



SuperSplitter V1.0.43
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This example uses parameters from the example given on the Attorney General's website
<http://152.91.15.12/www/familylawHome.nsf/AllDocs/RWP74B13952E4741F37CA256C82000ABAD7?OpenDocument>

Calculation Inputs

(a) Is interest in self-managed superannuation fund	No
(b) Is interest under Small Superannuation Accounts Act 1995	No
(c) Plan is about to be restructured	No
(d) Parties are de facto or same sex	No
(e) Section 79 order was finally concluded prior to 28 December 2002	No
(f) Section 87 order was finally concluded prior to 28 December 2002	No
(g) Relevant Date (i.e. calculation date)	03/02/2003
(h) Name (MS)	Kevin
(i) Date of Birth (MS)	21/01/1932
(j) Gender (MS)	"Male"
(k) Type of Order	"Type (b) - Payment Phase"
(l) Payment Phase	"Pension only"
(m) Class of Pension	"Payable for Life of Member Spouse"
(n) Method for valuing life pension	"Normal (Schedule 4)"
(o) Reversion Percentage	62.5%
(p) Annual Pension Payable	\$27,000.00
(q) Pension Indexation Method	"CPI + 1%, Capped at 5%"

Reg 42(2)(b), Sch 4 Family Law (Superannuation) Regulations 2001

(Payment Phase)

Gross value of superannuation interest payable as a life pension.

Valuation: \$297,798.53

Calculation Detail

Valuation

$$\begin{aligned}
 &= B \times (P_{y+m} + (r \times R_{y+m})) \\
 &= \$27,000.00 \times (10.6597 + (62.5\% \times 0.5918)) \\
 &= \$27,000.00 \times (10.6597 + 0.3699) \\
 &= \$27,000.00 \times 11.0296 \\
 &= \$297,798.53
 \end{aligned}$$

Where:

Pension Valuation Factor (P_{y+m})

$$\begin{aligned}
 &= ((P_y \times (12-m)) + (P_{y+1} \times m))/12 \\
 &= ((10.6597 \times (12-0)) + (10.2517 \times 0))/12 \\
 &= ((10.6597 \times 12) + (10.2517 \times 0))/12 \\
 &= (127.9164 + 0)/12 \\
 &= 10.6597
 \end{aligned}$$

Reversion Valuation Factor (R_{y+m})

$$\begin{aligned}
 &= ((R_y \times (12-m)) + (R_{y+1} \times m))/12 \\
 &= ((0.5918 \times (12-0)) + (0.5896 \times 0))/12 \\
 &= ((0.5918 \times 12) + (0.5896 \times 0))/12 \\
 &= (7.1016 + 0)/12
 \end{aligned}$$

= 0.5918

Calculation Method

The valuation is determined in accordance with the following formula:

$$B \times (P_{y+m} + (r \times R_{y+m}))$$

B (\$27,000.00) is the value of the annual pension benefit payable in respect of the superannuation interest at the relevant date (03/02/2003).

P_{y+m} (10.6597) is the pension valuation factor under Schedule 4(7) (Valuation factors - CPI indexed pension plus 1% with 5% cap) that applies to the pension payable to the member spouse at the member spouse's age (71) at the date (03/02/2003) when the new interest is created, or the amount is transferred or rolled over or paid to the non-member spouse. P_{y+m} is calculated in accordance with the following formula:

$$\frac{(P_y \times (12 - m)) + (P_{y+1} \times m)}{12}$$

Where:

P_y (10.6597) is the pension valuation factor mentioned in Schedule 4(7) (Valuation factors - CPI indexed pension plus 1% with 5% cap) that applies to the pension and the member spouse's age (71) in completed years at the relevant date (03/02/2003). See page 203¹ - row 71.

m (0) is the number of completed months of the member spouse's age that are not included in the completed years at the relevant date.

P_{y+1} (10.2517) is the pension valuation factor mentioned in Schedule 4(7) (Valuation factors - CPI indexed pension plus 1% with 5% cap) that applies to the pension and the member spouse's age (72) at the completion of the next year after the year mentioned in the definition of the factor P_y . See page 203¹ - row 72.

R_{y+m} (0.5918) is the reversion valuation factor calculated in accordance with the following formula.

$$\frac{(R_y \times (12 - m)) + (R_{y+1} \times m)}{12}$$

Where:

R_y (0.5918) is the reversion valuation factor mentioned in Schedule 4(7) (Valuation factors - CPI indexed pension plus 1% with 5% cap) that applies to the pension and the member spouse's age in completed years at the relevant date, that is, where "Age at relevant date (in completed years)" is 71. See page 203¹ - row 71.

m (0) is the number of completed months of the member spouse's age that are not included in the completed years at the relevant date.

R_{y+1} (0.5896) is the reversion valuation factor mentioned in Schedule 4(7) (Valuation factors - CPI indexed pension plus 1% with 5% cap) that applies to the pension and the member spouse's age at the completion of the next year after the year mentioned in the definition of the factor R_y , that is, where "Age at relevant date (in completed years)" is 72. See page 203¹

- row 72.