not extend to conferring on any other person the power of STC to appoint an actuary or actuaries to conduct an investigation into the state or sufficiency of an STC fund.
- (3) A person who enters into a contract or an arrangement with STC under this section has, while acting in accordance with the terms of the contract or arrangement, those functions of STC specified in the contract or arrangement.
- (4) STC may enter into a contract or an arrangement under this section only if STC is satisfied that the contract or arrangement is in the interests of the persons entitled to receive benefits under the STC schemes.
- (5) Any such contract or arrangement may deem the person with whom STC makes the contract or arrangement to be an agent of STC.
- (6) A contract or an arrangement entered into by STC under this section does not confer on the other party any of the principal functions and responsibilities of STC as trustee.

54 Minister's consent required

STC may not enter into a contract or an arrangement under section 53 (1) (a), (b) or (c) except with the Minister's consent.

55 STC to be subject to Minister's directions in certain circumstances

- (1) The Minister may give a direction to STC relating to the exercise by STC of any one or more of its functions if the Minister is of the opinion that an act or omission, or conduct, by STC has had or could reasonably be expected to have a significant adverse effect on the Consolidated Fund or the financial management of the State. A direction must not be inconsistent with this or any other Act.
- (2) STC must comply with any such direction.
- (3) In giving a direction the Minister must have regard to:
 - (a) the interests of persons entitled to receive benefits under the STC schemes, and
 - (b) the duties and obligations of STC and the members of the STC Board.
- (4) Nothing in this section constitutes the Minister as a trustee of the STC schemes.
- (5) STC is not liable for anything done or omitted for the purpose only of complying with a direction of the Minister under this section.

56 Direction to be laid before Parliament

- (1) The Minister is required to lay before each House of Parliament, within 14 sitting days after giving a direction under section 55, a copy of the direction.
- (2) If a House of Parliament is not sitting when the Minister seeks to comply with this section, the Minister is required to present a copy of the relevant statement to the Clerk of the House.
- (3) A copy of a statement presented to the Clerk of a House of Parliament under this section:
 - (a) is, on presentation and for all purposes, taken to have been laid before the House, and
 - (b) is required to be printed by authority of that Clerk, and
 - (c) if printed by the authority of that Clerk, is, for all purposes, taken to be a document published by order or under the authority of that House, and
 - (d) is to be recorded in the Minutes, or Votes and Proceedings, of that House on the first sitting day of that House after receipt of the copy by that Clerk.

57 Powers of STC

Without limiting any other function conferred or imposed on it, STC may do all things that are necessary or convenient to be done for, or in connection with, the exercise of STC's functions.

Division 2 Investment of STC funds

58 Investment strategy

- (1) STC must determine and give effect to an investment strategy for the STC funds (the **investment strategy**) and a strategy for the prudential management of any reserves of the funds (the **reserves strategy**).
- (2) The investment strategy must have regard to the circumstances of the STC schemes, including but not limited to the following:
 - (a) the risk involved in making, holding and realising, and the likely return from, the investments having regard to the schemes' objectives and their cash flow requirements,
 - (b) the composition of the investments as a whole, including the extent to which the investments are diverse or involve exposure to risks from inadequate diversification,
 - (c) the liquidity of the investments having regard to the schemes' cash flow requirements,
 - (d) the ability to discharge the existing and prospective liabilities under the STC schemes,
 - (e) any other matter which a trustee is required to consider in determining an investment strategy under the *Superannuation Industry (Supervision) Act 1993* of the Commonwealth.
- (3) The reserves strategy must be consistent with the investment strategy and the ability to discharge the existing and prospective liabilities under the STC schemes (whether actual or contingent) as and when they fall due.
- (4) In determining the reserves strategy, STC must have regard to any other matter which a trustee is required to consider in determining a reserves strategy under the *Superannuation Industry (Supervision) Act 1993* of the Commonwealth.
- (5) STC may not contract out its functions under this section.

59 Investment manager to be appointed

- (1) In exercising its function of investing and managing an STC fund, or part of a fund, STC must enter into a contract or an arrangement under section 53 with an investment manager or managers who undertake to provide superannuation investment management services for a superannuation fund or part of a fund under the STC scheme concerned, on behalf of STC. STC may not itself provide such services.
- (2) STC must ensure that the investment manager or managers operate within the

investment powers of STC and comply with the investment strategy determined by STC.

(3) STC may enter into contracts or arrangements for the provision of superannuation investment management services with more than one provider of services.

(4) (Repealed)

(5) For the purposes of this section:

superannuation investment management services include (but are not limited to) the following:

(a) acting as investment manager for any superannuation fund or funds concerned or part of any such fund,

(b) advising on investments and investment strategies and other related strategies for any superannuation fund or funds concerned or part of any such fund.

Note—

The Minister's consent is required to any such contract or arrangement (see section 54).

60 (Repealed)

61 Custodian to be appointed

(1) STC may exercise its function of providing for the custody of the assets and securities of an STC scheme only by entering into a contract or an arrangement under section 53 with a person who undertakes to provide custodial services for the scheme on behalf of STC.

(2) STC must ensure that the person operates within the powers of STC and complies with the policies determined by STC.

62 Borrowing and investment powers

(1) STC may:

(a) obtain financial accommodation, and

(b) effect financial adjustments, and

(c) make investments,

under and subject to the [*Public Authorities \(Financial Arrangements\) Act 1987*](#).

(2) STC may take appropriate action to control or to enhance or protect the value of any investment made from the STC funds or to enhance or protect the return on any such investment.

63 Restrictions on investment powers

- (1) STC must not, from the assets of the funds under administration or in obtaining financial accommodation:
 - (a) lend money to a contributor to, or to a person entitled to or receiving a benefit under, an STC scheme, either by lending the money directly or by lending it under arrangements entered into in the exercise of a general power of investment of the assets of the scheme, or
 - (b) borrow money or maintain an existing borrowing of money, whether by way of a secured or unsecured loan, otherwise than to obtain temporary finance, or
 - (c) invest any of the assets of an STC fund otherwise than on an arms-length basis, unless it is an in-house asset within the meaning of Part 8 of the *Superannuation Industry (Supervision) Act 1993* of the Commonwealth.
- (2) Subsection (1) does not prohibit the lending of money of an STC fund established before 25 May 1988 to a contributor if the trustee of the fund, on or before that date:
 - (a) had express power to lend money to contributors, or
 - (b) lent money to contributors and that lending was not expressly prohibited by the legislation establishing the fund.

Division 3 Administration of STC schemes

64 Administrator to be appointed

- (1) STC may exercise its function of administering an STC scheme only by entering into a contract or an arrangement under section 53 with a person (a **scheme administrator**) who undertakes to provide superannuation scheme administration services for the scheme on behalf of STC.
- (2) STC must ensure that the scheme administrator operates within the powers of STC and complies with the policies determined by STC.
- (3)-(7) (Repealed)

65 Provision of additional benefits

STC may enter into a contract or an arrangement under section 53 with any person:

- (a) for the insurance by that person, or the arranging of insurance by that person (on an individual or a group basis), of members of an STC scheme for the purpose of paying death or invalidity benefits (not being benefits based on past service) to or in respect of them, or
- (b) for the management of a scheme, carried out by or on behalf of that person, for the

purpose of paying any such benefits to or in respect of any such members.

66 STC may compromise or settle claims

- (1) STC may compromise or otherwise settle any claim made against it.
- (2) If STC compromises or otherwise settles a claim in relation to a benefit, the compromise or settlement discharges STC's obligations as regards the benefit, and the amount payable is to be regarded as a benefit under the STC scheme concerned and is payable from the appropriate STC fund accordingly.
- (3) To the extent that an amount payable by STC following a compromise or settlement is not a benefit under the relevant STC scheme, the amount is payable from whichever fund or funds that STC considers appropriate.
- (4) STC may make such inquiries and investigations with respect to a claim made against it as it thinks fit.

67 Determination of disputes

- (1) A dispute under this or any other Act concerning an STC scheme is to be determined by STC, except as otherwise provided by the regulations.
- (2) Regulations made for the purposes of subsection (1) may require that a dispute concerning the entitlements or obligations of an employee or beneficiary arising in respect of service by the employee with an employer that:
 - (a) was responsible for the payment of benefits under an STC scheme of which the employee was a member or to which the employee was a contributor, and
 - (b) has ceased to be responsible for the payment of benefits under that scheme but is responsible for the payment of benefits under a new superannuation scheme created in accordance with section 127,be determined, not by STC, but by the trustee of the new superannuation scheme.
- (3) In determining a dispute, STC or the relevant trustee may inform itself on any matter in such manner as it thinks fit and, in so doing, is not bound to observe rules of law relating to evidence.
- (4) A trustee acting in accordance with regulations referred to in subsection (2) has and may exercise the powers conferred on STC by sections 66 and 68.

