

Application for Membership

Name of Fund: Tyler Narborough Super Fund

Member's Name: Tyler, Debra Joy

(Minor's Name if on behalf of minor)

Address: 38B Queens Road
Asquith NSW 2077

Date of Birth: 16/08/1956

Occupation:

Telephone:

Fax:

Contributing Employer(s):

1 - UP Finance Solutions Pty Ltd AFT 1 - UP Finance Solutions
A.C.N. 117 027 406
38B Queens Road
Asquith NSW 2077

I hereby apply to become a member of the abovementioned Fund.

* I apply as the parent or guardian of and on behalf of the minor referred to above.

I understand that my membership is subject to terms and conditions specified in the Trust Deed governing the Fund.

This application is accompanied by a Product Disclosure Statement.

I nominate and agree to the Trustee named in the Deed acting as Trustee.

I have received from the Trustee a notice containing information needed for the purpose of understanding the main features of the fund, its management and financial condition and investment performance. (The Trustee must attach these if the member is joining at a time other than when the fund is established).

Signed:



Dated:

9 August 2006

**If you want to make a Death Benefit Nomination
complete Pages 2, 3, 4 & 5 (Binding) or Pages 6 & 7 (Non-Binding)**

* Delete if inapplicable

Application for Membership With Binding Death Benefit Nomination

N.B. Complete Pages 2, 3, 4 & 5 only if you want to make a Binding Death Benefit Nomination.

Binding Death Benefit Nomination

Important Information about Binding Directions

The operation of the Fund, of which you are a member or are being invited to be a member, is governed by a document called a Trust Deed. The Trustee of the Fund is bound to act in accordance with the requirements of the Trust Deed in administering the Fund.

Under the Trust Deed, the Trustee has a discretion to decide whether, in the event of your death, to pay the death benefit, which is payable to your estate and/or to dependants of yours, and in what proportions.

However, the Trust Deed also enables you to override the Trustee's discretion by you giving a binding direction to the Trustee. This is a direction to the Trustee to pay any death benefit payable either to your estate or to dependants specified by you (or both) and in the proportions that you specify.

You may either elect for the Trustee to exercise the discretion given to it to decide who to pay your benefit to, in the event of your death, or you can give a binding direction to the Trustee by completing the direction in this Nomination.

Important Points about Binding Directions

If you decide to give a binding direction by completing this Nomination, it is important for you to note the following:

1. You can only direct the Trustee to pay the benefit either to your estate or to the dependants that you specify on this Nomination (or both).
2. If you wish to give such a direction to the Trustee, you must specify the percentage of your total death benefit which is to be paid to each of the estate or your dependants, or both.
3. You can confirm, amend or revoke this Nomination at any time by giving written notice to the Trustee.
4. The direction that you give automatically ceases to have any effect 3 years after the date on which you sign and date this Nomination. If the direction ceases to have effect, the Trustee will have a discretion to decide who to pay the death benefit to.
5. If, on this Nomination, you direct the Trustee to pay any part of your death benefit to a person who is not a dependant (as described below), your direction will be void and of no effect and the Trustee will be required to decide to whom to pay your death benefit.
6. For the purposes of the Trust Deed, a dependant is:
 - * a spouse of a Member
 - * any children of a Member
 - * any other person (whether related to the Member or not) with whom the Member has an interdependency relationship.

"Spouse" includes a de facto spouse and "children" includes step-children, adopted and ex-nuptial children.

Two persons (whether or not related by family) have an "interdependency relationship" if:

- (a) they have a close personal relationship;
- (b) they live together;
- (c) one or each of them provides the other with financial support; and
- (d) one or each of them provides the other with domestic support and personal care.

If two persons (whether or not related) have a close relationship, but do not satisfy these requirements because either or both of them suffer from a physical, intellectual or psychiatric disability, they are considered to have an interdependency relationship.

The following matters are to be taken into account when determining whether two people have an interdependency relationship, or had an interdependency relationship immediately before death:

- (a) all of the circumstances of the relationship between the persons, including (where relevant):
 - (i) the duration of the relationship
 - (ii) whether or not a sexual relationship exists
 - (iii) the ownership, use and acquisition of property
 - (iv) the degree of mutual commitment to a shared life
 - (v) the care and support of children
 - (vi) the reputation and public aspects of the relationship
 - (vii) the degree of emotional support
 - (viii) the extent to which the relationship is one of mere convenience, and
 - (ix) any evidence suggesting that the parties intend the relationship to be permanent.
- (b) the existence of a statutory declaration signed by one of the persons to the effect that the person is, or (in the case of a statutory declaration made after the end of the relationship) was, in an interdependency relationship with the other person.

