

Application for Membership

Name of Fund: Norman Cairns Trust Fund

Member's Name: Kenning, Janet Cairns

(Minor's Name if on behalf of minor)

Address:

92 Osbourne Drive

Burpengary QLD 4505

Date of Birth: 10/12/1947

Occupation:

Telephone:

Fax:

Tax File Number:

Contributing Employer(s):

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.

(Delete if inapplicable)

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).

JK
Signed:



Dated: 20 - 10 - 2011

TRUSTEE INFORMATION MEMORANDUM TO MEMBERS

Binding Death Benefit Nomination

Binding Death Benefit Nomination in accordance with the SIS Act 1993

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 Legal Personal Representative (that is, to the executor of your will or the administrator granted letters of administration of your estate if you do not leave a will) 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 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 (see "Trustee Information Memorandum to Members – Indicative Non-Binding Death Benefit Nomination") or you can give a binding direction to the Trustee by completing the direction in this Nomination or you can give a non-lapsing binding nomination under paragraph 25.5 of the Governing Rules of the Fund (see "Trustee Information Memorandum to Members – Non-Lapsing Binding Nomination").

Important Points about Binding Nominations

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 Legal Personal Representative (that is, to the executor of your will or the administrator granted letters of administration of your estate if you do not leave a will) 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.

8. In order for the Binding Nomination to be valid, it must be fully completed.

Please ensure the Nomination, Member Declaration and Witness Declaration are completed.

Please ensure that the beneficiaries named in this Nomination are 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.

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

10. If your estate i.e. your Legal Personal Representative is to be paid a benefit, the death benefit will form part of your estate and will be distributed as part of your estate in accordance with your will, however, if you do not have a valid will on the date of your death, distribution of your estate will be in accordance with the laws of intestacy. The Court has power in some instances to, in effect, alter your will and the persons who might otherwise be entitled as beneficiaries of your estate. You should seek legal advice in this regard.

Binding Death Benefit Nomination

Name of Fund:

Member's Name:

(Minor's Name if on behalf of minor)

Address:

Date of Birth:

Occupation:

Telephone:

Fax:

1. 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 Trustee Information Memorandum to Members – Binding Death Benefit Nomination.

Name	Relationship	DOB	Gender	Proportion of Death Benefit
	<input type="checkbox"/> Spouse			
	<input type="checkbox"/> Child			
	<input type="checkbox"/> Interdependency relationship			
	<input type="checkbox"/> Other dependant			
	<input type="checkbox"/> Legal Personal representative (your estate)			

Name	Relationship	DOB	Gender	Proportion of Death Benefit
	<input type="checkbox"/> Spouse			
	<input type="checkbox"/> Child			
	<input type="checkbox"/> Interdependency relationship			
	<input type="checkbox"/> Other dependant			
	<input type="checkbox"/> Legal Personal representative (your estate)			

Name	Relationship	DOB	Gender	Proportion of Death Benefit
	<input type="checkbox"/> Spouse			
	<input type="checkbox"/> Child			
	<input type="checkbox"/> Interdependency relationship			
	<input type="checkbox"/> Other dependant			
	<input type="checkbox"/> Legal Personal representative (your estate)			

Name	Relationship	DOB	Gender	Proportion of Death Benefit
	<input type="checkbox"/> Spouse			
	<input type="checkbox"/> Child			
	<input type="checkbox"/> Interdependency relationship			
	<input type="checkbox"/> Other dependant			
	<input type="checkbox"/> Legal Personal representative (your estate)			

Name	Relationship	DOB	Gender	Proportion of Death Benefit
	<input type="checkbox"/> Spouse			
	<input type="checkbox"/> Child			
	<input type="checkbox"/> Interdependency relationship			
	<input type="checkbox"/> Other dependant			
	<input type="checkbox"/> Legal Personal representative (your estate)			

Member Declaration

I, the Member named above, direct the Trustee(s) of the Fund to pay my death benefit to the above person(s) 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(s) 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 or my Legal Personal Representative (that is, the executor of my will or the administrator granted letters of administration of my estate if I do not leave a

will), 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:

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 Witness:

Date:

Print Name of Witness:

Witness Date of Birth:

Signature of Witness:

Date:

Print Name of Witness:

Witness Date of Birth:

TRUSTEE INFORMATION MEMORANDUM TO MEMBERS

Indicative Non-Binding Death Benefit Nomination

Indicative Non-Binding Death Benefit Nomination

You may 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 by completing the direction in this Nomination, or you can give a binding direction to the Trustee (see "Trustee Information Memorandum to Members – Binding Death Benefit Nomination") or you can give a non-lapsing binding nomination under paragraph 25.5 of the Governing Rules of the Fund (see "Trustee Information Memorandum to Members – Non-Lapsing Binding Nomination").