68 Evidence from third parties

- (1) STC may request a person who has made a claim against STC, or who has a dispute with STC, to provide STC with an authority to obtain from a third person any information or evidence that is relevant to the subject-matter of the claim or dispute.

- (2) If such a person does not comply with any such request, STC is not obliged to proceed to process the claim or determine the dispute concerned.

Division 4 Management of STC

69 STC Board

- (1) STC is to have a Board consisting of 8 part-time members and 1 full-time member appointed by the Minister.
- (2) Of the members:
 - (a) 1 is to be appointed as Chairperson of the STC Board, and
 - (b) 4 are to be appointed as employer representatives, and
 - (c) 4 are to be appointed as employee representatives.
- (3) Of the members appointed as employee representatives, 1 is to be a full-time member.
- (4) Schedule 2 has effect with respect to the members and procedure of the Board.
- (5) The STC Board has the function of managing and controlling the affairs of STC.
- (6) Any act, matter or thing done in the name of, or on behalf of, STC by the STC Board is taken to have been done by STC.

70 Chairperson of STC Board

- (1) The Chairperson of the STC Board is to be appointed by the Minister.
- (2) To be eligible for appointment as Chairperson, a person must:
 - (a) have significant knowledge of, and experience in, the conduct of superannuation schemes, investments, financial management or public administration, and
 - (b) be independent of employers and employees and their respective interests.
- (3) The Minister must not appoint a person as Chairperson without having consulted Unions NSW.

71 Employer representative members

- (1) Of the members of the STC Board appointed as employer representatives, one is to be appointed on the recommendation of the Treasurer.
- (2) To be eligible for appointment as a member to represent the interests of employers a person must have knowledge of, and experience in, the conduct of superannuation schemes, investments, financial management or public administration.

72 Employee representative members

- (1) The members of the STC Board appointed as employee representatives are to be nominated by Unions NSW.
- (2) Unions NSW must not nominate a person to be a member unless it has consulted with organisations representing members of the STC schemes.
- (3) If Unions NSW fails to nominate persons for the purposes of this section within the period specified in a written request by the Minister to do so, the Minister may appoint a member or members as employee representatives. Any such member is taken to be properly appointed under this section.
- (4) A person may hold the office of a full-time or part-time member of the STC Board (as an employee representative) and also the office of a member of the FTC Board (as an employee representative).

73 Duties of members of STC Board

- (1) A member of the STC Board must exercise a reasonable degree of care and diligence for the purposes of ensuring that STC carries out the duties referred to in section 51.
- (2) For the purposes of this section, a reasonable degree of care and diligence is the degree of care and diligence that a reasonable person in the position of the member would exercise in STC's circumstances.

74 Chief executive officer of STC

- (1) The Minister, on the recommendation of the STC Board, is to appoint a person as the chief executive officer of STC.
- (2) The chief executive officer has the function of exercising the day-to-day management of STC and has such other functions as may be conferred or imposed by or under this or any other Act.
- (3) The chief executive officer is subject to the control and direction of the STC Board.
- (4) The employment of the chief executive officer is subject to Part 2A of the *Public Sector Management Act 1988*, but is not subject to Part 2 of that Act. The chief executive officer is taken, while holding that office, to be employed by STC but STC may not remove the chief executive officer from office.
- (5) The Minister may, from time to time, appoint a person to act in the office of the chief executive officer during the illness or absence of the chief executive officer (or during a vacancy in the office of chief executive officer) and the person, while so acting, has all the functions of the chief executive officer and is taken to be the chief executive officer.

- (5A) The Chairperson of the STC Board may, in the absence of any appointment of a person under subsection (5), appoint a member of staff of STC to act during the absence or illness of the chief executive officer, and the person, while so acting, has all the functions of the chief executive officer and is taken to be the chief executive officer.
- (5B) The Chairperson of the STC Board may, at any time, remove a person appointed under subsection (5A) from office.
- (5C) An appointment under subsection (5A) ceases to have effect:
- (a) on the appointment of a person under subsection (1), or
 - (b) on the expiration of 3 months after the appointment was made, or
 - (c) on the removal of the person from office as chief executive officer,
- whichever first occurs.
- (6) The Minister may, at any time, remove a person from office as acting chief executive officer.
- (7) An acting chief executive officer is entitled to be paid such remuneration (including travelling and subsistence allowances) as the Minister may from time to time determine.
- (8) The same person may hold the office of chief executive officer of STC and the office of chief executive officer of FTC.

75 Staff of STC

- (1) STC may employ such staff as it requires to exercise its functions.
- (2) STC may fix the salary, wages and other conditions of its staff in so far as they are not fixed by or under any other Act or law.
- (3) STC may engage consultants for the purposes of getting expert advice.

76 Agents

- (1) STC may employ and pay an agent to transact any business or do any act (including receiving or paying money) that STC is authorised or required to transact or do in the exercise of its functions.
- (2) An agent may be employed by STC to receive or pay money even though the agent, or any subagent employed by the agent, is not a bank, building society or credit union.
- (3) Section 53 (3) of the [Trustee Act 1925](#) applies to agents employed under this section.

Note—

That provision excuses a trustee from liability for the default of an agent employed in good faith.

77 Delegation of functions

- (1) STC may delegate to an **authorised person** any of its functions, other than this power of delegation.
- (2) STC may also delegate any of its functions relating to the STC schemes:
 - (a) to a natural person with whom STC has entered into a contract or an arrangement under this Act, or
 - (b) to the chief executive or Board of any organisation with which STC has entered into such a contract or an arrangement.
- (3) STC may not delegate any of its principal functions as trustee under this section.
- (4) In this section, **authorised person** means a member of the STC Board, the chief executive of STC or a committee that is comprised of or includes members of the Board.
- (5) Section 64 (7) of the [Trustee Act 1925](#) applies to STC and to a delegate under this section.

78 Committees

- (1) The STC Board may establish committees to give advice and assistance to the Board in connection with any particular matter or function of the Board.
- (2) It does not matter that some or all of the members of any committee are not members of the STC Board.
- (3) The procedure for the calling of meetings of a committee and for the conduct of business at those meetings is to be as determined by the Board or (subject to any determination of the Board) by the committee.

79 Corporate plan

- (1) STC is required to prepare and deliver to the Minister, at least 3 months before the beginning of each financial year of STC, a corporate plan for the financial year.
- (2) A corporate plan must specify:
 - (a) the objectives of STC's activities for the financial year concerned, and
 - (b) the nature and scope of the activities to be undertaken, and
 - (c) the strategies, policies and budgets for achieving those objectives (including the

investment strategy and the reserves strategy), and

(d) targets and criteria for assessing the performance of STC.

(3) An annual report of STC must include an assessment of STC's performance, according to the targets and criteria for assessment set out in the corporate plan applicable to the year concerned.

(4) This section is subject to the requirements of any other Act or law.

Note—

STC must prepare annual reports for presentation to Parliament under the [Annual Reports \(Statutory Bodies\) Act 1984](#).

80 Personal and other liability

(1) A matter or thing done or omitted to be done by STC, the STC Board, a member of the Board or any person acting under the direction of STC or the Board does not, if the matter or thing was done or omitted in good faith for the purpose of executing this or any other Act, subject such a member or a person so acting personally to any action, liability, claim or demand.

(2) A decision made, or any act or thing done or omitted, by STC, the STC Board, a member of the Board or any person acting under the direction of STC or the Board may not be called into question on any of the following grounds:

(a) an alleged conflict of interest because STC, the Board or the person is involved in administering different Acts or different superannuation schemes,

(b) that knowledge gained by STC, the Board or the person is or may be relevant to the exercise of a function under another such Act or scheme.

(3) Subsection (1) does not preclude STC from being subject to any action, liability, claim or demand. Any money becoming payable by STC in respect of an action, liability, claim or demand is to be paid out of an STC fund or funds as determined by STC.

(4) However, money is not payable under subsection (3) in circumstances in which a trustee may not be indemnified under the [Superannuation Industry \(Supervision\) Act 1993](#) of the Commonwealth.

(5), (6) (Repealed)

Division 5 Financial provisions

81 Amalgamation of funds and adjustment of accounts

(1) The STC funds amalgamated as one fund under the [Superannuation Administration Act 1991](#) continue to be amalgamated.

- (2) STC is to maintain separate accounts in the amalgamated fund in relation to each STC scheme concerned.
- (3) A reference in any provision of this Act or the regulations or any other Act or other instrument (other than this section) to an STC fund is taken to be a reference to that part of the amalgamated fund that is maintained for the purposes of the relevant STC scheme.
- (4) STC may, at the request of an employer, from time to time adjust the amounts credited to the employer's reserve in an account established under this section by debiting an amount and crediting that amount to the employer's reserve in another account established in the amalgamated fund in relation to another STC scheme.
- (5) STC may, at the request of the Treasurer, adjust the amounts credited to an employer's reserve (being an employer for whom the Crown makes contributions to the amalgamated fund) in an account established under this section by debiting an amount and crediting that amount to the employer's reserve, or the employer reserve of another employer for whom the Crown makes contributions to the amalgamated fund, in the same or another account established under this section.