Each one of the above need not be met and the extent to which any one matter exists or does not exist does not necessarily of itself confirm or exclude an interdependency relationship.

If you have any doubt as to whether a person you wish to nominate to receive any part of your death benefit is a dependant, you should seek advice from the Trustee before completing this Nomination.

7. For this Nomination to be effective, it must be signed and dated by you in the presence of 2 witnesses who are both at least 18 years old and neither of the witnesses can be a person who you have nominated to receive a part of your death benefit.

Important Information for Completion

1. In order for this Nomination Notice to be valid, it must be fully completed in accordance with the details below:

* Ensure the Nomination, Member Declaration and Witness Declaration are completed.

* The beneficiaries named in this Nomination must be dependants and/or your Legal Personal Representative.

Your Legal Personal Representative is either the person named as your executor in your will, or, if you do not have a valid will at the date of your death, the person who applies for and has been granted letters of administration for your estate.

Should you wish to nominate your legal personal representative, please write 'Legal Personal Representative' as the name of the beneficiary.

* For each person nominated, you must provide both their relationship to you and the proportion of any benefit that is to be paid to each.

Application for Membership With Binding Death Benefit Nomination

* The Nomination must be signed and dated by you in the presence of two witnesses aged 18 years or over. Both witnesses must also provide their date of birth, sign and date the Nomination. It is important to note that the witnesses cannot be persons nominated as beneficiaries.

2. If any of this information is not provided, then your Nomination may be invalid. The Trustee will contact you for clarification if this is the case.

3. It is not compulsory to complete this Nomination. Details of who a death benefit will be paid to in the situation where there is no valid Nomination can be found in the Member Information document.

Nomination of Dependants

Name	Relationship to You	Proportion of Benefit
GUY NARBOROUGH	SPOUSE	100%

Member Declaration

I, *Debra Jay Tyler* of *389 Queens Road Asquith 2077*, as a member of the Fund, direct the Trustee/s to pay my death benefit to the above persons in the proportions shown.

I understand that:

- * I can amend or revoke this Nomination at any time by providing a new nomination to the Trustee of the Fund, signed and dated by myself in the presence of two witnesses who are aged 18 years or over;
- * Unless amended or revoked earlier, this Nomination is binding on the Trustee for a period of 3 years from the date it is first signed or last confirmed;
- * This Nomination revokes and amends any previous notice supplied to the Trustee of the Fund in regard to my nominated beneficiaries;
- * If this Nomination is not correctly completed, it may be invalid;
- * If I have nominated persons who are not "dependants" as explained above, the direction contained in the Nomination will be void and of no effect and the Trustee will have a discretion as to whom the benefit is payable and in what proportion.

I acknowledge that I have been provided with information by the Trustee of the Fund that enables me to understand my rights to direct the Trustee to pay my Death Benefit in accordance with this Nomination.

Signature of Member:



Date: *9 August 2006*

Witness Declaration

We declare that:

- * this Nomination was signed by the member in our presence;
- * we are aged 18 or more; and
- * we are not named as beneficiaries.

Signature of Member:



Date:

9 August 2006

Signature of Witness:

Print Name of Witness:

Witness Date of Birth:

Date:

Signature of Witness:

Print Name of Witness:

Witness Date of Birth:

Date:

Application for Membership With Indicative Death Benefit Nomination - Non-Binding Death Benefit Nomination

N.B. Complete Page 7 only if you want to make an Indicative Death Benefit Nomination (Non-Binding)

Non-Binding Death Benefit Nomination

Important Information for Completion

1. This Nomination Notice is not binding. The Trustee will take it into account in the event that a benefit is paid from the Fund on your death. However the Trustee has complete discretion as to which of your dependants and/or Legal Personal Representative may receive the benefit and in what proportion. If there are no dependants or Legal Personal Representative, the benefit may be payable to any other person.

2. This Nomination Notice must be fully completed in accordance with the details below:

* The beneficiaries named in this Notice must be dependants and/or your Legal Representative.

For the purposes of the Trust Deed, a dependant is:

* a spouse of the Member

* any children of the Member

* any other person (whether related to the Member or not) with whom the Member has an interdependency relationship.

"Spouse" includes a de facto spouse and "children" includes step-children, adopted and ex-nuptial children.

Two persons (whether or not related by family) have an "interdependency relationship" if:

(a) they have a close personal relationship;

(b) they live together;

(c) one or each of them provides the other with financial support; and

(d) one or each of them provides the other with domestic support and personal care.

If two persons (whether or not related) have a close relationship, but do not satisfy these requirements because either or both of them suffer from a physical, intellectual or psychiatric disability, they are considered to have an interdependency relationship.

