

NAME AND CONTACT DETAILS OF THE ISSUER OF THE SUPERANNUATION PRODUCT

The superannuation interest in JA & GM WECKERT SUPERANNUATION FUND ("**Fund**") is to be issued to you by the Trustee.

The contact details for the Trustees are as follows:

Name: Jeffrey Alan Weckert and Gail Marie Weckert

Telephone: 08 8396 2020

Email:

Address: Units 1-3, 245 Milne Road, Modbury North SA 5092

The Fund is a self-managed superannuation fund ("**SMSF**") within the meaning of the superannuation legislation.

Features of SMSFs include:

- (i) the Fund must have less than 7 members;
- (ii) all members must be trustees or directors of the corporate trustee (and vice versa);
- (iii) in the case of a sole member fund with individual trustees, another trustee (in addition to the member) must be appointed;
- (iv) a proposed member is ineligible to be a member if the member would be taken to be employed by another member (unless the members concerned are relatives);
- (v) no trustee of the fund receives any remuneration from the fund or from any person for any duties or services performed by the trustee in relation to the fund; and
- (vi) the trustee is unable to charge the Fund.

In consequence of the above preconditions, SMSFs are usually established for the benefit of a family group.

Where the trustees are individuals, members' retirement benefits should be arranged as superannuation pensions only.

1. **Significant benefits of the offer**

Following your admission as a Member of the Fund (this occurs simultaneously with the issue of the superannuation interest to you by the Trustee) superannuation contributions are able to be made to the Fund by or in respect of yourself. In addition, it will be possible for the superannuation benefits held in other funds to be transferred to the Fund.

Contributions for you can be received from a number of sources including yourself, your spouse and any employer whether related or unrelated.

All contributions and rollovers referable to you will be credited to your Member Account under the Fund.

Your interest in the Fund will be represented by the amount standing to your credit in your Member Account from time to time. The credit in your Member Account will be adjusted

each year to reflect contributions made (after provision for tax), fund earnings/losses and provision for any insurance premiums.

Your Member Account therefore works like a bank account balance and represents the amount payable in respect of your membership from time to time.

Your benefit will become payable in the following circumstances:

- 1.1 upon your retirement after attaining your preservation age;
- 1.2 attainment of age 65;
- 1.3 death;
- 1.4 total and permanent disablement.

Your benefit can be paid in whole or in part as a lump sum or, alternatively, can be accessed in whole or in part as a superannuation pension. The Fund can provide different styles of pensions (as prescribed by the superannuation legislation). For SMSFs these typically include an account based pension or a transition to retirement pension.

In anticipation of your death you can make a nomination at any time in favour of the person/persons you would like to participate in your superannuation death benefits. Provided the nomination is in writing and satisfies legislative requirements, the Trustee will be bound to act in accordance with your nomination, provided the nominated persons are your dependants. Your dependants will include a surviving spouse and any of your children.

If you do not make a nomination then the payment of your death benefits will be at the discretion of the Trustee. The Trustee will have an ability to pay those benefits to your estate or to apply your benefits to one or more of your dependants as the Trustee sees fit. Again, a dependant will include a surviving spouse and your children.

2. **Significant features of the offer and how to invest**

Your investment in the Fund will follow from your admission as a Member and the receipt of contributions/rollovers by the Trustee in respect of your membership. Provision is made under the deed of the Fund for written applications for membership and, as a precursor to you being admitted as a Member of the Fund, you will need to complete an Application for Membership in the prescribed form and lodge the same with the Trustee.

It is important that you understand there will be fees, charges, expenses and taxes likely to be incurred in respect of your membership. As to taxation liabilities of the Fund, this is commented on in paragraph 4 below. Details of fees, charges and expenses are as follows (please note that unless stated otherwise, these expenses will be Fund expenses and therefore will only be incurred by each Member to the extent of each Member's relative interest in the Fund):

- 2.1 the Trustee is prohibited by legislation from charging for the provision of its services;
- 2.2 there will be an annual cost of preparation of a trust tax return for lodgement at the Australian Taxation Office ("**ATO**"). The cost of this will vary. If you require further details of this you will need to contact the Trustee;
- 2.3 the Fund will be audited annually. Again, if you require details about the audit and likely cost you will need to contact the Trustee;

- 2.4 the Trustee may determine or may be required to appoint any one or more of an investment advisor, administrator and actuary from time to time. This would result in fees being charged to the Fund on a fee for service basis. Again, if you require more information about this, you will need to contact the Trustee;
- 2.5 the Fund is also likely to incur other fees and charges from time to time such as investment charges, stamp duty and insurance premiums. Whether such charges will arise will depend upon the nature of the investments the Trustee makes.