82 Re-establishment of separate funds and subsequent amalgamation

- (1) STC may re-establish any of the STC funds as separate funds. On the re-establishment of the funds, section 81 (2) ceases to operate in relation to the funds, but without prejudice to the previous operation of that subsection.
- (2) STC may amalgamate into one fund any 2 or more STC funds separated under this section. Section 81 (2) and (3) apply to any such amalgamated fund.

83 Powers of STC

Without limiting the generality of sections 81 and 82, STC has power in New South Wales and elsewhere to do all things necessary and convenient to be done for, or in connection with, the re-establishment or amalgamation of a fund under this Division.

84 STC to maintain administration account

STC must maintain an account called the STC Administration Account.

85 Administration costs generally

- (1) STC must charge administration costs that it incurs (including the remuneration or allowances of members of the STC Board and the chief executive officer) against the STC Administration Account.
- (2) The administration costs (including costs related to preserved benefits and investment management) that STC incurs in relation to the STC schemes are to be paid in accordance with this section to the STC Administration Account.

- (3) The administration costs (including costs related to preserved benefits and investment management) that STC incurs in relation to the STC schemes are payable by employers and contributors or members and former contributors or former members under the STC schemes, in accordance with the Acts under which those schemes are established.
- (4) If employees are employed by a group of employers, the costs are payable by the group of employers. If a contributor or member belongs or a former contributor or a former member belonged to a group of contributors or members which contributes to a scheme, the costs are payable by the group of contributors or members.
- (5) The amount, the rate and the basis on which an employer, group of employers or contributor or member or former contributor or former member or group of contributors or members is required to pay is to be determined by STC from time to time.
- (6) After calculating the appropriate amount or rate payable, STC may debit the appropriate account, fund or reserve in the relevant STC fund in accordance with this Division.
- (7) If the person who is chief executive officer of STC is also the chief executive officer of FTC, the costs of the remuneration of the chief executive officer are to be apportioned between STC and FTC as determined by STC and FTC.

86 Source of administration costs

The administration costs (including costs relating to preserved benefits and investment management) payable in respect of an STC fund are to be paid in accordance with the Act under which the fund is established or, if the Act makes no provision, from the reserves or accounts established in the fund determined for the purposes of this section by STC.

87 Financial year of STC

- (1) The financial year of STC is the year commencing on 1 July.
- (2) A different financial year may be determined by the Treasurer under section 4 (1A) of the [Public Finance and Audit Act 1983](#).

Division 6 Miscellaneous

88 Appeals

- (1) A person aggrieved by a determination of STC under section 67 (relating to determination of disputes) may appeal against the determination to the Industrial Relations Commission in Court Session (the **Commission**).
- (2) The appeal must be made within 6 months after the appellant is notified of the determination of STC or within such further period as the Commission allows.

- (3) In dealing with the appeal, the Commission may exercise any function that could have been exercised by STC in making the determination the subject of the appeal.
- (4) In dealing with the appeal, the Commission is to have regard to this Act and any other relevant provisions regulating the superannuation scheme concerned and such other matters as it considers to be relevant.
- (5) In dealing with the appeal, the Commission is not bound by the rules of evidence and may inform itself in any manner it thinks fit.
- (6) The final determination made by the Commission on the appeal is to be given effect to as if it were a determination of STC.

89 STC Board must report events affecting functions

- (1) If the STC Board becomes aware of the occurrence of an event, or of a change in circumstances, having a significant adverse effect on the exercise of the functions of STC, the Board must give written notice to the Minister setting out particulars of the event or change in circumstances.
- (2) The STC Board must give the notice no later than the third business day after becoming aware of the event or change in circumstances.
- (3) Without limiting subsection (1), the STC Board must give written notice of an event if, as a result of the event, STC will not, or may not, be able to make payments to beneficiaries as and when the obligation to make those payments arises.

90 Provision of information to relevant Ministers

- (1) STC must furnish to the Minister administering this Act or the Minister administering the STC fund Acts such information relating to the general administration and operation of the STC schemes and the STC funds as the Minister concerned may from time to time require.
- (2) Despite subsection (1), STC must not furnish information relating to an individual member of an STC scheme to a Minister under this section, except with the member's consent.
- (3) In this section, **STC fund Acts** mean the Acts referred to in the definition of **STC fund** in section 4.

90A (Repealed)

91 Accounts and records of STC

- (1) STC, or any person with whom STC makes a contract or an arrangement, may maintain accounts and other records relating to the STC schemes or any other related functions in or on any medium, or combination of media, capable of recording

information and may, from time to time, vary the manner or form in which those accounts or other records are maintained.

- (2) Subsection (1) is subject to the terms of any contract or arrangement referred to in that subsection.

92 Service of documents

- (1) A document may be served on STC by leaving it at, or by sending it by post to:
- (a) the office of STC, or
 - (b) if it has more than one office, any one of its offices.
- (2) Nothing in this section affects the operation of any provision of a law or of the rules of a court authorising a document to be served on STC in any other manner.

93 Proof of certain matters not required

In any legal proceedings, proof is not required (until evidence is given to the contrary) of:

- (a) the constitution of the STC Board, or
- (b) any resolution of the STC Board, or
- (c) the appointment of, or the holding of office by, any member of the STC Board, or
- (d) the presence or nature of a quorum at any meeting of the STC Board.

94 Recovery of amounts payable by STC

- (1) Any charge, fee or money due to STC may be recovered by STC as a debt in a court of competent jurisdiction.
- (2) Without limiting subsection (1), STC may recover any money owing to it under this or any other Act, together with interest on the money, as a debt in a court of competent jurisdiction.
- (3) Interest at a rate from time to time determined by STC is payable on any amount of money owing to it under this or any other Act calculated from the date on which the amount became due for payment until the date on which the amount is recovered or is otherwise paid.

95 Seal of STC

The seal of STC is to be kept by the chief executive officer of STC and may be affixed to a document only:

- (a) in the presence of the chief executive officer or a member of staff of STC authorised in that behalf by the chief executive officer, and

- (b) with an attestation by the signature of the chief executive officer or that member of the fact of the affixing of the seal.

Part 4 Monitoring superannuation authorities

96 Definitions

In this Part:

authorised person means a person appointed in writing by the Minister as an authorised person for the purposes of this Part.

97 Information to be given to Minister and authorised persons

- (1) The Minister or an authorised person may, by written notice to a superannuation authority, require the superannuation authority, within a specified period, to give to the Minister or authorised person in relation to a specified year of income the information, or a report on matters, specified in the notice.
- (2) A superannuation authority must comply with any notice given to it under subsection (1).

Maximum penalty: 50 penalty units.

- (3) The information or report required to be provided under subsection (1) must relate to the superannuation authority's exercise of its functions.
- (4) If the superannuation authority gives information or a report to the Minister or authorised person as required by this section, the Minister or authorised person must give to the superannuation authority a written statement that the information or report has been received.

98 Minister and authorised persons may require production of books

- (1) The Minister or an authorised person may, by written notice to a superannuation authority, require the superannuation authority to produce to the Minister or authorised person, at a reasonable time and reasonable place specified in the notice, any books relating to the affairs of the authority.
- (2) A superannuation authority must comply with a requirement referred to in subsection (1).

Maximum penalty: 50 penalty units.

- (3) The Minister or an authorised person may inspect, take extracts from and make copies of any book, or of any version of any book, produced to the Minister or authorised person under this section.

99 Access to premises

- (1) An authorised person may, for the purpose of monitoring the exercise by any superannuation authority of its functions under this Act:
 - (a) enter, at any reasonable time, any premises, other than any part of premises used for residential purposes, at which the authorised person has reason to believe books relating to the affairs of the superannuation authority are kept, and
 - (b) inspect any book found on the premises that relates to those affairs or that the authorised person believes on reasonable grounds to relate to those affairs, and
 - (c) make copies of, or take extracts from, any such book.
- (2) The power of entry conferred by subsection (1) may only be exercised while business is being carried on, or during the hours that business is usually carried on, at or from the premises.

100-118 (Repealed)

Part 5 Miscellaneous

Division 1 Offences and remedies relating to officers

119 Duties and liabilities of persons involved in management

- (1) An officer must act honestly in the exercise of powers, and discharge of functions, as an officer of a superannuation authority.

Maximum penalty:

- (a) if the contravention is committed with intent to deceive or defraud the authority, creditors of the authority or creditors of another person or for another fraudulent purpose—500 penalty units or imprisonment for 5 years, or
 - (b) in any other case—100 penalty units.
- (2) In the exercise of powers and the discharge of functions, an officer must exercise the degree of care and diligence that a reasonable person in a like position would exercise in the same circumstances.