Important Points about Indicative Non-Binding Nominations

1. This Nomination Notice is not binding. The Trustees will take it into account in the event that a benefit is paid from the Fund on your death. However the Trustees have complete discretion as to which of your dependants and/or Legal Personal Representative (that is, to the executor of your will or the administrator granted letters of administration of your estate if you do not leave a will) may receive the benefit and in what proportion. If there are no dependants or Legal Personal Representative, the benefit may be payable to a person(s) or your estate as determined by the Trustees.
2. The beneficiaries named in this Notice must be dependants and/or your Legal Representative.
3. 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.

4. 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.

5. If your estate i.e. your Legal Personal Representative is to be paid a benefit, the death benefit will form part of your estate and will be distributed as part of your estate in accordance with your will, however, if you do not have a valid will on the date of your death, distribution of your estate will be in accordance with the laws of intestacy. The Court has power in some instances to, in effect, alter your will and the persons who might otherwise be entitled as beneficiaries of your estate. You should seek legal advice in this regard.

Indicative Non-Binding Death Benefit Nomination

Name of Fund:

Member's Name:

(Minor's Name if on behalf of minor)

Address:

Date of Birth:

Occupation:

Telephone:

Fax:

Nomination

Name	Relationship	DOB	Gender	Proportion of Death Benefit
	<input type="checkbox"/> Spouse			
	<input type="checkbox"/> Child			
	<input type="checkbox"/> Interdependency relationship			
	<input type="checkbox"/> Other dependant			
	<input type="checkbox"/> Legal Personal representative (your estate)			

Name	Relationship	DOB	Gender	Proportion of Death Benefit
	<input type="checkbox"/> Spouse			
	<input type="checkbox"/> Child			
	<input type="checkbox"/> Interdependency relationship			
	<input type="checkbox"/> Other dependant			
	<input type="checkbox"/> Legal Personal representative (your estate)			

Name	Relationship	DOB	Gender	Proportion of Death Benefit
	<input type="checkbox"/> Spouse			
	<input type="checkbox"/> Child			
	<input type="checkbox"/> Interdependency relationship			
	<input type="checkbox"/> Other dependant			

**Legal Personal
representative (your
estate)**

Name	Relationship	DOB	Gender	Proportion of Death Benefit
	<input type="checkbox"/> Spouse			
	<input type="checkbox"/> Child			
	<input type="checkbox"/> Interdependency relationship			
	<input type="checkbox"/> Other dependant			
	<input type="checkbox"/> Legal Personal representative (your estate)			

Name	Relationship	DOB	Gender	Proportion of Death Benefit
	<input type="checkbox"/> Spouse			
	<input type="checkbox"/> Child			
	<input type="checkbox"/> Interdependency relationship			
	<input type="checkbox"/> Other dependant			
	<input type="checkbox"/> Legal Personal representative (your estate)			

Member Declaration

I, the Member named above, request the Trustee of the Fund to pay my death benefit to the above person(s) 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:

TRUSTEE INFORMATION MEMORANDUM TO MEMBERS

Non-Lapsing Binding Death Benefit Nomination

Non-Lapsing Binding Death Benefit Nomination

You may 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 (see "Trustee Information Memorandum to Members – Indicative Non-Binding Death Benefit Nomination") or you can give a binding direction to the Trustee (see "Trustee Information Memorandum to Members – Binding Death Benefit Nomination") or you can give a non-lapsing binding nomination under paragraph 25.5 of the Governing Rules by completing the direction in this Nomination.

Important Points about Non-Lapsing Binding Death Benefit Nominations

1. This Memorandum refers to a Non-Lapsing Binding Death Benefit Nomination under paragraph 25.5 of the Governing Rules of the Fund.

