

JK McKain Super Fund Pty Ltd as trustee for JK McKain SMSF

Notice to New Member

(Pursuant to Division 2.3, *Superannuation Industry (Supervision Regulations)*)

To: Joshua Douglas McKain

MEMBERSHIP OF JK McKain SMSF

Welcome to membership of the superannuation fund ("the Fund"). The following information is provided to you pursuant to the *Superannuation Industry (Supervision Regulations)*.

1. The Fund

The Fund is a 'regulated' fund under the *Superannuation Industry (Supervision) Act 1993* ("SIS") and its primary purpose is to provide such retirement, disablement and death benefits to its members as determined by the Trustee in accordance with SIS and the Trust Deed. The Fund meets the definition, and shall continue to meet the definition, of a 'self-managed superannuation fund' in that it meets the following conditions:-

- a. it has less than 5 Members;
- b. each individual trustee of the Fund is a Member of the Fund;
- c. each Member of the Fund is a trustee;
- d. no Member of the Fund is an employee of another Member of the Fund, unless those Members are related; and
- e. no trustee of the Fund receives any remuneration for his or her services as a trustee.

Where the trustee of the Fund is a company (a corporate trustee), then the following conditions apply:-

- a. each director of the company is a Member of the Fund;
- b. each Member of the Fund is a director of the company.

2. Trustee

To be appointed as an Individual Trustee, you would be a 'disqualified person' under SIS and the law if:-

- a. at any time, you were convicted of an offence involving dishonesty, or
- b. at any time, you have been subject to a civil penalty order under SIS legislation, or
- c. you are an insolvent under administration (e.g. an undischarged bankrupt), or
- d. you are less than 18 years of age

To act as a director of the corporate trustee, then you must not be a disqualified person.

3. **Trust Deed**

The Fund is governed by its Trust Deed. The Trust Deed sets out the rules for the management of the Fund, its investments and benefits, and a copy of the Trust Deed may be inspected at the office of the Trustee at any time.

The Trust Deed may be varied or amended as provided for in the Trust Deed. No variation can reduce the accrued benefits of a Member without the consent of that Member except in circumstances where the reduction is required to enable the Fund to comply with statutory requirements.

4. **Trustee**

The Trust Deed sets out the mechanism for the appointment and removal of the Trustee. Statutory requirements oblige the Trustee to administer the Fund in accordance with standards prescribed under the *Superannuation Industry (Supervision) Act 1993*.

The term 'Trustee' as used in this notice applies to either Individual Trustees or a corporate trustee as the case may be.

5. **Concessional Contributions**

You and your employer (where applicable) are entitled to make contributions to the Fund however the amount of concessional contributions is subject to a limit please seek current limitations at www.ato.gov.au or contact your financial advisor.

Non Concessional Contributions

The non-concessional contributions cap will remain at \$150,000 for the 2009/10 financial year and will only increase when the new lower \$25,000 concessional cap is increased by indexation. Going forward, the non-concessional contributions cap will be calculated as six times the level of the (indexed) concessional contributions cap. It is expected that the bring-forward provisions will continue to allow eligible individuals to make non-concessional contributions of up to \$450,000 over a three year period.

The non-concessional contributions cap will remain at \$150,000 for the 2009/10 financial year and will only increase when the new lower \$25,000 concessional cap is increased by indexation. Going forward, the non-concessional contributions cap will be calculated as six times the level of the (indexed) concessional contributions cap. It is expected that the bring-forward provisions will continue to allow eligible individuals to make non-concessional contributions of up to \$450,000 over a three year period.

Contributions received will be credited to your Member Accumulation Account. This Fund is conducted as an allocated accumulation fund which means that the total amount of your Accumulation Account will ultimately form the basis of your benefit entitlement in the Fund.

At the sole discretion of the Trustee, a spouse of a Member can be admitted as a Member of the Fund whether or not that spouse is gainfully employed. Members wishing to utilise this option should contact the Trustee to discuss the taxation and other legal implications involved.

6. **Membership Classification**

The Trust Deed provides the Trustee with the option to create different classes of Membership reflecting different levels of vesting of employer-funded benefits. However, in the absence of any such election, all Members shall be regarded as holding "B" Class Membership with all employer-funded benefits vesting in the Member.