Maximum penalty: 100 penalty units.

- (3) An officer, or a person who has been an officer, must not make improper use of information acquired because of his or her position as an officer:
 - (a) to gain, directly or indirectly, an advantage for himself or herself or for another person, or
 - (b) to cause detriment to the superannuation authority.

Maximum penalty: 500 penalty units or imprisonment for 5 years.

- (4) An officer must not make improper use of his or her position as an officer:
- (a) to gain, directly or indirectly, an advantage for himself or herself or for another person, or
 - (b) to cause detriment to the superannuation authority.

Maximum penalty: 500 penalty units or imprisonment for 5 years.

- (5) In this section:

officer means the chief executive officer of a superannuation authority, a member of the Board of a superannuation authority or another person who is concerned, or takes part, in a superannuation authority's management.

superannuation authority means FTC or STC.

- (6), (7) (Repealed)

120 Recovery of profits from officers

- (1) If a person contravenes section 119, the superannuation authority concerned may recover from the person as a debt due to the authority:
- (a) if the person or another person made a profit because of the contravention—an amount equal to the profit, and
 - (b) if the authority suffered loss or damage because of the contravention—an amount equal to the loss or damage.
- (2) An amount may be recovered from the person under this section whether or not the person has been convicted of an offence in relation to the contravention.
- (3) This section is in addition to, and does not limit, the [Confiscation of Proceeds of Crime Act 1989](#).

121 Contraventions of trustee duties

- (1) A person (other than FTC or STC) who suffers loss or damage as a result of conduct of another person who was engaged in a contravention of, or failed to comply with, section 10, 28, 51 or 73 may recover the amount of the loss or damage by action against that other person or any other person knowingly involved in the contravention.
- (2) An action under this section may be begun at any time within 6 years after the day on which the cause of action arose.
- (3) For the purposes of this section, a person is knowingly involved in a contravention if,

and only if, the person:

- (a) has aided, abetted, counselled or procured the contravention, or
- (b) has induced, whether by threats or promises or otherwise, the contravention, or
- (c) has been in any way, by act or omission, directly or indirectly, knowingly concerned in, or party to, the contravention, or
- (d) has conspired with others to effect the contravention.

122 Defence relating to investment strategy

It is a defence to an action under section 121 for loss or damage suffered by a person as a result of the making of an investment by or on behalf of FTC or STC if the defendant establishes that the investment was made in accordance with an investment strategy formulated in accordance with this Act.

123 Defence relating to management of reserves

It is a defence to an action under section 121 for loss or damage suffered by a person as a result of the management of any reserves by FTC or STC if the defendant establishes that the management of the reserves was in accordance with a reserves strategy formulated in accordance with this Act.

124 Defences relating generally to actions arising from breach of duties

- (1) It is a defence to an action under section 121 for loss or damage suffered by a person if the defendant establishes that:
 - (a) the contravention was due to reasonable mistake, or
 - (b) the contravention was due to reasonable reliance on information supplied by another person, or
 - (c) the contravention was due to the act or default of another person, or an accident, or some other cause beyond the person's control and that the defendant took reasonable precautions and exercised due diligence to avoid the contravention.
- (2) For the purposes of subsection (1) (b), a reference to another person does not include a reference to a person who was, when the contravention occurred, an employee or agent of the defendant or, if the defendant is a corporation, a director, employee or agent of the defendant.
- (3) A defendant is not entitled to rely on a defence under subsection (1) that a contravention was due to reliance on information supplied by another person or the act or default of another person unless:
 - (a) the court grants leave, or

- (b) the defendant has, not later than 7 days before the day on which the hearing of the proceedings begins, served on the person bringing the action a written notice containing information that:
 - (i) identifies, or would assist to identify, the other person, and
 - (ii) was in the defendant's possession at the time of the contravention.

Division 2 General provisions

125 Act binds Crown

This Act binds the Crown in right of New South Wales and, in so far as the legislative power of Parliament permits, the Crown in all its other capacities.

126 Proceedings for offences

- (1) Proceedings for an offence against this Act are to be dealt with summarily before:
 - (a) a Local Court constituted by a Magistrate sitting alone, or
 - (b) the Supreme Court in its summary jurisdiction.
- (2) The maximum penalty that may be imposed by a Local Court for an offence under this Act is 50 penalty units or imprisonment for 12 months, or both.

127 Additional State public sector superannuation schemes

- (1) The Minister may approve the preparation of a trust deed providing for a superannuation scheme (a **trust deed scheme**) for the benefit of any one or more of the following:
 - (a) State public sector employees,
 - (b) a class or classes of State public sector employees (including employees of a local authority or a public authority),
 - (c) employees, or a class or classes of employees, or former employees, of employers or former employers under FTC or STC schemes,
 - (d) other employees, or a class or classes of other employees, approved by the Minister.
- (1A) The Minister may approve the extension of the application of a trust deed scheme to additional employees or classes of employees, being employees or a class or classes of employees of a kind referred to in subsection (1).
- (2) The trust deed may reflect the provisions of any other superannuation schemes, whether established by or under an Act, and may apply different provisions and benefits to different employees, according to the entitlements of the employees under

existing State public sector superannuation schemes.

- (3) Further arrangements may be made for the incorporation of a body to be the trustee of the proposed trust deed scheme.
- (4) The trust deed must include provisions to ensure that a right that a contributor to, or a member of, the scheme it establishes has immediately before the deed takes effect is not removed or restricted. The rules included in the deed may, however, confer additional rights on a contributor or member.
- (5) The trust deed must be consistent with the requirements of the *Superannuation Industry (Supervision) Act 1993* of the Commonwealth for a regulated fund within the meaning of that Act and any trustee must satisfy the requirements of that Act for a trustee.
- (6) Before approving the preparation of a trust deed under this section, the Minister must consult with Unions NSW.
- (7) A trust deed approved under this section having effect immediately before the commencement of Part 4 of Schedule 3 to the *Rural Fires Act 1997* and that relates to employees associated with or involved in local government activities is taken, subject to the regulations, to extend to any such employee who is a transferred officer within the meaning of that Part.

Note—

The employees concerned are certain fire control officers, deputy fire control officers and designated fire control officers who were employed by local government authorities before being transferred under the *Rural Fires Act 1997* to the Department of Rural Fire Services.

128 Provisions consequent on establishment of additional superannuation schemes

- (1) Regulations may be made for or with respect to the following matters, in relation to the establishment of a superannuation scheme by a trust deed as referred to in section 127:
 - (a) the transfer of members of, or contributors to, an FTC scheme or an STC scheme from that scheme to the new superannuation scheme,
 - (b) the rights of persons who are eligible to become members of the new superannuation scheme to remain as members of, or contributors to, an FTC scheme or an STC scheme,
 - (c) the transfer of assets and liabilities of an FTC scheme or an STC scheme, in respect of transferred members or contributors or former members or contributors, to the new superannuation scheme,
 - (d) the payment of pensions and other benefits in respect of former members of, or former contributors to, an FTC scheme or an STC scheme under the new

superannuation scheme,

- (e) the funds and reserves to be established in respect of the new superannuation scheme,
- (f) the preservation or deferral of benefits of persons transferring to the new superannuation scheme,
- (g) the entitlements, rights and obligations of a member of, or contributor to, an FTC scheme or an STC scheme who joins the new superannuation scheme,
- (h) the provision of services in relation to the new superannuation scheme by SAC (or its successors),
- (i) the deeming of employers to be no longer employers under an FTC scheme or an STC scheme where all the relevant employees are transferred from the FTC scheme or the STC scheme to the new superannuation scheme.

- (2) A regulation made under this section has effect despite any provision of an Act under which an FTC scheme or an STC scheme is constituted.

128A Mobility between public sector schemes and EISS and LGSS

- (1) In this section:

electricity industry superannuation scheme means the scheme established under a trust deed entered into by the Treasurer and Energy Industries Superannuation Scheme Pty Ltd, as trustee.

local government superannuation scheme means the scheme established under a trust deed entered into by the Treasurer and LGSS Pty Ltd, as trustee.

transfer option means a right conferred by subsection (2) or (3).

- (2) An employee who:

- (a) is a member of or contributor to an STC scheme by reason of employment with a prescribed public sector employer, and
- (b) subsequently transfers employment to an employer that is responsible for the payment of benefits in respect of the electricity industry superannuation scheme or the local government superannuation scheme, and
- (c) meets the eligibility requirements of regulations made under subsection (4),

has a right to transfer from the STC scheme to the electricity industry superannuation scheme or the local government superannuation scheme, as the case may be.