2. Paragraph 25.5 of the Governing Rules of the Fund says:

25.5 Non-lapsing death benefit nomination - Death Benefit requested rule:

If the Trustees are given a written notice by a Member requesting that benefits be paid following the death of that Member to a person or persons or other permitted payees then the Trustees must:

- (a) by written resolution, accept the terms of the Member's notice; or
- (b) give written notice to the Member of a proposed rule in respect of the death benefit specifying the terms thereof in accordance with the Member's request

AND on the date of that resolution referred to in (a) or the date of the written acceptance by the Member of the death benefit rule referred to in (b), the Trustees are bound by those terms unless and until that Member and the Trustees otherwise in writing agree or until a later binding nomination in accordance with the SIS Act is given to the Trustees or a later non-lapsing nomination is given effect under (a) or (b).

3. 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 Personal Representative (that is, the executor of your will or the administrator granted letters of administration of your estate if you do not leave a will). 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.

4. 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.

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

6. If your estate i.e. your Legal Personal Representative, is to be paid a benefit, the death benefit will form part of your estate and will be distributed as part of your estate in accordance with your will, however, if you do not have a valid will on the date of your death, distribution of your estate will be in accordance with the laws of intestacy. The Court has power in some instances to, in effect, alter your will and the persons who might otherwise be entitled as beneficiaries of your estate. You should seek legal advice in this regard.

Non-Lapsing Binding Death Benefit Nomination (Paragraph 25.5)

Name of Fund:

Member's Name:

(Minor's Name if on behalf of minor)

Address:

Date of Birth:

Occupation:

Telephone:

Fax:

1. 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.

Name	Relationship	DOB	Gender	Proportion of Death Benefit
	() Spouse			
	() Child			
	() Interdependency relationship			
	() Other dependant			
	() Legal Personal representative (your estate)			

Name	Relationship	DOB	Gender	Proportion of Death Benefit
	() Spouse			
	() Child			
	() Interdependency relationship			
	() Other dependant			
	() Legal Personal representative (your estate)			

Name	Relationship	DOB	Gender	Proportion of Death Benefit
	<input type="checkbox"/> Spouse			
	<input type="checkbox"/> Child			
	<input type="checkbox"/> Interdependency relationship			
	<input type="checkbox"/> Other dependant			
	<input type="checkbox"/> Legal Personal representative (your estate)			

Name	Relationship	DOB	Gender	Proportion of Death Benefit
	<input type="checkbox"/> Spouse			
	<input type="checkbox"/> Child			
	<input type="checkbox"/> Interdependency relationship			
	<input type="checkbox"/> Other dependant			
	<input type="checkbox"/> Legal Personal representative (your estate)			

Member Declaration

I, the Member named above, direct the Trustee(s) of the Fund to pay my death benefit to the above person(s) in the proportions shown.

I understand that this Nomination is a non-lapsing binding nomination under paragraph 25.5 of the Governing Rules of the Fund.

This Notice revokes any previous notice supplied to the Trustee of the Fund with regard to the nomination of death benefits.

Signature of Member:

Date:

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 Witness:
Print Name of Witness:
Witness Date of Birth:

Date:

Signature of Witness:
Print Name of Witness:
Witness Date of Birth:

Date:

Product Disclosure Statement

Norman Cairns Trust 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: Kenning, Janet Cairns

Address of Member:

92 Osbourne Drive
Burpengary QLD 4505

Contact Details of Member:

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

Norman Cairns Pty Ltd
A.C.N. 153 548 380
92 Osbourne Drv
Burpengary QLD 4505

PRODUCT DISCLOSURE STATEMENT (PDS)

Requirement for a PDS

The requirement to provide a PDS is found in the *Corporations Act 2001* (Cth). Generally, under superannuation law, each Member will be a Trustee or each Member will be a director of a corporate Trustee. The Trustee has the obligation to provide a PDS and the Member is to receive the PDS. There is an exemption in the case of a self managed superannuation fund if the Trustee (or its directors in the case of a corporate Trustee) believes, on reasonable grounds, that you as a prospective Member, for example, joining the Fund have received all of the information that the PDS should contain, or that you have and are known by the Trustee to have access to all that information.

