

## **Chairman Military Superannuation and Benefits Board**

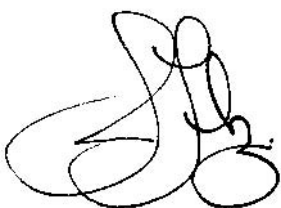
This statement formally outlines my expectations concerning the operations and performance of Military Superannuation and Benefits Scheme (MSBS).

The government's vision for MSBS is that it will be a high-performing superannuation scheme provides quality services to members and invests their contributions in the MSB investment fund, and the associated investment earnings, in a way which contributes positively to the support of members' lifestyles in retirement.

As Chairman, you are to ensure that the MSB Board keeps the Minister for Defence Science and Personnel (the Minister) fully informed of any significant events or issues that may impact on the operation of MSB Board or Scheme. All communication provided to the Minister is to be forwarded, in parallel, to the Department of Defence.

My expectations for the Board of Trustees are that it will ensure that MSBS:

- 1 operates MSB Scheme in accordance with relevant legislation including the *Military Superannuation and Benefits Act 1991*; the *Superannuation Industry (Supervision) Act 1993*; the *Corporations Act 2001*, the Military Superannuation and Benefits Trust Deed and Rules amended from time to time) and the Service Level Agreement (SLA) between the Board, Defence, the Defence Forces Retirement and Death Benefits Authority and Commonwealth Superannuation Administration (ComSuper);
2. complies with the appropriate government policy, including directions made by the Finance Minister;
3. is a commercially focused, financially independent organisation which encourages continuous improvement practices within the MSBS to maximise opportunities that will ensure its long term viability, whilst also enhancing returns to military members' through the efficient and effective management of its investments;
4. utilises best practice governance principles, including risk management strategies to manage potential investment risks, adopting a flexible approach in responding to favourable and adverse investment market conditions promptly;
5. in response to this Statement of Expectations, provides the Minister with its Statement of Intent and make both Statements publicly available;
6. provides the Minister with its quarterly and annual financial and compliance reports, with copies to be provided to the Secretary for Defence, the Chief of the Defence Force, Chief of Navy, Chief of Army and Chief of Air Force; and
7. identifies and manages all actual and perceived conflicts of interest, promptly advising the Minister of any significant issues as they arise.



JOEL FITZGIBBON  
Minister for Defence