7. **Benefits**

Your benefit entitlement in the Fund will be represented by the total amount held in your Accumulation Account. Your Accumulation Account will comprise all contributions and rollover payments credited to the Accumulation Account plus income on those amounts less your share of expenses and taxation referable to your entitlement in the Fund.

Where the Trustee of the Fund is comprised of Individual Trustees or, where the Trustee of the Fund is a corporate Trustee and has elected, under Part D of the Trust Deed to provide retirement benefits by way of an old-age pension, the whole or part of your benefit entitlement will be paid by way of an income stream.

The income stream can be provided by payment of an allocated pension, life pension or life expectancy pension, or by the Trustee purchasing an annuity of these types outside the Fund for the Member.

The Trust Deed does provide for the commutation of a pension to a lump sum or a number of lump sums.

Certain rules apply to the payment of pensions and, in some instances, require actuarial assessment. The commutation of a pension, and/or the selection of pension options should be discussed with the Trustee and your professional financial advisers prior to exercising any options.

Benefits are payable as follows:-

(a) **Retirement (normally age 65)**

(b) **Total and Permanent Disablement**

The benefits payable in respect of total and permanent disablement are the same as those payable on retirement and will include the amount received by the Trustee from an assurance policy (if any) effected in relation to a Member which is received as a result of the total and permanent disablement of the Member.

(c) **Temporary Total Disablement**

If the Trustee has effected an insurance policy and you qualify within the terms of that policy for temporary disablement, then you will be entitled to the amount payable under that policy as an income benefit.

(d) **Early Retirement**

The benefits are determined pursuant to the Trust Deed and may be in the form of a lump sum or as an income stream.

(e) **Death**

In the event of the death of a Member prior to normal retirement age the Trustee shall pay to the Dependents or the Legal Representative or both of the Member both the full amount standing to the credit of the Member's Accumulation Account, and the amount received by the Trustee under any assurance policy as a result of the death of the Member. The amount may be paid as a lump sum or as an income stream or as both and shall be determined by the Trustee.

8. **Preserved Benefits**

It is a Government requirement that certain benefits be preserved until a Member retires from the workplace on or after the age of 55 years or in such other acceptable earlier circumstances. You can discuss the payment of "non-preserved benefits" and acceptable earlier circumstances with the Trustee.

9. **Investments**

The Trustee will establish, or has established, an investment strategy in relation to the investment of the Fund assets. As a Individual Trustee of the Fund, or as a director of the corporate trustee (as the case may be) you will be involved in the development of the investment strategy and the investment of the assets of the Fund.

10. **Loans**

The Members of the Fund are not entitled to receive any loans or financial assistance from the Fund. No entitlement from the Fund or any assets of the Fund may be used as security for a borrowing from another source.

11. **Taxation**

The following information is provided in reference to taxation matters. For further information you should consult your appropriate professional financial adviser.

(i) **Deductible Contributions**

Contributions made by all Employers or by self-employed persons to the Fund will be taxable in the hands of the Trustee at the rate of 15%. Employees are not entitled to income tax deductions for any of their personal contributions and these contributions are not taxable in the hands of the Trustee. Self-employed persons may be entitled to claim an income tax deduction for their contributions and should lodge a Section 82AAT Notice with the Fund. Personal contributions for which a tax deduction has been claimed will be taxable in the hands of the Trustee at the rate of 15%.

(ii) **Surcharge on High Incomes**

From 1 July 2005, the surcharge will be no more. From that date any surchargeable super contributions made or received or employer termination payments cashed or rolled over will be surcharge-free.

(iii) **Low Income Spouse Rebate**

An income tax rebate of up to \$ 540 per annum is available to a person who makes a superannuation contribution to a complying superannuation fund on behalf of a low or no income spouse. The rebate is calculated as 18% of superannuation contributions up to a maximum of \$ 3,000. Certain conditions do apply: the contributions must be made from after tax income and the spouses assessable income must be less than \$ 13,800.

12. **Information Provided**

The information provided in this Notice is for your guidance only. In the event of any conflict between this Notice and the Trust Deed then the Trust Deed shall prevail. Other Fund information is available on request.