The Trustee can give you the PDS after you join the Fund, if you join when the Fund is first established and in this case it is to be given to you as soon as practicable and in any event within 3 months after you join the Fund.

This PDS provides key information to Members of a newly established self managed superannuation fund and to Members where the Governing Rules (the Governing Rules are the provisions contained in the Trust Deed establishing the Fund and any amendments to it. A copy is available from the Trustees) are amended provided that matters required to be disclosed in the PDS or the information in it has not changed and the amendment has not required a change to the information in this PDS. If the fund has received contributions then this PDS must have attached to it further information concerning the investments of the Fund and its investment strategy. Please see later in this PDS in this regard. A PDS must be provided by the Trustee to you at other times, for example when a pension benefit is paid to you. These are matters on which the Trustees must obtain professional advice. Additional information should be provided and attached to this PDS in that event.

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

This PDS 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.

Superannuation Generally

Superannuation provides you with income for your retirement. Superannuation funds with more than one Member pool contributions and invest them for the benefit of the Members.

Tax concessions apply to contributions to superannuation funds which 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 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 or if they are entitled to a transition to retirement pension. This means that you should only invest in superannuation money you can afford to put away until later.

Information about Benefits

Your Member's Benefit is the amount of contributions credited to your Member's 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.

You can generally take your benefits once you reach preservation age and retired. In addition, once you are aged 65 or more, you can take your superannuation even if you have not retired. Your preservation age can be determined by reading this PDS under the heading "Preservation of Benefits".

If you are aged 55 or over, you can reduce your working hours without reducing your income by taking some of your superannuation as a pension. 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' pension, 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.

If you become totally and permanently disabled your Member's Benefit will be paid subject to Superannuation law. 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. See later in this PDS for more information about Benefits.

Preservation of Benefits

The Federal Government restricts when you can access most of your superannuation. In general, access to your superannuation will depend upon the 'preservation' classification that applies.

Preserved and non-preserved benefits

All contributions made by or on behalf of a Member and all earnings for the period 30 June 1999, are preserved benefits. Employer eligible termination payments (before 1 July 2007) rolled over into the Fund are also preserved benefits.

Preserved benefits may be cashed voluntarily only if a condition of release is met and then subject to any cashing restrictions imposed by the superannuation laws. Cashing restrictions tell you what form the benefits need to be taken in.

There are 2 other types of benefits:

Restricted non-preserved benefits – these can't be cashed until the Member meets a condition of release. They are generally subject to the same cashing restrictions as preserved benefits.

Unrestricted non-preserved benefits - these don't require a condition of release to be met, and may be paid upon demand by the Member. They include, for example, benefits for which a Member has previously satisfied a condition of release and decided to keep the money in the superannuation fund.

Preserved Benefits

All contributions (including those you make) and earnings paid or accruing from 1 July 1999 are preserved. New employer eligible termination payments are also fully preserved. See below - Conditions of release.

Preservation of benefits is complex and the Government may change the rules from time to time and you should speak to the Trustees or obtain professional advice.

Preserved benefits can generally only be paid on taking advantage of a transition to retirement strategy; permanent retirement at or after your preservation age; reaching age 65; satisfying the compassionate grounds tests; meeting the financial hardship requirements; death; suffering total and permanent disability; permanent departure from Australia if you are an eligible temporary resident; satisfying any other condition for release specified in the superannuation law. See later in this PDS.

Your preservation age is worked out from the table 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

Conditions of release

These are the events you need to satisfy to withdraw benefits. The most common conditions of release for paying out benefits are:

Retirement: Actual retirement depends on your age and, for those less than 60 years of age, their future employment intentions. A retired Member can't access their preserved benefits before they reach their preservation age.

Transition to retirement: (attaining preservation age). Members who are under the age of 65 and have reached preservation age, but remain gainfully employed on a full-time or part-time basis, may access their benefits as a non-commutable income stream.

Attaining age 65: When you reach age 65 you may cash your benefits at any time. There are no cashing restrictions. (It's not compulsory to cash benefits simply because you have reached a certain age).