The following matters are to be taken into account when determining whether two people have an interdependency relationship, or had an interdependency relationship immediately before death:

(a) all of the circumstances of the relationship between the persons, including (where relevant):

(i) the duration of the relationship

(ii) whether or not a sexual relationship exists

(iii) the ownership, use and acquisition of property

(iv) the degree of mutual commitment to a shared life

(v) the care and support of children

(vi) the reputation and public aspects of the relationship

(vii) the degree of emotional support

(viii) the extent to which the relationship is one of mere convenience, and

(ix) any evidence suggesting that the parties intend the relationship to be permanent.

(b) the existence of a statutory declaration signed by one of the persons to the effect that the person is, or (in the case of a statutory declaration made after the end of the relationship) was, in an interdependency relationship with the other person.

Each one of the above need not be met and the extent to which any one matter exists or does not exist does not necessarily of itself confirm or exclude an interdependency relationship.

Your Legal Personal Representative is either the person named as your executor in your will, or, if you do not have a valid will at the date of your death, the person who applies for and has been granted letters of administration for your estate. Should you wish to nominate your legal personal representative, please write 'Legal Personal Representative' as the name of the beneficiary.

* For each person nominated, you must provide both their relationship to you and the proportion of any benefit that is to be paid to each.

**Application for Membership
With Indicative Death Benefit Nomination - Non-Binding
Death Benefit Nomination**

Nomination of Dependants

Name	Relationship to You	Proportion of Benefit

Member Declaration

I, _____ of _____ as a member of the Fund, request the Trustee to pay my death benefit to the above persons in the proportions shown.

I understand that:

- * in the event of my death, the Trustee has complete discretion as to which of my dependants and/or estate will receive any death benefit payable.
- * this Notice revokes and amends any previous notice supplied to the Trustee of the Fund in regard to my nominated beneficiaries.

Signature of Member:

Date: 9 Aug 2006

Product Disclosure Statement

Tyler Narborough Super Fund

This Product Disclosure Statement must be attached to all Application Form(s) for Membership by Members or Employers. Any omitted details must be inserted.

Name of Member: Tyler, Debra Joy

Address of Member 38B Queens Road
Asquith NSW 2077

Contact Details of Member:

Name & Address and Contact Details (ie Telephone, Fax, Email) of Trustee(s):

TYLER, Debra Joy
38B Queens Road
Asquith NSW 2077

NARBOROUGH, Guy
38B Queens Road
Asquith NSW 2077

Before you Start

Choosing the right superannuation fund as part of your investment strategy can be a very effective way of achieving your financial goals.

This product disclosure statement will help you to understand the main features of this fund.

We recommend that you get professional advice before investing.

Need Help?

If you need help about investing generally, then speak to a licensed financial adviser. If you have questions about this fund particularly, speak to the Trustees or professional advisers.

About Superannuation

Superannuation provides you with income for your retirement. Superannuation funds pool contributions and invest them for the benefit of the members.

Tax concessions apply to contributions to superannuation funds which, like this one, comply with rules set out in superannuation law. Tax deductions are available for some contributions. Tax concessions also apply to fund earnings and to benefit payments.

Members can generally speaking only withdraw their investment in a superannuation fund (called a "benefit") when they retire. Benefits can also be paid if a member dies or becomes totally and permanently disabled.

This means that you should only invest in superannuation money you can afford to put away until you retire.

Information about Benefits

Your Member's Benefit is the amount of contributions credited to your Members Account in the records of the Fund from contributions made by you or your employer or other persons on your behalf plus where applicable insurance policy proceeds. Contributions are invested so that the value of your Member's Benefit will vary from time to time.

Your Member's Benefit is normally paid when you retire.

Your preservation age is set out elsewhere in this Product Statement.

If you are aged 55 or over, you can reduce your working hours without reducing your income by rolling some of your superannuation into a retirement income stream. You can then top up your reduced income by drawing on your superannuation. This transition to retirement measure only allows you to access your superannuation benefits as a 'non-commutable' income stream, not a lump sum. This means that you generally still cannot take your superannuation as a lump sum cash payment while you are still working and will need to take your superannuation benefits as regular payments. However, there is no limit on the amount of superannuation benefits you can access while in the workforce under these arrangements, although the usual cashing of benefits rules apply.

If you become totally and permanently disabled your Member's Benefit will be paid subject to Superannuation law and benefits can also be paid if you become temporarily totally disabled and you are insured under an insurance policy and the proceeds of the policy become available.

