

SuperValuers

ABN 48105662477

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Superannuation Valuation

This document gives the value of superannuation in accordance with the *Family Law Act 1975* and the *Family Law (Superannuation) Regulations 2001*.

Valuation Preparation

This valuation has been prepared by:

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This valuation has been prepared on behalf of **Mr Tim Cruze**, your reference topgun, and was based upon the following details:

Date of Birth	3 June 1962
Gender	Male
Superannuation Plan	CSS
Date Joined	3 March 1982

Summary

The valuations derived are summarized as follows and are arranged in order of relevant dates.

Valuation Date	Type	Valuation
1 April 2003	Valuation	\$673,253.02

Superannuation Information Form Inputs

Valuations are dependent on the information supplied. No opinion is given on the reliability or completeness of this information.

The information presented on the following pages formed the basis of the calculation of the valuation of the superannuation interests.

This information should be validated against information supplied by the Trustees (Form 6 response or Superannuation Information Form).

If no Form 6 response (Superannuation Information Form) was available, the inputs should be validated against information obtainable through the Trustee's call centre or other sources such as the member's annual information statement.

Relevant Date

"Relevant date" in relation to a splitting agreement or splitting order means the date for calculation of the value of a superannuation interest as defined in Regulation 3 of the *Family Law (Superannuation) Regulations 2001*. If no date is nominated, the calculation date is the relevant date. We have used the term valuation date interchangeably with "relevant date".

The information on the valuation of the superannuation interests pertaining to each relevant date that has been chosen appears in date order.

Affidavits

SuperValuers Pty Ltd also offers a full court service in relation to the following valuations. If you wish to have the following valuations incorporated into an Affidavit for Family Court purposes and you wish to have a representative of SuperValuers Pty Ltd as an expert witness, please email affidavit@supervaluers.com.au

Valuation Date 1 April 2003

These figures were entered at 6:43:53 PM on 12 October 2003.

Surcharge	\$4,587.00
Super Salary	\$125,000.00
Member contributions and Productivity	\$302,586.00
Accrued Benefit Multiple Pension	0.371702
Earlier payment split	No

Basis of Valuation

The nominated superannuation plan is the Commonwealth Superannuation Scheme and the following characteristics are used, inter alia, to value the superannuation interests.

Maximum retirement age	65
Reversionary interest	0.67
Pension indexation	CPI

The interest held by Mr Tim Cruze in the Commonwealth Superannuation Scheme is a defined benefit interest (see regulation 5 of the *Family Law (Superannuation) Regulations 2001*) in the growth phase. Regulation 29 of the *Family Law (Superannuation) Regulations 2001* provides for the method of determining the gross value of the superannuation interest. The CSS is a split benefit scheme as there is also an accumulation lump sum and its valuation is governed by Regulation 31(1) - (3) *Family Law (Superannuation) Regulations 2001*.

The Minister has not approved a method or factors for the Commonwealth Superannuation Scheme although it is understood that an application has been made for scheme specific methods and factors. In the absence of these, Schedule 2 of the *Family Law (Superannuation) Regulations 2001* is used to value the interest.

The relevant legislation governing the Scheme is the *Superannuation Act 1976*. The member contributes a minimum of 5% but can contribute more. There is also a productivity component. These element form the funded component of the superannuation interests and are governed by the accumulation lump sum valuation methodologies under The *Family Law (Superannuation) Regulations 2001*.

The three step approach to valuations is contained in regulation 28 of the *Family Law (Superannuation) Regulations 2001*, namely:

Obtain gross value	see Step 1,2,3
Deduct earlier payment splits	see Step 4
Deduct any surcharge debt	see Step 5

The gross value of superannuation interests in the *Superannuation Act 1976* in accordance with section 90MT(2) of the *Family Law Act 1975* and regulation 28 of the *Family Law (Superannuation) Regulations 2001* are determined under Steps 1, 2, 3, 4 and 5 as set out hereunder.

Step 1 Determine the present value of the pension

Gross value of a defined benefit pension, where the interest is only payable as a pension is determined by Part 3 of Schedule 2, Subclause 5(1) of the *Family Law (Superannuation) Regulations 2001* as follows:

$$VN \times F_{y+m} \text{ where}$$

VN is the value of the lump sum that of the accrued pension benefit in respect of the interest at the member's retirement age, calculated in accordance with subclause (2) - see below

F_{y+m} is the lump sum valuation factor calculated by

$$((f_y \times (12 - m)) + (f_{y+1} \times m)) / 12 \text{ where}$$

f_y is the lump sum valuation factor that applies at the valuation date to the term remaining in complete years until the member reaches retirement age.

m is the number of complete months of the remaining term that are not included in the remaining complete years at the valuation date.

f_{y+1} is the lump sum valuation factor that applies at the relevant date to the remaining term at the completion of the next year after the year mentioned in the definition of f_y.

For Subclause (1) above, Subclause 5(2) of *Family Law (Superannuation) Regulations 2001* provides the following formula for determining the lump sum value of the accrued pension benefit in respect of the interest at the member's retirement age (VN):

$$B \times \{Pra + (Rsa \times r)\} \text{ where}$$

B is the value of a pension benefit that has accrued being the product of the accrued benefit multiple for a pension (abmp) and the superannuation salary

Pra is the pension valuation factor

Rsa is the reversion valuation factor

r is the reversionary interest

Valuation Date	1 April 2003
Super Salary	\$125,000.00
abmp	0.371702
B	\$46,462.70
Pra	12.2423
Rsa	2.761
r	0.67
B x {Pra + (Rsa x r)}	\$654,760.27
fy	0.5755
Fy+m	0.573117
Present value of pension	\$375,254.02

Step 2 Add accumulation component

Value of member contributions \$302,586.00
plus interest including productivity
at valuation date

Step 3 Add pension and accumulation

Add Step 1 and Step 2 \$677,840.02

Step 4

Deduct earlier payment split \$0

Step 5

Deduct surcharge debt \$4,587.00

Family Law Value \$673,253.02