Signed for and on behalf of the Trustee
Joshua Douglas McKain

Dated: 31 August 2015

JK McKain Super Fund Pty Ltd as trustee for JK McKain SMSF

Notice to New Member

(Pursuant to Division 2.3, *Superannuation Industry (Supervision Regulations)*)

To: Kathleen May McKain

MEMBERSHIP OF JK McKain SMSF

Welcome to membership of the superannuation fund ("the Fund"). The following information is provided to you pursuant to the *Superannuation Industry (Supervision Regulations)*.

1. The Fund

The Fund is a 'regulated' fund under the *Superannuation Industry (Supervision) Act 1993* ("SIS") and its primary purpose is to provide such retirement, disablement and death benefits to its members as determined by the Trustee in accordance with SIS and the Trust Deed. The Fund meets the definition, and shall continue to meet the definition, of a 'self-managed superannuation fund' in that it meets the following conditions:-

- a. it has less than 5 Members;
- b. each individual trustee of the Fund is a Member of the Fund;
- c. each Member of the Fund is a trustee;
- d. no Member of the Fund is an employee of another Member of the Fund, unless those Members are related; and
- e. no trustee of the Fund receives any remuneration for his or her services as a trustee.

Where the trustee of the Fund is a company (a corporate trustee), then the following conditions apply:-

- a. each director of the company is a Member of the Fund;
- b. each Member of the Fund is a director of the company.

2. Trustee

To be appointed as an Individual Trustee, you would be a 'disqualified person' under SIS and the law if:-

- a. at any time, you were convicted of an offence involving dishonesty, or
- b. at any time, you have been subject to a civil penalty order under SIS legislation, or
- c. you are an insolvent under administration (e.g. an undischarged bankrupt), or
- d. you are less than 18 years of age

To act as a director of the corporate trustee, then you must not be a disqualified person.

3. **Trust Deed**

The Fund is governed by its Trust Deed. The Trust Deed sets out the rules for the management of the Fund, its investments and benefits, and a copy of the Trust Deed may be inspected at the office of the Trustee at any time.

The Trust Deed may be varied or amended as provided for in the Trust Deed. No variation can reduce the accrued benefits of a Member without the consent of that Member except in circumstances where the reduction is required to enable the Fund to comply with statutory requirements.

4. **Trustee**

The Trust Deed sets out the mechanism for the appointment and removal of the Trustee. Statutory requirements oblige the Trustee to administer the Fund in accordance with standards prescribed under the *Superannuation Industry (Supervision) Act 1993*.

The term 'Trustee' as used in this notice applies to either Individual Trustees or a corporate trustee as the case may be.

5. **Concessional Contributions**

You and your employer (where applicable) are entitled to make contributions to the Fund however the amount of concessional contributions is subject to a limit please seek current limitations at www.ato.gov.au or please contact your financial advisor.

Non Concessional Contributions

The non-concessional contributions cap will remain at \$150,000 for the 2009/10 financial year and will only increase when the new lower \$25,000 concessional cap is increased by indexation. Going forward, the non-concessional contributions cap will be calculated as six times the level of the (indexed) concessional contributions cap. It is expected that the bring-forward provisions will continue to allow eligible individuals to make non-concessional contributions of up to \$450,000 over a three year period.

The non-concessional contributions cap will remain at \$150,000 for the 2009/10 financial year and will only increase when the new lower \$25,000 concessional cap is increased by indexation. Going forward, the non-concessional contributions cap will be calculated as six times the level of the (indexed) concessional contributions cap. It is expected that the bring-forward provisions will continue to allow eligible individuals to make non-concessional contributions of up to \$450,000 over a three year period.

Contributions received will be credited to your Member Accumulation Account. This Fund is conducted as an allocated accumulation fund which means that the total amount of your Accumulation Account will ultimately form the basis of your benefit entitlement in the Fund.

At the sole discretion of the Trustee, a spouse of a Member can be admitted as a Member of the Fund whether or not that spouse is gainfully employed. Members wishing to utilise this option should contact the Trustee to discuss the taxation and other legal implications involved.