Compulsory Cashing of Benefits

Since 1 July 2004, benefits in a regulated SMSF must be paid to the member (that is, cashed) when

- * the member has reached age 65 (but not yet 75) and is no longer gainfully employed to at least a part time equivalent level
- * the member is no longer gainfully employed for at least 30 hours each week and reached age 75 before 1 July 2004
- * the member reaches the age of 75 where this occurs after 30 June 2004, or
- * the member has died.

A member is gainfully employed to a part time equivalent level if the member was gainfully employed for at least 240 hours during the previous financial year.

Nominations - Death Benefits

On your death your Member's Benefit will become payable to one or more of your dependants and legal personal representatives that you have chosen in a binding nomination or if you do not choose or if your choice is invalid, to one or more of your dependants and legal personal representatives that the Trustees chose. If you nominate your legal personal representative, they will be responsible for distributing your death benefit in accordance with your will once they have received it. If you want to leave money to someone who is not your dependant, for example, your brother or sister, you must nominate your legal personal representative in your binding nomination and your brother or sister in your will.

Your dependant for this purpose is your husband or wife or de facto husband or wife, your child including step child and adult child and any other person (whether related to you or not) with whom you have an interdependency relationship.

Two persons (whether or not related by family) have an "interdependency relationship" if:

- (a) they have a close personal relationship;
- (b) they live together;
- (c) one or each of them provides the other with financial support; and
- (d) one or each of them provides the other with domestic support and personal care.

If two persons (whether or not related) have a close relationship, but do not satisfy these requirements because either or both of them suffer from a physical, intellectual or psychiatric disability, they are considered to have an interdependency relationship.

The following matters are to be taken into account when determining whether two people have an interdependency relationship, or had an interdependency relationship immediately before death:

- (a) all of the circumstances of the relationship between the persons, including (where relevant):
 - (i) the duration of the relationship
 - (ii) whether or not a sexual relationship exists

- (iii) the ownership, use and acquisition of property
 - (iv) the degree of mutual commitment to a shared life
 - (v) the care and support of children
 - (vi) the reputation and public aspects of the relationship
 - (vii) the degree of emotional support
 - (viii) the extent to which the relationship is one of mere convenience, and
 - (ix) any evidence suggesting that the parties intend the relationship to be permanent.
- (b) the existence of a statutory declaration signed by one of the persons to the effect that the person is, or (in the case of a statutory declaration made after the end of the relationship) was, in an interdependency relationship with the other person.

Each one of the above need not be met and the extent to which any one matter exists or does not exist does not necessarily of itself confirm or exclude an interdependency relationship.

Your legal personal representative is your executor i.e. the person appointed by you in your will or administrator i.e. the person appointed by the Court to administer your estate if you do not have an executor.

If you want the Trustees to pay your benefit on your death to the people you chose you must:

- (a) complete a binding nomination form telling the Trustees who you want them to pay a benefit to and in what proportions; and
- (b) renew your binding nomination every three years.

Your nomination will be invalid if it is not renewed every three years or if any of the people you nominate are not your dependants at the time of your death or your legal personal representative.

If you have a valid binding nomination at the time of your death the Trustees will follow it even if your circumstances have changed, for example you have married.

If you do not make a binding nomination or if your nomination is invalid the Trustees will choose who to pay your benefit to. You can advise the Trustees who you would prefer them to pay the benefit to by sending them a non-binding nomination. The Trustees will take your wishes into account however they will not be bound by them. The Trustees will consider the circumstances of all of your dependants in choosing to whom to pay the benefit and in what proportions.

In some circumstances under Superannuation law if you are in severe financial hardship you may be able to have your Member's Benefit paid to you by the Trustee however there are conditions to be complied with and benefits can only be paid to you so that certain expenses can be met e.g. treatment of life threatening illness, palliative care etc.

When your Member's Benefit becomes payable it will be paid as a lump sum benefit or as a pension. You should discuss these matters with your professional adviser before receiving your benefit.

Types of Pensions

The Trustees may determine the type of pension to be paid and under Superannuation law there are different types of pensions. These pensions include:

- (a) *
- * Allocated pensions;
 - * Market linked pensions;
 - * Pensions purchased from life insurance companies;
 - * "Grandfathered" or "transitional" defined benefit pensions;
 - * Non-commutable or "workforce" pensions.
- (b) Allocated pension: An allocated pension is a flexible pension where a payment must be made at least annually to the member. These are the most popular form of pension. Regulations set the minimum and maximum range of pension payments for each year. The trust deed allows these pensions if the member has satisfied a condition of release.
- (c) Market linked pension: Market linked pensions are a flexible alternative, for example in terms of how you manage your investments. They are treated as complying pensions, measured against the higher pension Reasonable Benefit Limit and are subject to concessional social security treatment for determining eligibility for the Age Pension.
- (d) Pensions purchased from life insurance companies: The Trustees can purchase pensions wholly determined by a life insurance policy. This ensures mortality risks of guaranteeing a pension are assumed by a life insurance company.
- (e) "Grandfathered" or "transitional" defined benefit pensions:
Under transitional rules, SMSFs can only pay a defined benefit pension to a person as long as:
- * the person was a member of the fund on 11 May 2004
 - * before 1 July 2004, the person turns 65 or retires on or after turning 55
 - * the person becomes entitled to the pension after 11 May 2004 and before 1 July 2005 and
 - * the first pension payment is made within 12 months of the day the person became entitled to the pension.
- On 6 June 2005 the Minister for Revenue announced (No. 049) an extension to the transitional relief currently available for small funds providing defined benefit pensions until 31 December 2005 instead of 1 July 2005.
- (f) Non-commutable or "workforce" pensions: Non-commutable pensions can be paid during your transition to retirement but cannot be paid as a lump sum. As you reduce your working hours and income, you can begin to draw some of your superannuation in the form of a pension.

Taxation & Superannuation

You Should Seek Taxation Advice From Your Accountant

Contributions

Before discussing whether a fund can accept contributions for a member, there are a number of terms that need to be explained.

Mandated Employer Contributions

These are contributions made by an employer for the benefit of the fund member that are:

- * contributions to reduce the employer's potential liability to the Superannuation Guarantee Charge;

- * superannuation guarantee shortfall components, that is, Superannuation Guarantee Charge payments sent to a fund from the Australian Taxation Office (ATO) after the Tax Office has obtained payment of the charge from the employer;

* contributions made in order to satisfy an obligation under an industrial award or agreement; and

* payments to a fund from the Superannuation Holding Accounts Reserve - this relates to small superannuation accounts.

Where members have an effective arrangement in place with the employer to salary sacrifice to superannuation, all superannuation contributions are considered to be made by the employers. However, only those contributions to the superannuation guarantee level (9% from 1 July 2002) or the industrial award or agreement level (if higher than the superannuation guarantee level) will be classed as "mandated employer contributions".

Acceptance of Contributions

Mandated Employer Contributions

The law allows funds to accept mandated employer contributions at any time. This means a trustee may accept mandated employer contributions for a person regardless of the age of the person or the number of hours they work.

Other Contributions

Contributions which are not mandated employer contributions (such as the member's own contributions) can only be accepted in the following circumstances:

For Members under 65 Years of Age

Since 1 July 2004, the superannuation contribution work test has been abolished for anyone under the age of 65, thereby allowing anyone under the age 65 to make a superannuation contribution. If the member is under the age of 18 at 30 June, they would need to derive eligible employment income or business income in the income year before income tax deductions for superannuation can be claimed.

Members Aged 65 but Less than 75

Since 1 July 2004, for those aged 65 to 74, the superannuation contribution rules have been changed from a weekly work test (at least 10 hours in each week) to an annual work test. A person in this age group will be able to make personal contributions to their self managed superannuation fund during a financial year provided they can demonstrate that, in that financial year, they have worked at least 40 hours in a period of not more than 30 consecutive days. This amount of paid work only has to be demonstrated once each financial year. For example, a person who has worked 40 hours in a fortnight will be able to make contributions for the rest of the financial year.

Aged 65 to 69: The Trustee may only accept contributions other than mandated employer contributions in respect of a member if the member is gainfully employed on at least a part-time basis during the financial year in which the contribution is made.

Aged 70 to 74: The Trustee may only accept contributions other than mandated employer contributions if the contributions are personal contributions made by the member and the member is gainfully employed on at least a part-time basis in the financial year in which the contribution is made.

Members Aged 75 or over

The Trustee may only accept mandated employer contributions.

Baby Bonus Contributions

The trustee may accept contributions made in respect of the recipient of the baby bonus in the 12 month period after the person receives notification by the Commissioner of Taxation that the person is entitled to the baby bonus. The amount of contributions able to be made in respect of the recipient of the baby bonus is not limited - it may be more or less than the actual baby bonus the person receives.

Eligible Spouse Contributions

Eligible spouse contributions may be accepted by the fund at any time if the spouse is under the age of 65. If the spouse is aged 65 but under 70, eligible spouse contributions may be only accepted if the spouse is at least gainfully employed on a part-time basis. If the spouse is 70 or over, the fund cannot accept eligible spouse contributions. There are no age limits or employment tests for the person making the contributions.

Superannuation Contributions Splitting

Certain contributions can be split with a spouse. Superannuation contributions that can be split include:

- * employer contributions
- * personal contributions
- * allocated surplus contribution amounts
- * amounts transferred from the superannuation holding accounts special account
- * superannuation guarantee charge amounts from the Tax Office, and
- * super co-contribution amounts.