There are other circumstances when benefits can be released to you. For example, the Trustees may pay you or your dependants a benefit if you meet a condition of release in the event of compassionate grounds, severe financial hardship, temporary incapacity, permanent incapacity or death. Some of these permit early access to benefits before reaching preservation age. There are specific rules for each of these and some have restrictions on the way the benefits can be cashed.

Compassionate grounds: You can apply to the Australian Prudential Regulation Authority (APRA) for a release under compassionate grounds. There is more information on the APRA website, look for the document "Superannuation – Release of Benefits – Early release of Superannuation Benefits – Information for Applicants".

You may be granted a release on compassionate grounds to pay for medical treatment or medical transport for you or a dependant of yours, to make a payment on a loan to prevent you from losing your house, to modify your home or vehicle to accommodate the special needs of yourself or a dependant as a result of a severe disability or to pay for expenses associated with a death, funeral or burial.

The amount the Trustee can pay is limited to what is reasonably required or, in the case of the payment of a loan in relation to your house, an amount equal to or less than three months' repayments or twelve months' interest on the outstanding balance. Application must be made to APRA.

Severe financial hardship: To be eligible for this condition of release, you must have received Commonwealth income-support payments continuously for 26 weeks and be unable to meet reasonable and immediate family living expenses.

Only one lump-sum payment can be made in any 12 month period. The minimum amount that can be paid is \$1,000 (unless your superannuation interest is less than this amount) and the maximum amount is \$10,000.

You will need to approach your superannuation fund for further information about your eligibility for this condition of release.

Temporary incapacity: You may be eligible to receive a benefit if you have temporarily ceased to be gainfully employed due to physical or mental ill-health, but are not permanently incapacitated.

You do not need to have fully ceased working, but you will generally not be eligible if you are receiving sick leave benefits.

The benefit must be paid as a non-commutable income stream – that is, as regular payments.

You will need to approach your superannuation fund for further information about your eligibility for the condition of release.

Permanent incapacity: You may be eligible to receive all your benefits if you are permanently incapacitated. Permanent incapacity means that you are unlikely, because of ill-health (whether physical or mental) to ever engage in gainful employment of the type for which you are reasonably qualified by education, training or experience. At least two medical practitioners will need to certify this. You will need to approach your superannuation fund for further information about your eligibility for this condition of release.

Death: The Trustees may pay your Member's benefit on your death. Your legal personal representative should contact the Trustees in that event.

Rollovers and transfers: Generally, rollovers or transfers to superannuation funds don't require a condition of release to be satisfied. However, money rolled over from an employer into a superannuation fund (before 1 July 2007) is preserved and can generally be cashed once the Member reaches preservation age and meets a condition of release.

Nominations - Death Benefits

You may elect that the Trustees exercise their discretion to decide who is to be paid your death benefit. If you do not give the Trustees any direction at all then the Trustees will decide this. However you can give the Trustees an Indicative Non-Binding Nomination (see "Trustee Information Memorandum to Members – Indicative Non-Binding Death Benefit Nomination"), or you can give a Binding Death Benefit Nomination to the Trustees (see "Trustee Information Memorandum to Members – Binding Death Benefit Nomination") or you can give a Non-Lapsing Binding Nomination under the Governing Rules (see "Trustee Information Memorandum to Members – Non-Lapsing Binding Nomination"). These are available from the Trustees.

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 (i.e. your executor being 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) in your binding nomination and your brother or sister in your will.

Your dependant 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.

The provisions of the *Superannuation (Industry) Supervision Act 1993* (SIS Act) and regulations regarding Binding Death Benefit Nominations do not apply to self-managed superannuation funds. However, you may still make a Binding Death Benefit Nomination under the Governing Rules of the Fund, in the same way a Binding Death Benefit Nomination would be made under the SIS Act. If you want the Trustees to pay your benefit on your death to the people you chose by making a Binding Death Benefit Nomination 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.

If you have a valid binding or non-lapsing binding death benefit nomination at the time of your death the Trustees will follow it even if your circumstances have changed. You should therefore review as your circumstances change or those of the nominated beneficiaries.

If you do not make a binding nomination or if a nomination is invalid or if you make an Indicative Non-Binding Nomination, the Trustees will choose who to pay your benefit to. In this event 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.