- (3) An employee who:

- (a) in accordance with regulations made under section 128 or 128B, or by the exercise of an option under this Act or any Act establishing an STC scheme, has transferred from an STC scheme to the electricity industry superannuation scheme or the local government superannuation scheme, and
 - (b) subsequently transfers employment from an employer that is responsible for the payment of benefits in respect of either of those schemes to a prescribed public sector employer, and
 - (c) meets the eligibility requirements of regulations made under subsection (4),
has a right to transfer from either the electricity superannuation industry scheme or the local government superannuation scheme to an STC scheme of which the employee was previously a member or to which the employee previously contributed.
- (4) Regulations may be made for or with respect to eligibility to exercise a transfer option, and for or with respect to:
- (a) prescribing public sector employers for the purposes of subsections (2) (a) and (3) (b), and
 - (b) defining, for the purposes of subsections (2) (b) and (3) (b), the circumstances in which a transfer of employment is taken to have occurred, and
 - (c) prescribing or providing for the determination of:
 - (i) the manner and form in which, and the time within which, a transfer option may be exercised, and
 - (ii) the terms and conditions on which membership of the scheme to which a person transfers under a transfer option is available, and
 - (d) the transfer of assets and liabilities (relating to the person concerned) of the scheme from which a person is transferred under a transfer option to the scheme to which the person is so transferred, and
 - (e) the rights and obligations of a person exercising a transfer option, and of any associated beneficiaries, in respect of the person's membership of or contributions to the scheme from which the person is transferred under the option, and in particular:
 - (i) the preservation or deferral of a benefit in that scheme, and
 - (ii) the calculation of any benefit so preserved or deferred, and
 - (iii) the payment of any such benefit to the scheme to which the person is transferred, and
 - (f) providing for the resolution, by a prescribed authority or person, of all or any

prescribed class of disputes concerning the entitlements or obligations of a person exercising a transfer option or any associated beneficiary and arising under the scheme from which the person is transferred under the option.

- (5) Regulations made for the purposes of subsection (4) (e) that make provision for or with respect to preserving or deferring a benefit in the scheme from which a person exercising a transfer option is transferred may provide for the payment of such a benefit in spite of any minimum qualifying period of membership or of making contributions, or other limitation prescribed by that scheme, that would otherwise prevent or restrict the preservation or deferral of benefits in it.
- (6) Regulations made under this section with respect to a transfer option may confer the option on an employee whose transfer of employment (as referred to in subsections (2) (b) and (3) (b)) took place before the regulation took effect.
- (7) This section has effect despite any provision of an Act under which an STC scheme is constituted or of the trust deeds constituting the electricity industry and local government superannuation schemes.

128B Provisions consequent on extension of superannuation schemes to additional employees

- (1) Regulations may be made for or with respect to the following matters, in relation to the extension of the application of a superannuation scheme established under a trust deed approved by the Minister under section 127 (the **trust deed scheme**) to additional persons:
 - (a) the transfer of any such persons who are members or former members of, or contributors or former contributors to, an FTC scheme or an STC scheme from that scheme to the trust deed scheme,
 - (b) the rights of the persons (if any) to remain as members of, or contributors to, an FTC scheme or an STC scheme,
 - (c) the transfer of assets and liabilities of an FTC Scheme or an STC scheme, in respect of any such persons who are transferred members or contributors or former members or contributors, to the trust deed scheme,
 - (d) the payment of pensions and other benefits in respect of any such persons who are former members of, or former contributors to, an FTC scheme or an STC scheme under the trust deed scheme,
 - (e) the preservation or deferral of benefits of persons transferring to the trust deed scheme,
 - (f) the entitlements, rights and obligations of any such persons who are members or former members of, or contributors or former contributors to, an FTC scheme or an

STC scheme.

- (2) A regulation made under this section has effect despite any provision of an Act under which an FTC scheme or an STC scheme is constituted.

129 Regulations

- (1) The Governor may make regulations, not inconsistent with this Act, for or with respect to any matter that by this Act is required or permitted to be prescribed or that is necessary or convenient to be prescribed for carrying out or giving effect to this Act.
- (2) In particular, the regulations may make provision for or with respect to:
 - (a) the administration of the funds and accounts maintained under this Act and the Acts under which the FTC schemes and the STC schemes are established,
 - (b) the procedure of the FTC board or the STC board.

130 Repeals

The following Acts are repealed:

Superannuation Administration Act 1991 No 96

Superannuation Administration Amendment Act 1995 No 29.

131 Savings and transitional provisions

Schedule 3 has effect.

132 (Repealed)

133 Review of Act

- (1) The Minister is to review this Act to determine whether the policy objectives of the Act remain valid and whether the terms of the Act remain appropriate for securing those objectives.
- (2) The review is to be undertaken as soon as possible after the period of 5 years from the date of assent to this Act.
- (3) A report of the outcome of the review is to be tabled in each House of Parliament within 12 months after the end of the period of 5 years.

Schedule 1 Provisions relating to FTC Board

(Section 24)

Part 1 Definitions

1 Definitions

In this Schedule:

Chairperson means the Chairperson of the Board.

Board means the FTC Board.

member means a member of the Board, including the Chairperson.

Part 2 Members

2 Terms of office of members

Subject to this Schedule, a member holds office for such period (not exceeding 4 years) as is specified in the member's instrument of appointment, but is eligible (if otherwise qualified) for re-appointment.

3 Remuneration

A member is entitled to be paid such remuneration (including travelling and subsistence allowances) as the Minister may from time to time determine in respect of the member.

4 Deputies

- (1) The Minister may, from time to time, appoint a person to be the deputy of a member, and the Minister may revoke any such appointment.
- (2) In the absence of a member, the member's deputy:
 - (a) may, if available, act in the place of a member, and
 - (b) while so acting, has all the functions of the member and is taken to be a member.
- (3) The deputy of a member who is the Chairperson does not (because of this clause) have the member's functions as Chairperson.
- (4) A person while acting in the place of a member is entitled to be paid such allowances as the Minister may from time to time determine in respect of the person.

5 Vacancy in office of member

- (1) The office of a member becomes vacant if the member:
 - (a) dies, or

- (b) completes a term of office and is not re-appointed, or
 - (c) resigns the office by instrument in writing addressed to the Minister, or
 - (d) is removed from office by the Minister under this clause, or
 - (e) is absent from 4 consecutive meetings of the Board of which reasonable notice has been given to the member personally or in the ordinary course of post, except on leave granted by the Board or unless, before the expiration of 4 weeks after the last of those meetings, the member is excused by the Board for having been absent from those meetings, or
 - (f) becomes bankrupt, applies to take the benefit of any law for the relief of bankrupt or insolvent debtors, compounds with his or her creditors or makes an assignment of his or her remuneration for their benefit, or
 - (g) becomes a mentally incapacitated person, or
 - (h) is convicted in New South Wales of an offence that is punishable by imprisonment for 12 months or more or is convicted elsewhere than in New South Wales of an offence that, if committed in New South Wales, would be an offence so punishable, or
 - (i) becomes a disqualified person within the meaning of Part 15 of the *Superannuation Industry (Supervision) Act 1993* of the Commonwealth.
- (2) The Minister may remove a member from office at any time for any or no reason and without notice.

6 Filling of vacancy in office of member

- (1) If the office of any member becomes vacant, the Minister must arrange for a suitably qualified person to be appointed to fill the vacancy in accordance with this Act within 60 days after the date on which the vacancy occurred.
- (2) Subclause (1) does not apply if the term of office of the member concerned was due to expire within 60 days after the vacancy occurred.

7 Disclosure of pecuniary interests

- (1) If:
 - (a) a member has a direct or indirect pecuniary interest in a matter being considered or about to be considered at a meeting of the Board, and
 - (b) the interest appears to raise a conflict with the proper performance of the member's duties in relation to the consideration of the matter,the member must, as soon as possible after the relevant facts have come to the

member's knowledge, disclose the nature of the interest at a meeting of the Board.

- (2) A disclosure by a member at a meeting of the Board that the member:
 - (a) is a member, or is in the employment, of a specified company or other body, or
 - (b) is a partner, or is in the employment, of a specified person, or
 - (c) has some other specified interest relating to a specified company or other body or to a specified person,is a sufficient disclosure of the nature of the interest in any matter relating to that company or other body or to that person which may arise after the date of the disclosure and which is required to be disclosed under subclause (1).
- (3) Particulars of any disclosure made under this clause must be recorded by the Board in a book kept for the purpose and that book must be open at all reasonable hours to inspection by any person on payment of the fee (if any) determined by the Board.
- (4) After a member has disclosed the nature of any interest in any matter, the member must not, unless the Board otherwise determines:
 - (a) be present during any deliberation of the Board with respect to the matter, or
 - (b) take part in any decision of the Board with respect to the matter.
- (5) For the purposes of the making of a determination by the Board under subclause (4), a member who has a direct or indirect pecuniary interest in a matter to which the disclosure relates must not:
 - (a) be present during any deliberation of the Board for the purpose of making the determination, or
 - (b) take part in the making by the Board of the determination.
- (6) A contravention of this clause does not invalidate any decision of the Board.
- (7) This clause does not apply to or in respect of an interest of a member in a matter or thing which arises merely because the member is a contributor to a superannuation scheme.