Members can apply to split an amount of either or both taxed splittable contributions and untaxed splittable contributions. The application must be made either:

- * in the following financial year (ie the application must be made between 1 July and 30 June in the financial year following the year in which the contributions were made), or
- * during the financial year if the entire benefit is to be rolled over or transferred before the end of that financial year.

The maximum splittable amount for any financial year is 85% of taxed splittable contributions and 100% of untaxed splittable contributions to ensure that members can not split more than the amount remaining in their account which relates to those taxed splittable

For income tax purposes, amounts split to a spouse's account are treated as a contributions-splitting eligible termination payment (ETP) and are taken to have been rolled over to the spouse's account.

If you have an employer, who is an Employer Sponsor or a Participating Employer of the Fund, they may contribute part of your income to the Fund and in this case contributions made personally by you are unlikely to be deductible for taxation purposes although if you are on a smaller wage, you may be entitled to a co-contribution from the Federal Government.

If you are a member you may make contributions to the Fund yourself. These contributions are deductible for tax purposes; eg the first \$5,000 you contribute is tax deductible and after that, 75% of contributions over \$5,000 or 75% of the Age-Based Limit (whichever is less). In this case you need to notify the trustee by lodging a section 82AAT Notice with the trustee. The Age-Based deduction limits for 2005/06 are, under 35, \$14,603; 35-49 \$40,560.00 and 50 and over, \$100,587. These limits will be removed in July 2007 and deductible contributions will be taxed at a concessional rate of 15% up to a limit of \$50,000. Deductible contributions can be made until the age of 75. As of 9 May 2006, undeducted contributions are limited to \$150,000 per year.

If you earn less than \$58,000 a year, make personal super contributions and are otherwise eligible, the Government will make a Super Co-contribution to your fund.

If your total income for tax purposes (assessable income plus reportable fringe benefits) is \$28,000 or less a year, the Government will now put in one dollar and fifty cents for every dollar you put into your super, up to a maximum Super Co-contribution of \$1,500 a year.

The eligibility criteria for the Super Co-contribution have now been widened to include more people.

You will be eligible for the Super Co-contribution in a year of income if:

- * you make personal superannuation contributions to a complying superannuation fund or a Retirement Savings Account (RSA);
- * your total income (assessable income plus reportable fringe benefits) is less than \$58,000;
- * 10% or more of your total income is from eligible employment;
- * you do not hold an "eligible temporary resident visa" at any time during the year;
- * you lodge an income tax return for the year of income; and
- * you are less than 71 years old at the end of the year of income

When your income is more than \$28,000 but less than \$58,000 in a year of income, your Super Co-contribution will be adjusted based on your income and how much you personally contribute.

Tax on Payments from a Superannuation Fund

You may have to pay tax when you draw money from the Fund. The amount paid will depend on your own circumstances, including your age, how long you have been in a superannuation fund, and how your super benefit is paid.

You pay no tax on the part of your super benefit that consists of the contributions you made from your after-tax income after 30 June 1983.

You pay no tax on the first \$129,751 (2005/06) and \$135,590 (2006/07) of all other benefits that relate to employment or fund membership after 30 June 1983, if you withdraw them from super after you reach age 55. (You pay 20% plus Medicare levy before age 55).

You pay 15% tax plus Medicare levy on the remainder of your post June 1983 benefits up to your Reasonable Benefit Limit (RBL). (You pay 30% plus Medicare levy before age 55). The RBL for 2005/06 is lump sum \$648,946; pension \$1,297,886 and for 2006/07, lump sum \$678,149; pension \$1,356,291. If these limits are exceeded higher tax rates apply. However, reasonable benefit limits will be abolished from 1 July 2007.

If some of your super benefit relates to employment before July 1983, you pay tax on only 5% of that part of your superannuation benefit.

If you use your superannuation benefit to receive a regular income from a super fund, special tax concessions apply.

If your benefit is paid out to you as a foreign national who is leaving Australia permanently, higher tax rates may apply to your benefit. Contact your accountant or the Australian Tax Office.

Tax File Numbers

It is in your interest to give your fund your tax file number when you join. You do not have to do so, but if you do not provide it you may pay tax at a higher rate.

Tax on Contributions

No tax is paid by the Fund on your contributions to the fund from after-tax income.

The Fund will pay 15%:-

- on the contributions by your employer;
- on any contributions paid from post-tax earnings and;
- on contributions by you for which you received a tax deduction (deductible contributions).

The superannuation surcharge has been abolished with effect from 1 July 2005.

Tax on Money Transferred

There is no tax if you transfer money from one superannuation fund to another, unless the amount transferred contains an untaxed component.