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

PENSIONS

Federal Government "Simplified Superannuation" reforms altered the number and type of pensions that could be paid by superannuation funds. The Trustees must give Members a separate PDS for their pension before it commences. You should seek professional advice before asking the Trustees to commence paying you a pension.

Pensions that commenced before 1 July 2007

Pensions that commenced before 1 July 2007, the Trustees may continue to pay them under the pension payment standards that operated before that date unless the pension is an allocated pension.

Pensions that commenced between 1 July and 19 September 2007

Pensions that commenced between 1 July 2007 and 19 September 2007 may continue to be paid under the previous standards or the new standards.

Pensions that commenced after 19 September 2007

All pensions commencing after 19 September 2007 must meet the minimum pension standards that were introduced with the Simplified Superannuation reforms and these require that the pensions must satisfy all of the following requirements:

1. The pension must be account-based, except in limited circumstances.
2. A minimum amount must be paid at least annually. See later in this PDS.
3. The capital supporting the pension cannot be increased using contributions or rollover amounts once the pension has started.
4. The pension can be transferred only if a Member dies, to one of their dependants.
5. Neither the capital value of the pension nor the income from it as security can be used for borrowing.
6. Before commuting a pension, a minimum amount must be paid in certain circumstances.

There are no maximum draw down limits for these new pensions (that commenced after 19 September 2007) except for transition to retirement pensions.

See below for further details about these requirements.

Account-based pension

An account-based pension refers to a pension where an account balance is attributable to the Member. That is, the amount supporting the pension is allocated to a separate account for each Member. All newly commenced pensions paid by your fund (post 1 July 2007) will be account-based.

Minimum annual payments for superannuation pensions

Once you start a pension (on or after 1 July 2007), a minimum amount is required to be paid each year. There is no maximum amount other than the balance of your superannuation account. The minimum payment amounts were halved for certain pensions for the 2008-09 and 2009-10 years. The following table shows the minimum percentage factor for each age group. The percentage refers to a percentage of your account balance. (See below).

Age	Minimum % withdrawal (Except FYE June 2010-11 and 2011-12 where the % below is reduced by 50% and 25% respectively)
Under 65	4%
65-74	5%
75-79	6%
80-84	7%
85-89	9%
90-94	11%
95 or more	14%

Account balance means:

- the pension account balance on 1 July in the financial year in which the payment is made, or
- if the pension commences during the financial year - the balance on the commencement day, or
- if the amount of the pension account balance is less than the withdrawal benefit that the Member would be entitled to if the pension was to be fully commuted – the amount of the withdrawal benefit.

Where the pension commences after 1 July, the minimum payment amount for the first year is calculated proportionately to the number of days remaining in the financial year, starting from the commencement day.

That is, you multiply the minimum payment amount by the remaining number of days in the financial year divided by 365 (or 366 in a leap year).

Minimum payment amount = minimum payment amount x remaining number of days /365 (or 366).

If the pension commences on or after 1 June, no minimum payment is required to be made for that financial year.

Certain payments cannot be used to boost a Member's pension

Once a pension has begun to be paid to the Member no further amounts can be added to the capital from which the pension is being paid. This means that the Member's pension account cannot be increased by contributions or rollover amounts however a new pension may be commenced from another part of your Member's account.

Transfer of pension

If a Member dies the pension can only be transferred or paid to another person who is a dependant of the Member, which includes:

- a surviving spouse or de facto spouse
- a child of the deceased who is under 18 years of age
- a child of the deceased aged between 18 years and 25 years of age, who was financially dependent on the deceased
- a child of the deceased aged 18 years of age or over, who has a permanent disability
- any person who relied on the deceased for financial maintenance at the time of their death, or
- any person who lived with the deceased in a close personal relationship where one or both of them provided financial and domestic support and personal care.

Capital value of pension cannot be used as security for borrowings

When applying for loans, Members cannot use the capital value of the pension or the income from it as security for a borrowing.

Minimum payment prior to commutation

If a pension that commenced after 19 September 2007 is to be commuted, at least a minimum amount must be paid from the pension beforehand. The minimum payment(s) must occur in the financial year in which the commutation is to take place. The amount paid must be at least the pro rata of the minimum annual payment amount.

For pensions that commence in the same financial year in which they are commuted, the pro-rata minimum payment amount is calculated based on the number of days from the start date of the pension to the day it is commuted.