8 Effect of certain other Acts

- (1) Part 2 of the *Public Sector Management Act 1988* does not apply to or in respect of the appointment of a member.
- (2) If by or under any Act provision is made:
 - (a) requiring a person who is the holder of a specified office to devote the whole of his or her time to the duties of that office, or

(b) prohibiting the person from engaging in employment outside the duties of that office,

the provision does not operate to disqualify the person from holding that office and also the office of a member or from accepting and retaining any remuneration payable to the person under this Act as a member.

(3) The office of a member is not, for the purposes of any Act, an office or place of profit under the Crown.

Part 3 Procedure

9 General procedure

The procedure for the calling of meetings of the Board and for the conduct of business at those meetings is, subject to this Act and the regulations, to be as determined by the Board.

10 Quorum

The quorum for a meeting of the Board is 6 members, of whom at least one must be an employer representative and at least one must be an employee representative.

11 Presiding member

(1) A meeting of the Board is to be presided over by:

(a) the Chairperson, or

(b) in the absence of the Chairperson, a member elected by the members present at the meeting.

(2) The presiding member has a deliberative vote.

12 Voting

A decision supported by two-thirds of the members of the Board is the decision of the Board.

13 Transaction of business otherwise than at ordinary meetings

(1) The Board may, if it thinks fit, transact any of its business by the circulation of papers among all the members for the time being. A resolution approved in writing by a two-thirds majority of those members is taken to be a decision of the Board.

(2) The Board may, if it thinks fit, transact any of its business at a meeting at which members (or some members) participate by telephone, closed circuit television or other means, but only if any member who speaks on a matter before the meeting can be heard by the other members.

(3) For the purposes of:

- (a) the approval of a resolution under subclause (1), or
- (b) a meeting held in accordance with subclause (2),

the members have the same voting rights as they have at an ordinary meeting of the Board.

(4) Papers may be circulated among members for the purposes of subclause (1) by fax or other transmission of the information in the papers concerned.

14 First meeting

The Minister may call the first meeting of the Board in such manner as the Minister thinks fit.

Schedule 2 Provisions relating to STC Board

(Section 69)

Part 1 Definitions

1 Definitions

In this Schedule:

Chairperson means the Chairperson of the Board.

Board means the STC Board.

member means a member of the Board, including the Chairperson.

Part 2 Members

2 Terms of office of members

Subject to this Schedule, a member holds office for such period (not exceeding 4 years) as is specified in the member's instrument of appointment, but is eligible (if otherwise qualified) for re-appointment.

3 Remuneration

A member is entitled to be paid such remuneration (including travelling and subsistence allowances) as the Minister may from time to time determine in respect of the member.

4 Deputies

(1) The Minister may, from time to time, appoint a person to be the deputy of a member, and the Minister may revoke any such appointment.

- (2) In the absence of a member, the member's deputy:
 - (a) may, if available, act in the place of a member, and
 - (b) while so acting, has all the functions of the member and is taken to be a member.
- (3) The deputy of a member who is the Chairperson does not (because of this clause) have the member's functions as Chairperson.
- (4) A person while acting in the place of a member is entitled to be paid such allowances as the Minister may from time to time determine in respect of the person.

5 Full-time member

- (1) The Board may determine additional functions to be performed by the person holding the office of full-time employee representative member.
- (2) The full-time employee representative member is to report to the Board in respect of the performance of the additional functions.

6 Vacancy in office of member

- (1) The office of a member becomes vacant if the member:
 - (a) dies, or
 - (b) completes a term of office and is not re-appointed, or
 - (c) resigns the office by instrument in writing addressed to the Minister, or
 - (d) is removed from office by the Minister under this clause, or
 - (e) is absent from 4 consecutive meetings of the Board of which reasonable notice has been given to the member personally or in the ordinary course of post, except on leave granted by the Board or unless, before the expiration of 4 weeks after the last of those meetings, the member is excused by the Board for having been absent from those meetings, or
 - (f) becomes bankrupt, applies to take the benefit of any law for the relief of bankrupt or insolvent debtors, compounds with his or her creditors or makes an assignment of his or her remuneration for their benefit, or
 - (g) becomes a mentally incapacitated person, or
 - (h) is convicted in New South Wales of an offence that is punishable by imprisonment for 12 months or more or is convicted elsewhere than in New South Wales of an offence that, if committed in New South Wales, would be an offence so punishable, or
 - (i) becomes a disqualified person within the meaning of Part 15 of the *Superannuation*

Industry (Supervision) Act 1993 of the Commonwealth.

- (2) The Minister may remove a member from office at any time for any or no reason and without notice.

7 Filling of vacancy in office of member

- (1) If the office of any member becomes vacant, the Minister must arrange for a suitably qualified person to be appointed to fill the vacancy in accordance with this Act within 60 days after the date on which the vacancy occurred.
- (2) Subclause (1) does not apply if the term of office of the member concerned was due to expire within 60 days after the vacancy occurred.

8 Disclosure of pecuniary interests

- (1) If:
- (a) a member has a direct or indirect pecuniary interest in a matter being considered or about to be considered at a meeting of the Board, and
 - (b) the interest appears to raise a conflict with the proper performance of the member's duties in relation to the consideration of the matter,
- the member must, as soon as possible after the relevant facts have come to the member's knowledge, disclose the nature of the interest at a meeting of the Board.
- (2) A disclosure by a member at a meeting of the Board that the member:
- (a) is a member, or is in the employment, of a specified company or other body, or
 - (b) is a partner, or is in the employment, of a specified person, or
 - (c) has some other specified interest relating to a specified company or other body or to a specified person,
- is a sufficient disclosure of the nature of the interest in any matter relating to that company or other body or to that person which may arise after the date of the disclosure and which is required to be disclosed under subclause (1).
- (3) Particulars of any disclosure made under this clause must be recorded by the Board in a book kept for the purpose and that book must be open at all reasonable hours to inspection by any person on payment of the fee (if any) determined by the Board.
- (4) After a member has disclosed the nature of any interest in any matter, the member must not, unless the Board otherwise determines:
- (a) be present during any deliberation of the Board with respect to the matter, or
 - (b) take part in any decision of the Board with respect to the matter.

- (5) For the purposes of the making of a determination by the Board under subclause (4), a member who has a direct or indirect pecuniary interest in a matter to which the disclosure relates must not:
 - (a) be present during any deliberation of the Board for the purpose of making the determination, or
 - (b) take part in the making by the Board of the determination.
- (6) A contravention of this clause does not invalidate any decision of the Board.
- (7) This clause does not apply to or in respect of an interest of a member in a matter or thing which arises merely because the member is a contributor to a superannuation scheme.

9 Effect of certain other Acts

- (1) Part 2 of the *Public Sector Management Act 1988* does not apply to or in respect of the appointment of a member.
- (2) If by or under any Act provision is made:
 - (a) requiring a person who is the holder of a specified office to devote the whole of his or her time to the duties of that office, or
 - (b) prohibiting the person from engaging in employment outside the duties of that office,the provision does not operate to disqualify the person from holding that office and also the office of a member or from accepting and retaining any remuneration payable to the person under this Act as a member.
- (3) The office of a member is not, for the purposes of any Act, an office or place of profit under the Crown.

Part 3 Procedure

10 General procedure

The procedure for the calling of meetings of the Board and for the conduct of business at those meetings is, subject to this Act and the regulations, to be as determined by the Board.

11 Quorum

The quorum for a meeting of the Board is 6 members, of whom at least one must be an employer representative and at least one must be an employee representative.

12 Presiding member

- (1) A meeting of the Board is to be presided over by:
 - (a) the Chairperson, or
 - (b) in the absence of the Chairperson, a member elected by the members present at the meeting.
- (2) The presiding member has a deliberative vote.

13 Voting

A decision supported by two-thirds of the members of the Board is the decision of the Board.

14 Transaction of business otherwise than at ordinary meetings

- (1) The Board may, if it thinks fit, transact any of its business by the circulation of papers among all the members for the time being. A resolution approved in writing by a two-thirds majority of those members is taken to be a decision of the Board.
- (2) The Board may, if it thinks fit, transact any of its business at a meeting at which members (or some members) participate by telephone, closed circuit television or other means, but only if any member who speaks on a matter before the meeting can be heard by the other members.
- (3) For the purposes of:
 - (a) the approval of a resolution under subclause (1), or
 - (b) a meeting held in accordance with subclause (2),the members have the same voting rights as they have at an ordinary meeting of the Board.
- (4) Papers may be circulated among members for the purposes of subclause (1) by fax or other transmission of the information in the papers concerned.