6. **Membership Classification**

The Trust Deed provides the Trustee with the option to create different classes of Membership reflecting different levels of vesting of employer-funded benefits. However, in the absence of any such election, all Members shall be regarded as holding "B" Class Membership with all employer-funded benefits vesting in the Member.

7. **Benefits**

Your benefit entitlement in the Fund will be represented by the total amount held in your Accumulation Account. Your Accumulation Account will comprise all contributions and rollover payments credited to the Accumulation Account plus income on those amounts less your share of expenses and taxation referable to your entitlement in the Fund.

Where the Trustee of the Fund is comprised of Individual Trustees or, where the Trustee of the Fund is a corporate Trustee and has elected, under Part D of the Trust Deed to provide retirement benefits by way of an old-age pension, the whole or part of your benefit entitlement will be paid by way of an income stream.

The income stream can be provided by payment of an allocated pension, life pension or life expectancy pension, or by the Trustee purchasing an annuity of these types outside the Fund for the Member.

The Trust Deed does provide for the commutation of a pension to a lump sum or a number of lump sums.

Certain rules apply to the payment of pensions and, in some instances, require actuarial assessment. The commutation of a pension, and/or the selection of pension options should be discussed with the Trustee and your professional financial advisers prior to exercising any options.

Benefits are payable as follows:-

(a) **Retirement (normally age 65)**

(b) **Total and Permanent Disablement**

The benefits payable in respect of total and permanent disablement are the same as those payable on retirement and will include the amount received by the Trustee from an assurance policy (if any) effected in relation to a Member which is received as a result of the total and permanent disablement of the Member.

(c) **Temporary Total Disablement**

If the Trustee has effected an insurance policy and you qualify within the terms of that policy for temporary disablement, then you will be entitled to the amount payable under that policy as an income benefit.

(d) **Early Retirement**

The benefits are determined pursuant to the Trust Deed and may be in the form of a lump sum or as an income stream.

(e) **Death**

In the event of the death of a Member prior to normal retirement age the Trustee shall pay to the Dependents or the Legal Representative or both of the Member both the full amount standing to the credit of the Member's Accumulation Account, and the amount received by the Trustee under any assurance policy as a result of the death of the Member. The amount may be paid as a lump sum or as an income stream or as both and shall be determined by the Trustee.

8. **Preserved Benefits**

It is a Government requirement that certain benefits be preserved until a Member retires from the workplace on or after the age of 55 years or in such other acceptable earlier circumstances. You can discuss the payment of "non-preserved benefits" and acceptable earlier circumstances with the Trustee.

9. **Investments**

The Trustee will establish, or has established, an investment strategy in relation to the investment of the Fund assets. As an Individual Trustee of the Fund, or as a director of the corporate trustee (as the case may be) you will be involved in the development of the investment strategy and the investment of the assets of the Fund.

10. **Loans**

The Members of the Fund are not entitled to receive any loans or financial assistance from the Fund. No entitlement from the Fund or any assets of the Fund may be used as security for a borrowing from another source.

11. **Taxation**

The following information is provided in reference to taxation matters. For further information you should consult your appropriate professional financial adviser.

(i) **Deductible Contributions**

Contributions made by all Employers or by self-employed persons to the Fund will be taxable in the hands of the Trustee at the rate of 15%. Employees are not entitled to income tax deductions for any of their personal contributions and these contributions are not taxable in the hands of the Trustee. Self-employed persons may be entitled to claim an income tax deduction for their contributions and should lodge a Section 82AAT Notice with the Fund. Personal contributions for which a tax deduction has been claimed will be taxable in the hands of the Trustee at the rate of 15%.

(ii) **Surcharge on High Incomes**

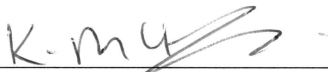
From 1 July 2005, the surcharge will be no more. From that date any surchargeable super contributions made or received or employer termination payments cashed or rolled over will be surcharge-free.

(iii) **Low Income Spouse Rebate**

An income tax rebate of up to \$ 540 per annum is available to a person who makes a superannuation contribution to a complying superannuation fund on behalf of a low or no income spouse. The rebate is calculated as 18% of superannuation contributions up to a maximum of \$ 3,000. Certain conditions do apply: the contributions must be made from after tax income and the spouses assessable income must be less than \$ 13,800.