Pro-rata minimum payment amount = minimum annual payment amount x days from start of pension to day pension commuted / 365 (or 366)

The requirement to make a minimum payment prior to commutation does not apply in circumstances where the commutation arises on the death of a Member or where the purpose of the commutation is to:

- Pay a superannuation contributions surcharge liability;
- Give effect to a payment split under the family law provisions; or
- Give effect to a client's right to return a financial product under the Corporations Act 2001.

'Commutation' generally means withdrawing some or all of your money as a lump sum. Some retirement pensions do not allow the withdrawal of a lump sum. These are non-commutable pensions.

Transition to retirement pensions

The transition to retirement measure allows Members who have reached their preservation age, to have access to their superannuation benefits without having to retire or leave their job. This allows Members access to their superannuation by drawing down transition to retirement pensions.

Pensions which commenced before 1 July 2007 and that complied with the transition to retirement rules at the time satisfy the new requirements and may continue to be paid under the former rules.

All pensions commencing on or after 1 July 2007 to be paid by the Fund must meet these requirements:

- It must be an account-based pension. This means an account balance must be attributable to the recipient of the pension.

- The payment of a minimum amount to be made at least annually – in the financial year ended 30 June 2009 and 30 June 2010 this is 2% of the account balance where the Member is under age 65. (See infra)
- The total payments made in a financial year must be no more than 10% of the account balance (at the start of each year). This is the maximum amount of pension benefits that can be drawn down each year.
- Restrictions on the commutation of the pension (except in limited circumstances).
- There is no provision made for an amount or percentage to be left over when the pension ceases.
- The pension can be transferred only on the death of the Member to one of their dependants, or cashed as a lump sum to a dependant, non-dependant or the Member's estate.
- The capital value of the pension and the income from it cannot be used as security for borrowing.

Commutation of transition to retirement pensions

If a transition to retirement pension is commuted, the resulting lump sum benefit cannot be taken in cash unless the Member satisfies a condition of release with a 'nil' cashing restriction (for example, retirement) or the purpose of the commutation is to:

- cash an unrestricted non-preserved benefit
- pay a superannuation contributions surcharge liability
- give effect to a payment split under family law, or
- ensure a payment can be made to give effect to a release authority or transitional release authority.

Retirement after commencing a transition to retirement pension

If you retire or qualify for another condition of release with a 'nil' cashing restriction (for example if you have a terminal medical condition or a permanent incapacity) after the commencement of a transition to retirement pension, you have the following options:

- Continue to receive the pension
- Commute the pension to purchase another pension
- Commute the pension and take the resulting lump sum benefit in cash
- Commute the pension and roll it back into superannuation

The options available vary depending on the type of pension that was taken and the time since its commencement. Members should seek professional advice about these options.

CONTRIBUTIONS

There are a number of terms explained:

Concessional Contributions

Concessional contributions are 'before-tax' contributions. Generally, these are employer contributions and personal contributions that you notify your Fund you intend to claim as an income tax deduction. The latter because, for example, you are self employed. You must, for personal contributions, give Notice to the Trustee in the prescribed ATO form and within the prescribed time. Ask your professional adviser for the form and time limits. There are limitations on making and claiming a tax deduction for your own contributions and generally you must not receive more than 10% of your income (including superannuation and other salary sacrificed payments) as an employee from your employer. These contributions are taxed at 15% on receipt by the Trustees.

Concessional contributions cap

Concessional contributions include:

- employer contributions (including contributions made under a salary sacrifice arrangement)
- personal contributions claimed as a tax deduction by a self-employed person.

Income year	Amount of cap
2011-12	\$25,000
2010-11	\$25,000
2009-10	\$25,000
2008-09	\$50,000
2007-08	\$50,000

Transitional arrangement for the concessional contributions cap

Concessional contributions cap for people 50 years old or over:

An increased concessional contributions cap applies until 30 June 2012 for people 50 years old or over. If you were 50 years old or over, the annual cap for the 2007-08 and 2008-09 financial years was \$100,000. If you are 50 years old or over, the annual cap for the 2009-10, 2010-11 and 2011-12 financial years is \$50,000. If you have more than one fund, all concessional contributions made to all your funds are added together and count towards the cap. This cap is not indexed.