An untaxed component attracts the 15% tax on contributions and may also be subject to the superannuation tax surcharge.

Tax on Investment Earnings of the Fund

Investment earnings by the Fund are taxed at a maximum rate of 15%, with capital gains taxed normally at 10%, in the accumulation phase and if the asset is held for at least 12 months.

General Information About Federal Laws

Preservation of Benefits

The Federal Government restricts when you can access most of your superannuation.

Preserved benefits can only be paid:-

- at age 65;
- when you cease employment on or after age 60;

if you retire on or after your preservation age, as set out below:-

Birth Date	Preservation Age
Born before 01/07/1960	55
Born from 01/07/1960 to 30/06/1961	56
Born from 01/07/1961 to 30/06/1962	57
Born from 01/07/1962 to 30/06/1963	58
Born from 01/07/1963 to 30/06/1964	59
Born on or after 01/07/1964	60

if you become permanently unable to work;

if you die, your superannuation may be paid to your dependants or estate, depending on the rules of the fund;

if you suffer severe financial hardship or are eligible on compassionate grounds determined by the law. Even then, only some of your benefits may be withdrawn, subject to the fund rules;

if you change jobs and your account balance is \$200 or less (but only if the fund allows it);

if you are a foreign national who has permanently left Australia. In this situation higher tax rates may apply.

Benefits can be accessed earlier. For example, if you change jobs you can take out your own post-tax contributions and some employer contributions, paid before 1st July 1999.

Some or all of your preserved benefits may be paid as a pre-retirement (non-commutable) pension once you have reached your preservation age regardless of your employment status.

Information About Amounts Debited to the Fund and Your Account

Under the Trust Deed the Trustees may debit your account with expenses to pay taxes, to pay for insurance policies or premiums for third party annuities.

The Trustee can create an equalisation account which is to be used to stabilise the investment earnings of the Fund and to provide for expenses as the Trustees consider appropriate however this is subject to Superannuation law.

Investments

The Trustees must determine an investment strategy that will indicate how the Trustees will invest.

The strategy must reflect the purpose and circumstances of the Fund and have regard to investing in a way to maximise member returns bearing in mind the risks, diversification and the ability of the Fund to pay benefits and other costs of the Fund as they become due.

All investments must be made in accordance with the investment strategy.

A Trustee has a defence to an action for loss or damage suffered as a result of the Trustee making an investment where the Trustee can show that the investment was made in accordance with an investment strategy formulated in accordance with Superannuation law.

Trustees cannot lend money or provide financial assistance to a member or their relative. The Trustees cannot borrow money except in very limited circumstances as provided by Superannuation law.

Assets cannot be acquired from a related party although there are some very limited exceptions. For example if the asset is a listed security acquired at market value or the asset is business real property. Business real property usually relates to land and buildings used wholly and exclusively in a business that is associated with the members.

Information About Risks Associated with the Fund

The Fund must invest in accordance with its investment strategy determined by the Trustee.

The value of the Fund's assets may be increased or reduced by changes in asset prices. Accordingly the value of your benefit may be reduced. This could affect the Trustees capacity to make benefit payments to you.

In some cases if your benefit is a pension then your benefits and pensions that are calculated by reference to the value of the assets in the Fund may result in a decrease in benefit or pension amounts payable to you if the value of the assets in the Fund decreases.

In other cases if you receive a complying pension the Trustee may bear the risk of the asset being insufficient to make payments to you.

If a benefit is commuted the Trustee may purchase an annuity from a life assurance company or other provider and you will have a regular income and normally the risk will then be borne by that provider.

Trustees choose the investments in accordance with their investment strategy. If the Trustee offers more than one strategy you may choose the appropriate strategy but you cannot choose investments the Trustee is to make within the strategy.

There are risks in choosing to invest in superannuation - superannuation and taxation laws may change. There are also risks in choosing particular investments as all investments are subject to varying risks and generally all change in value.

The significant risks of investing generally include inflation that may exceed the return on your investment. Individual assets can and do fall in value for many reasons such as changes in the internal operations or management of the fund or company in which the money is invested or in its business environment.

There are market risks, economic, technological, political or legal conditions and market sentiment can and do change and this can mean that changes in the value of investment markets can affect the value of the investments in the Fund.

Interest rate risks can arise where there are changes in interest rates which can have a positive or negative impact directly or indirectly on investment value or returns.

There are currency risks if investments are in other countries and their currencies change in value relatively to the Australian Dollar, the value of the investment can change.

Derivatives can be used to reduce risk, or to gain exposure to other types of investments. Risks associated with these derivatives include the value of the derivative failing to move in line with the underlying asset, potential liquidity of the derivative or the fund may not be able to meet payment obligation as they arise.