12. **Information Provided**

The information provided in this Notice is for your guidance only. In the event of any conflict between this Notice and the Trust Deed then the Trust Deed shall prevail. Other Fund information is available on request.



Signed for and on behalf of the Trustee
Kathleen May McKain

Dated: 31 August 2015

THE SECOND SCHEDULE

APPLICATION FOR MEMBERSHIP
JK McKain SMSF

TO: The Trustee(s)
JK McKain Super Fund Pty Ltd

PART A - APPLICATION

I, Kathleen May McKain the undersigned person, being eligible hereby apply for admission to membership of the Superannuation Fund. I agree and undertake as follows:

1. To be bound by the Trust Deed, including any amendments thereto.
2. I will upon request make full disclosure in writing of any information required by the Trustee in respect of my membership of the Fund including my medical condition.
3. I understand the terms and conditions of the Trust Deed.
4. I have read and understand the prescribed information relating to the collection of Tax File Numbers by the trustees of superannuation funds, and attach a completed ATO Individual Tax File Number Notification form.
5. I understand that as a Member of the Fund that I am required to act as an Individual Trustee of the Fund, or where the Trustee is a Constitutional Corporation ("the corporate trustee company") that I am required to be a Director of that corporate trustee company. I hereby, subject to my acceptance as a Member of the Fund, consent to act as an Individual Trustee or as a Director of the corporate trustee company and state that I am not disqualified from such appointment.
6. I understand my responsibilities and duties as a Trustee of the Fund pursuant to the *Superannuation Industry (Supervision) Act 1993* and related legislation, and, in the instance where I am a Director of the corporate trustee company, my responsibilities and duties pursuant to the *Corporations Act*.

Name: Kathleen May McKain

Address: 31 McKenzie Avenue
NARANGBA QLD 4504

Occupation: Public Servant

Date of Birth: 17/02/1980

Place of Birth: Penrith, Australia

Signature:  **Dated: 31 August 2015**

PART B - NOMINATED DEPENDANT(S) and PART C - DEATH BENEFIT NOTICE

BINDING DEATH BENEFIT NOMINATION FORM

[For the purposes of the definition of "Nominated Dependant" in Clause 4 and Sub-Clause 33(1)(b) of the trust deed for the Fund]

To the Trustees of the JK McKain SMSF

I, Kathleen May McKain of 31 McKenzie Avenue
NARANGBA QLD 4504 as a member of the above fund, direct you to pay my death benefit to the following Nominated Dependant in the proportions as shown:

Name of Nominated Dependent	Relationship to Me	Percentage of Benefit
<u>Joshua McKain</u>	<u>Husband</u>	<u>100</u> %

Name of Nominated Dependent	Relationship to Me	Percentage of Benefit
_____	_____	_____ %

I understand that:

1. I can amend or revoke this Nomination at any time by providing a new nomination.
2. Unless amended or revoked earlier, this nomination is binding on the trustees for a period of three (3) years from the date this nomination is signed.
Or
I understand that this nomination will not lapse unless I amend or revoke it.
(cross out whichever is applicable)
3. If the total proportion of my benefit nominated above does not equal my entire benefit then I understand that the trustee shall have discretion as to where the remaining proportion of my benefit shall be paid.
4. I understand that if I have not completed this nomination correctly then it may be invalid and that the trustee may then have a discretion as to where my benefit is paid.

I acknowledge that I have been provided with the necessary information to enable me to make an informed nomination and I fully understand the effect of this nomination.

Signed: K. McKain Date: 31 August 2015

Witness: (This nomination must be signed by 2 witnesses over the age of 18 and not named as beneficiaries)

We declare that:

- This Nomination was signed by the member in our presence
- We are aged 18 years or older
- We are not named as beneficiaries in this nomination.