15 First meeting

The Minister may call the first meeting of the Board in such manner as the Minister thinks fit.

Schedule 3 Savings and transitional provisions

(Section 131)

Part 1 Preliminary

1 Savings and transitional regulations

- (1) The regulations may contain provisions of a savings or transitional nature consequent on the enactment of this Act and the following Acts:

Superannuation (Axiom Funds Management Corporation) Act 1996

Superannuation Legislation Amendment (Miscellaneous) Act 2001 (but only to the extent that it amends this Act)

Superannuation Administration Amendment Act 2004

- (2) Any such savings or transitional provision may, if the regulations so provide, take effect on the date of assent to this Act or the *Superannuation (Axiom Funds Management Corporation) Act 1996* or a later date.
- (3) To the extent to which any such savings or transitional provision takes effect on a date that is earlier than the date of its publication in the Gazette, the provision does not operate so as:
- (a) to affect, in a manner prejudicial to any person (other than the State or an authority of the State), the rights of that person existing before the date of its publication, or
 - (b) to impose liabilities on any person (other than the State or an authority of the State) in respect of anything done or omitted to be done before the date of its publication.

Part 2 Provisions consequent on the enactment of this Act and the *Superannuation (Axiom Funds Management Corporation) Act 1996*

2 Definitions

In this Part:

AFMC means the Axiom Funds Management Corporation established by the *Superannuation (Axiom Funds Management Corporation) Act 1996*.

assets means any legal or equitable estate or interest (whether present or future and whether vested or contingent) in real or personal property of any description (including money), and includes securities, choses in action, and documents.

business undertaking of a body means all the assets, rights and liabilities of the body.

Corporation means the State Superannuation Investment and Management Corporation constituted by the *Superannuation Administration Act 1991*.

liabilities means all liabilities, debts and obligations (whether present or future and whether vested or contingent).

PSES Board means the Public Sector Executives Superannuation Board constituted by the *Public Sector Executives Superannuation Act 1989*.

SAA means the Superannuation Administration Authority formerly established by this Act, and dissolved by the *Superannuation Administration Authority Corporatisation Act 1999*.

SAS Board means the State Authorities Superannuation Board continued by the *Superannuation Administration Act 1991*.

State tax means application or registration fees, stamp duty or any other tax, duty, fee or charge imposed by any Act or law of the State.

the 1991 Act means the *Superannuation Administration Act 1991*.

transferred employee means a member of staff of the SAS Board, the PSES Board or the Corporation transferred by order under clause 16.

3 State Authorities Superannuation Board

- (1) A person who, immediately before the repeal of the 1991 Act, held office as a trustee of the SAS Board:
 - (a) ceases to hold that office, and
 - (b) is eligible (if otherwise qualified) to be appointed as a member of the STC Board or the FTC Board under this Act.
- (2) A person who so ceases to hold office is not entitled to any remuneration or compensation because of the loss of that office.

4 References to State Authorities Superannuation Board

On and from the repeal of the 1991 Act, a reference in any Act (other than this Act) or in any instrument made under any Act or in any other instrument of any kind to the State Authorities Superannuation Board is to be read:

- (a) as a reference to STC, if the reference is to the Board in its capacity as trustee of, or in relation to any of its functions relating to, any of the STC funds or the STC schemes, and
- (b) as a reference to FTC, if the reference is to the Board in its capacity as trustee of, or in relation to any of its functions relating to, the First State Superannuation Scheme or the First State Superannuation Fund established under the *First State Superannuation*

Act 1992.

5 State Superannuation Investment and Management Corporation

- (1) A person who, immediately before the repeal of the 1991 Act, held office as a director of the Board of the Corporation:
 - (a) ceases to hold that office, and
 - (b) is eligible (if otherwise qualified) to be appointed as a member of the STC Board or the FTC Board under this Act or the AFMC Board under the *Superannuation (Axiom Funds Management Corporation) Act 1996*.
- (2) A person who so ceases to hold office is not entitled to any remuneration or compensation because of the loss of that office.
- (3) A person who holds office as the Managing Director of the Corporation and who so ceases to hold office is not entitled to any remuneration or compensation because of the loss of that office under the *Public Sector Management Act 1988*.

6 References to State Superannuation Investment and Management Corporation

On and from the repeal of the 1991 Act, a reference in any Act (other than this Act) or in any instrument made under any Act or in any other instrument of any kind to the State Superannuation Investment and Management Corporation is to be read:

- (a) except as provided by paragraph (c), as a reference to STC or FTC, if the reference to the Corporation relates to any of its functions relating to the investment of any of the STC or FTC funds, respectively, or related functions, or
- (b) except as provided by paragraph (c), as a reference to SAA, if the reference relates to any of its functions relating to the administration of the STC Schemes, the Public Sector Executives Superannuation Scheme established under the *Public Sector Executives Superannuation Act 1989* or the First State Superannuation Scheme established under the *First State Superannuation Act 1992*, or
- (c) as a reference to AFMC, if the reference to the Corporation relates to any of its functions relating to any assets, rights or liabilities of the Corporation transferred to AFMC by clause 11.

7 Public Sector Executives Superannuation Board

- (1) A person who, immediately before the repeal of Part 2 of the *Public Sector Executives Superannuation Act 1989* by this Act, held office as a member of the PSES Board:
 - (a) ceases to hold that office, and
 - (b) is eligible (if otherwise qualified) to be appointed as a member of the FTC Board or the STC Board under this Act.

- (2) A person who so ceases to hold office is not entitled to any remuneration or compensation because of the loss of that office.

8 References to Public Sector Executives Superannuation Board

On and from the repeal of Part 2 of the *Public Sector Executives Superannuation Act 1989* by this Act, a reference in any Act (other than this Act) or in any instrument made under any Act or in any other instrument of any kind to the Public Sector Executives Superannuation Board is to be read as a reference to FTC.

9 Trustees' role

- (1) For the avoidance of doubt, it is declared that STC and its predecessors have always held the STC funds in trust for the persons entitled to receive benefits under the STC schemes.
- (2) For the avoidance of doubt, it is declared that FTC and its predecessors have always held the FTC funds in trust for the persons entitled to receive benefits under the FTC schemes.

10 Assets of SAS Board and PSES Board

- (1) Any assets, rights or liabilities that are part of the business undertaking of the SAS Board or the PSES Board may be transferred to STC, FTC, AFMC or SAA, as directed by the Minister by order in writing.
- (2) An order under this section may be made before, on or after the commencement of any provision of this Act or the *Superannuation (Axiom Funds Management Corporation) Act 1996*.
- (3) An order may specify the consideration on which the order is made and the value or values at which the assets, rights or liabilities are transferred.

11 Assets of the Corporation

- (1) Any assets, rights or liabilities that are part of the business undertaking of the Corporation are to be transferred to STC, FTC, AFMC or SAA, as directed by the Minister by order in writing.
- (2) An order under this section may be made before, on or after the commencement of any provision of this Act or the *Superannuation (Axiom Funds Management Corporation) Act 1996*.
- (3) An order may specify the consideration on which the order is made and the value or values at which the assets, rights or liabilities are transferred.

12 Vesting of undertaking

- (1) When any part of the business undertaking of the SAS Board, the PSES Board or the

Corporation is transferred by an order made under clause 10 or 11, the following provisions have effect (subject to the order directing the transfer):

- (a) the assets of the SAS Board, the PSES Board or the Corporation comprised in that part of the undertaking vest in the transferee by force of this clause and without the need for any conveyance, transfer, assignment or assurance,
 - (b) the rights and liabilities of the SAS Board, the PSES Board or the Corporation comprised in that part of the undertaking become by force of this clause the rights and liabilities of the transferee,
 - (c) all proceedings relating to that part of the undertaking commenced before the transfer by or against the SAS Board, the PSES Board or the Corporation and pending immediately before the transfer are taken to be proceedings pending by or against the transferee,
 - (d) anything done or omitted to be done in relation to that part of the undertaking before the transfer by, to or in respect of the SAS Board, the PSES Board or the Corporation is (to the extent that it has any force or effect) taken to have been done or omitted to be done by, to or in respect of the transferee,
 - (e) a reference in any other Act, in any instrument, made under any Act or in any document of any kind to the SAS Board, the PSES Board or the Corporation is (to the extent that it relates to that part of the undertaking but subject to the regulations) to be read as, or as including, a reference to the transferee.
- (2) The operation of this clause is not to be regarded:
- (a) as a breach of any contractual provision prohibiting, restricting or regulating the assignment or transfer of assets, rights or liabilities, or
 - (b) as giving rise to any remedy by a party to an instrument, or as causing or permitting the termination of any instrument, because of a change in the beneficial or legal ownership of any asset, right or liability.
- (3) The operation of this section is not to be regarded as an event of default under any contract or other instrument.
- (4) No attornment to the transferee by a lessee from the SAS Board, the PSES Board or the Corporation is required.
- (5) Any instrument executed only for:
- (a) a purpose ancillary to or consequential on the operation of this clause, or
 - (b) the purpose of giving effect to this clause,
- is not chargeable with State tax.