3. **Risk factors**

Risks associated with holding an interest in a SMSF include:

3.1 **Investment risk**

Investment returns are not guaranteed and, accordingly, the value of your interest in the Fund from time to time will be directly linked to the performance of the Fund's investments.

3.2 **Exposure to audit, ATO review and non-compliance for taxation purposes**

The Trustee of the Fund is required to observe the requirements of the superannuation legislation as they apply to regulated and complying SMSFs. These requirements are varied and onerous.

Breaches of legislative requirements which may be identified by the Trustee, the Fund auditor or the ATO could expose the Fund to non-complying status for taxation purposes. This may result in the total value of the Fund assets being liable at the highest personal marginal rate of tax.

3.3 **In certain circumstances you may not become entitled to your benefit in full or at all**

These circumstances include:

- 3.3.1 if you seek to encumber or assign your benefit;
- 3.3.2 upon you being admitted to bankruptcy; and
- 3.3.3 the Trustee being unable to locate you for the purposes of giving a valid discharge for a benefit.

Upon any of these occurrences, your benefit (either in part or in full) may be liable to being credited to a Foregone Benefits Account under the Fund with the result that you may never become entitled to the benefits to the extent that they have been forfeited.

3.4 **Access to your benefit**

Preservation rules which specifically apply to superannuation generally mean the Members cannot access their benefits until attainment of preservation age and retirement. As a general rule therefore, you will not be able to access any of your superannuation benefits prior to this time. Notwithstanding that, there may be grounds for early release if you or another family member suffers severe financial hardship or based on compassionate grounds.

4. **Taxation implications**

Income tax is payable in respect of tax deductible superannuation contributions and will be levied against your Member Account at the rate of 15% to the extent of tax deductible contributions made for you.

The Fund also pays tax on its income at the rate of 15%. The Fund's effective rate of tax can be reduced where the Fund derives franked dividends and capital gains and also if the Fund commences to pay a retirement phase income stream.

Tax is not payable on lump sum or superannuation pension benefits paid to members of superannuation funds who have attained 60 years of age (unless, in very limited circumstances, the benefits are from an untaxed source).

A lump sum payment or pension benefit paid to a person under 60 years of age will be subject to tax depending on whether it is comprised of a tax free component or a taxable component. The payment of a tax free component either as a lump sum or a pension to a person under 60 (again assuming it is not from an untaxed source) is received tax free.

The taxable component of a lump sum benefit paid to a person under 60 who has attained preservation age is tax free up to the low rate cap amount (indexed annually) and subject to tax at a maximum rate of 15% plus Medicare levy for amounts in excess of this. The low rate cap amount for the past and current income years are as follows:

Income year	Low rate cap
2022-23	\$230,000
2021-22	\$225,000

The taxable component of a lump sum for a person who is under 60 years of age and below preservation age is subject to tax at a maximum rate of 20% plus Medicare levy.

The taxation of a superannuation pension paid to a person under 60 years of age is generally assessable at the applicable personal marginal rate but with a 15% tax offset.

5. **Other information**

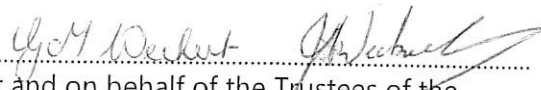
You should determine how you would like your benefits dealt with on your death.

If you wish to make a nomination to a person or persons who will benefit then you may make a written nomination which will be binding on the Trustee.

The Trustee has broad powers of investment under the Fund but does not have any special guidelines for investing by reference to labour standards, environmental, social, ethical and other considerations.

The Trustee is required to maintain a written investment strategy by law and this document is available from the Trustee upon request.

If you have any comments or queries in relation to any of the issues raised above or any other matter pertaining to your interest in the Fund then please do not hesitate to contact the Trustee in accordance with the contact details provided above.


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For and on behalf of the Trustees of the
JA & GM WECKERT SUPERANNUATION FUND

Date: 30 / 06 / 2022