Under the trust deed the Trustee is not liable for any loss or detriment to the fund unless it is due to the Trustee's dishonesty or wilful or reckless failure to exercise the degree of care and diligence necessary. The Trustee is to be indemnified by the fund to the maximum extent the law permits.

Changes to Superannuation law may affect your ability to access your benefit. Superannuation benefits may be split by agreement or by Court Order with your spouse if you and your spouse permanently separate.

Changes can occur to the taxation of superannuation which may affect the value of your benefit.

Information About Labour Standards, Environmental, Social or Ethical Consideration

The Trustee will inform you if labour standards or environmental, social or ethical considerations are or will be taken into account when the Trustee selects, retains or realises an investment. Unless you are notified otherwise the Trustee does not take any such considerations into account however the Trustee may incorporate those things into its investment strategy.

Additional Information - Contact Details

If you require further information concerning the Fund or the Trust Deed or your rights as a Member or the Fund's performance you may contact the Trustee whose contact details appear at the beginning of this Product Disclosure Statement.

A plan to simplify and streamline

The Federal Government announced in the May 2006 Budget as below. The changes will be subject to legislation.

The Government is proposing a plan to sweep away the current raft of complex tax arrangements and restrictions that apply to people's superannuation benefits. This would improve retirement incomes and increase incentives to work and save.

Under the proposed plan, from 1 July 2007:

- * Superannuation benefits paid from a taxed fund either as a lump sum or as an income stream such as a pension would be tax free for people aged 60 and over.
 - Benefits paid from an untaxed scheme (mainly public servants) would still be taxed, although at a lower rate than they are now for people aged 60 and over.
- * Reasonable benefit limits (RBLs) would be abolished.
- * Individuals would have greater flexibility as to how and when to draw down their superannuation in retirement. There would be no forced payment of superannuation benefits.

- * The concessional tax treatment of superannuation contributions and earnings would remain. Age-based restrictions limiting tax deductible superannuation contributions would be replaced with a streamlined set of rules.
- * The self-employed would be able to claim a full deduction for their superannuation contributions as well as being eligible for the Government co-contribution for their personal post-tax contributions.
- * The ability to make deductible superannuation contributions would be extended up to age 75.
- * It would be easier for people to find and transfer their superannuation between funds.

To increase further the incentives to save for retirement it is proposed to halve the pension assets test taper rate to \$1.50 per fortnight from 20 September 2007.

The superannuation preservation age would not change. The preservation age is already legislated to increase from 55 to 60 between the years 2015 and 2025. People would still be able to access superannuation benefits before the age of 60, although they would continue to be taxed on their benefits under new simplified rules.

Transitional issues that may apply immediately

In June 2006 the Treasurer announced transitional provisions to apply to the proposed \$150,000 annual cap on post-tax contributions announced in a plan to simplify and streamline superannuation and the payment rules for people aged 65 and over.

It will allow the cap to be averaged over three years to allow people to accommodate larger one-off payments.

Post-tax contributions made between 1 July 2005 and Budget night 9 May 2006 would not count towards the cap. This means that the 2005-06 cap of \$150,000 will only apply for contributions made between 10 May 2006 and 30 June 2006.

Under these proposed averaging arrangements, it would be possible for a person to contribute \$450,000 of post-tax contributions between 10 May and 30 June 2006. This comprises the full utilisation of the 2005-06 entitlement and a bring forward of 2006-07 and 2007-08 entitlement. Further post-tax contributions could then not be made until 1 July 2008.

Alternatively, a person could contribute \$150,000 between 10 May 2006 and 30 June 2006. A further \$450,000 could then be contributed between 1 July 2006 and 30 June 2007 (comprising 2006-07 entitlement and a bring forward of 2007-08 and 2008-09 entitlement). Under this scenario, no further contributions could be made until 1 July 2009.

The annual entitlement will operate on a 'use it or lose it' basis, that is if a cap is not fully utilised in any year then the unused amount cannot be credited to a future year. The Treasurer confirmed that the cap would exclude the CGT exempt component from the sale of a small business. This would allow each small business owner to contribute up to \$500,000 of capital gains into a superannuation fund in addition to contributions allowed under the cap. Further issues relating to the operation of the cap on undeducted contributions will be considered following the consultation process.

The Government is also proposing to bring forward the removal of the payment rules for people aged 65 and over to 10 May 2006. This would allow people who are over 65 and no longer working and people aged 75 to defer cashing their superannuation benefits to take advantage of the new tax regime and flexible draw down rules applying from 1 July 2007.

All these matters are, of course, subject to the passing of the legislation to implement the plan.