13 Delegations

- (1) A delegation effected by the SAS Board of a function related to the STC schemes or STC funds, and in force immediately before the repeal of the 1991 Act, is taken to have been effected under this Act by STC (but only if STC could have lawfully made the delegation under this Act).
- (2) A delegation effected by the SAS Board of a function related to the FTC schemes or FTC funds, and in force immediately before the repeal of the 1991 Act, is taken to have been effected under this Act by FTC (but only if FTC could have lawfully made the delegation under this Act).
- (3) A delegation effected by the PSES Board of a function related to the Public Sector Executives Superannuation Scheme established under the *Public Sector Executives Superannuation Act 1989*, and in force immediately before the repeal of Part 2 of the *Public Sector Executives Superannuation Act 1989*, is taken to have been effected under this Act by FTC (but only if FTC could have lawfully made the delegation under this Act).
- (4) A delegation continued by this clause may be revoked or amended in the same way as any delegation made under this Act.

14 Annual reports and other matters of trustee

- (1) If, before the commencement of this clause, the SAS Board, or the PSES Board, has not complied with a requirement made by or under an Act relating to an annual report or a statement of accounts, being a report or statement required to be made in respect of a period which expired before that day, the relevant trustee must comply with the requirement despite the repeal.
- (2) The relevant trustee is STC, in relation to a report or statement relating to an STC fund or scheme, or FTC, in relation to a report or statement relating to an FTC fund or scheme.
- (3) The first annual report and statement of accounts of STC and FTC after the commencement of the relevant provisions of this Act must deal with any matters relating to the SAS Board or the PSES Board (other than matters dealt with in the report referred to in subclause (1)) that would have been required to be included in an annual report or statement of accounts of the SAS Board or the PSES Board had the former Act and provisions relating to the PSES Board contained in the *Public Sector Executives Superannuation Act 1989* not been repealed.

15 Annual reports and other matters of Corporation

- (1) If, before the repeal of the 1991 Act, the Corporation has not complied with a requirement made by or under an Act relating to an annual report or a statement of accounts, being a report or statement required to be made in respect of a period

which expired before that day, SAA must comply with the requirement despite the repeal.

- (2) The first annual report and statement of accounts of SAA after the commencement of the relevant provisions of this Act must deal with any matters relating to the Corporation (other than matters dealt with in the report referred to in subclause (1)) that would have been required to be included in an annual report or statement of accounts of the Corporation had the former Act not been repealed.

16 Transfer of staff from repealed bodies

- (1) The Minister may, by order in writing, direct that a member of staff of the SAS Board is to be taken to be an employee of FTC or STC by virtue of this clause.
- (2) The Minister may, by order in writing, direct that a member of staff of the PSES Board is to be taken to be an employee of FTC or STC by virtue of this clause.
- (3) The Minister may, by order in writing, direct that a member of staff of the Corporation is to be taken to be an employee of SAA or AFMC by virtue of this clause.
- (4) In this section, a reference to a member of staff includes a reference to an employee of another Government agency whose services are being made use of by virtue of the 1991 Act or the *Public Sector Executives Superannuation Act 1989*.

17 Conditions of employment of transferred employees

- (1) Except as otherwise provided by this Act or the regulations, the terms and conditions of employment of a transferred employee (including conditions as to remuneration and duration of employment) are to be the same as they were immediately before the commencement of the relevant order under clause 16 and are to continue to have effect.
- (2) Neither the contract of employment nor the period of employment of each transferred employee is taken to have been broken by the operation of this Act for the purposes of any law, award or agreement relating to the employment of that employee.
- (3) The transfer of a transferred employee does not affect any right to leave of absence (including long service leave) accrued before the repeal of the 1991 Act.
- (4) The terms and conditions of employment referred to in subclause (1) may be varied but only by the means by which they could be varied immediately before the commencement of this clause.

18 Superannuation—employer's liability

- (1) If, before the repeal of the 1991 Act:
 - (a) a person died or retired or was retrenched, and

(b) at the date of death, retirement or retrenchment:

(i) the person was an employee of the SAS Board, the PSES Board or the Corporation, or

(ii) the SAS Board, the PSES Board or the Corporation was, for the purposes of any superannuation scheme, the employer of the person,

then, for the purposes of the Act by or under which the scheme is established, the relevant body is, on and after the day on which the 1991 Act is repealed, taken to be the employer in the service of whom the person was employed at the date of death, retirement or retrenchment for the purposes of any provision in that Act under which payments may be required to be made by the employer of that person in respect of that scheme.

(2) For the purposes of this section, the relevant body:

(a) in relation to a person whose employer was the SAS Board is STC, and

(b) in relation to a person whose employer was the Corporation is SAA, and

(c) in relation to a person whose employer was the PSES Board is FTC.

19 Appeals

(1) An appeal pending immediately before the repeal of the 1991 Act under any provision of that Act may be dealt with and determined as if that Act had not been repealed.

(2) (Repealed)

20 Contracts

(1) Any contract for the performance of services entered into with the SAS Board by another person or body (other than the Corporation), and in force immediately before the repeal of the 1991 Act and relating to the STC schemes, becomes, on the repeal of that Act, a contract for the performance of services entered into with STC.

(2) Any contract for the performance of services entered into with the SAS Board or the PSES Board by another person or body (other than the Corporation), and in force immediately before the repeal of the 1991 Act and relating to the FTC schemes, becomes, on the commencement of this subclause, a contract for the performance of services entered into with FTC.

(3) Any contract for the performance of services entered into with the Corporation by another person or body (other than the SAS Board or the PSES Board), and in force immediately before the repeal of the 1991 Act and relating to the investment of the FTC or STC funds or related matters, becomes, on the repeal of that Act, a contract for the performance of services entered into with STC, in relation to STC funds or related

matters, or FTC, in relation to FTC funds or related matters.

- (4) Any contract for the performance of services entered into with the Corporation by another person or body (other than the SAS Board or the PSES Board), and in force immediately before the repeal of the 1991 Act and relating to the scheme administration of the FTC or STC schemes or related matters, becomes, on the repeal of that Act, a contract for the performance of services entered into with SAA.
- (5) Despite subclauses (3) and (4), a contract for the performance of services entered into with the Corporation by another person or body (other than the SAS Board or the PSES Board), and in force immediately before the repeal of the 1991 Act and relating to an asset, right or liability of the Corporation transferred to AFMC under clause 11, becomes, on the transfer, to the extent that it so relates, a contract entered into with AFMC.
- (6) Any contract for the performance of services entered into with the Corporation by the SAS Board or the PSES Board, and in force immediately before the repeal of the 1991 Act and relating to the scheme administration of the FTC or STC schemes or related matters, becomes, on the repeal of that Act, a contract for the performance of services entered into with SAA by FTC or STC, respectively.

21 Effect of organisational changes

- (1) This section applies to the following:
 - (a) the repeal of the 1991 Act, the amendment of the *Public Sector Executives Superannuation Act 1989* by this Act and the operation of this Schedule, and
 - (b) the establishment of STC, FTC, SAA and AFMC, and
 - (c) any agreement or other arrangement entered into for purposes connected with a matter referred to in paragraph (a) or (b).
- (2) None of the matters or things referred to in subclause (1) are to be regarded:
 - (a) as a breach of a contract or of an arrangement, or
 - (b) as giving rise to any right or remedy by a party to a contract or other arrangement, or
 - (c) as a breach of confidence or a civil wrong.

22 Amalgamated funds

For the avoidance of doubt, it is declared that for any period during which superannuation funds were treated as one fund under:

- (a) section 20 of the 1991 Act before its amendment by the *Superannuation Administration Amendment Act 1995*, or

- (b) section 19 of the *Superannuation Administration Act 1987* before its repeal by the 1991 Act,

those funds were part of an amalgamated fund.

23 State Super Financial Services Limited

For the purposes of this Act, State Super Financial Services Limited is taken to be a company established by STC and STC is taken to have power to establish such a company.

24 Union representation

- (1) This clause applies to the following trade unions:

(a) The Federated Municipal and Shire Council Employees' Union of Australia, New South Wales Division,

(b) The Public Service Association of New South Wales.

- (2) Each trade union to which this clause applies:

(a) may have employees of SAA as members, and

(b) may represent the interests of employees of SAA in industrial matters,

whether or not any such power or authority is conferred by the rules of the union or any Act or law.

25 (Repealed)

Schedule 4 (Repealed)