Name: Sam Kelly Name: DARREN NACKER

Sign: [Signature] Sign: [Signature]

Date: 31 August 2015

Date: 31 August 2015

THE SECOND SCHEDULE

**APPLICATION FOR MEMBERSHIP OF
JK McKain SMSF**

TO: The Trustee(s)
JK McKain Super Fund Pty Ltd
PART A - APPLICATION

I, Joshua Douglas McKain the undersigned person, being eligible hereby apply for admission to membership of the Superannuation Fund. I agree and undertake as follows:

1. To be bound by the Trust Deed, including any amendments thereto.
2. I will upon request make full disclosure in writing of any information required by the Trustee in respect of my membership of the Fund including my medical condition.
3. I understand the terms and conditions of the Trust Deed.
4. I have read and understand the prescribed information relating to the collection of Tax File Numbers by the trustees of superannuation funds, and attach a completed ATO Individual Tax File Number Notification form.
5. I understand that as a Member of the Fund that I am required to act as an Individual Trustee of the Fund, or where the Trustee is a Constitutional Corporation ("the corporate trustee company") that I am required to be a Director of that corporate trustee company. I hereby, subject to my acceptance as a Member of the Fund, consent to act as an Individual Trustee or as a Director of the corporate trustee company and state that I am not disqualified from such appointment.
6. I understand my responsibilities and duties as a Trustee of the Fund pursuant to the *Superannuation Industry (Supervision) Act 1993* and related legislation, and, in the instance where I am a Director of the corporate trustee company, my responsibilities and duties pursuant to the *Corporations Act*.

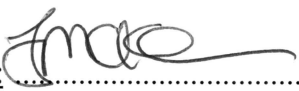
Name: Joshua Douglas McKain

Address: 31 McKenzie Avenue
NARANGBA QLD 4504

Occupation: Tradelink Manager

Date of Birth: 30/10/1982

Place of Birth: Auckland, New Zealand

Signature:  **Dated: 31 August 2015**

PART B - NOMINATED DEPENDANT(S) AND PART C DEATH BENEFIT NOTICE

BINDING DEATH BENEFIT NOMINATION FORM

[For the purposes of the definition of "Nominated Dependant" in Clause 4 and Sub-Clause 33(1)(b) of the trust deed for the Fund]

To the Trustees of the JK McKain SMSF

I, Joshua Douglas McKain of 31 McKenzie Avenue
NARANGBA QLD 4504 as a member of the above fund, direct you to pay my death
benefit to the following Nominated Dependant in the proportions as shown:


Name of Nominated Dependent	Relationship to Me	Percentage of Benefit
<u>Kathleen McKain</u>	<u>Wife</u>	<u>100</u> %

Name of Nominated Dependent	Relationship to Me	Percentage of Benefit
_____	_____	_____ %

I understand that:

1. I can amend or revoke this Nomination at any time by providing a new nomination.
2. Unless amended or revoked earlier, this nomination is binding on the trustees for a period of three (3) years from the date this nomination is signed.
Or
I understand that this nomination will not lapse unless I amend or revoke it.
(cross out whichever is applicable)
3. If the total proportion of my benefit nominated above does not equal my entire benefit then I understand that the trustee shall have discretion as to where the remaining proportion of my benefit shall be paid.
4. I understand that if I have not completed this nomination correctly then it may be invalid and that the trustee may then have a discretion as to where my benefit is paid.


I acknowledge that I have been provided with the necessary information to enable me to make an informed nomination and I fully understand the effect of this nomination.


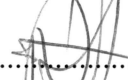
Signed:  Date: 31 August 2015

Witness: (This nomination must be signed by 2 witnesses over the age of 18 and not named as beneficiaries)

We declare that:

- This Nomination was signed by the member in our presence
- We are aged 18 years or older
- We are not named as beneficiaries in this nomination.

Name:  Name: DARREN NAICKER

Sign:  Sign: 

Date: 31 August 2015

Date: 31 August 2015

REGISTER OF MEMBERS

JK McKain SMSF

<i>Name & Address of Member</i>	<i>Date of Admission:</i>	<i>Date of Birth:</i>
Joshua Douglas McKain of 31 McKenzie Avenue NARANGBA QLD 4504	31/08/2015	30/10/1982
Kathleen May McKain of 31 McKenzie Avenue NARANGBA QLD 4504	31/08/2015	17/02/1980