The government has announced changes that, if passed by parliament, will permanently increase the concessional contributions cap to \$50,000 for individuals who have total superannuation balances below \$500,000 and are 50 years old or over.

Your employer can claim a tax deduction on superannuation contributions as long as the contributions are required under an industrial award, determination or notional agreement preserving state awards. Employers can claim a full deduction for contributions to superannuation funds made on behalf of their employees under the age of 75. If you wish to claim a tax deduction for a contribution you will need to notify the Trustees before you lodge your income tax return, or before the end of the following financial year after the contribution was made, whichever is the earlier. Contributions above the concessional cap count towards the non-concessional contributions cap.

Non-concessional contributions cap

Non-concessional contributions include personal contributions for which you do not claim an income tax deduction.

Income year	Amount of cap
2011-12	\$150,000
2010-11	\$150,000
2009-10	\$150,000
2008-09	\$150,000
2007-08	\$150,000

The non-concessional cap for an income year is a multiple of the concessional contributions cap. People under 65 years old may be able to make non-concessional contributions of up to three times their non-concessional contributions cap over a three-year period. This is known as the 'bring-forward' option. The bring-forward cap is three times the non-concessional contributions cap of the first year.

Are there any exemptions from the non-concessional cap?

There are two ongoing exemptions to the non-concessional cap. The proceeds from the disposal of eligible small business assets are exempt up to a lifetime limit of (2010-11) \$1.155 million (indexed).

If you make a superannuation contribution that comes from certain personal injury payments, you may be able to exclude all or part of it from your non-concessional contributions cap. To be excluded from the non-concessional contributions cap, the contribution must have been derived from:

A structured settlement payment; an order for a personal injury payment or a workers' compensation payment taken as a lump sum.

The contribution must have been made within 90 days of whichever of the following occurred last: The day you received the personal injury payment; the day an agreement for settlement was made or the day a court order for the personal injury payment was made. The exclusion only applies to that part of the payment that is compensation or damages for personal injury.

You must give the approved form electing to exclude the amount from your non-concessional contributions before or when you make the contribution. If you submit the form after you have made your contribution, the exclusion will not apply.

Only contributions arising from certain capital gains can be excluded from the non-concessional contributions cap. You can only exclude amounts arising from:

Up to \$500,000 of capital gains that have been disregarded under the small business retirement exemption; The capital proceeds from the disposal of assets that qualify for the small business 15-year exemption; The capital proceeds from the disposal of assets that would qualify for the small business 15-year exemption, but do not because; the asset was a pre CGT asset; there was no capital gain or the 15-year holding period was not met because of the permanent incapacity of the person (or a controlling individual of a company or trust).

The superannuation CGT cap amount applies to all excluded CGT cap contributions from 10 May 2006. Under the rules for the superannuation CGT cap amount, during your lifetime, you can exclude from your non-concessional contributions cap an amount up to your superannuation CGT cap amount.

Your superannuation CGT cap amount is reduced by the amounts you elect to exclude from the non-concessional contributions cap.

CGT cap amount

Under the CGT cap, you can during your lifetime exclude non-concessional superannuation contributions from the non-concessional contributions cap up to the CGT cap amount. The CGT cap applies to all excluded CGT contributions, whether they were made between 10 May 2006 and 30 June 2007 or after 30 June 2007.

Income year	Amount of cap
2011-12	\$1,205,000
2010-11	\$1,155,000
2009-10	\$1.1 million
2008-09	\$1.045 million
2007-08	\$1 million

What is included in the non-concessional cap?

The cap applies to all non-concessional contributions made on behalf of an individual. For example, contributions made by one spouse for the benefit of the other spouse will be counted against the receiving spouse's cap. The Government co-contribution is not included in the cap. Contributions above the concessional cap also counts towards the non-concessional contributions cap. Non-concessional contributions are not able to be split with a spouse.

Low rate cap amount

The application of the low rate threshold for superannuation lump sum payments is capped. The low rate cap amount is reduced by any amount previously applied to the low rate threshold.

Income year	Amount of cap
2011-12	\$165,000
2010-11	\$160,000
2009-10	\$150,000
2008-09	\$145,000

Untaxed plan cap amount

The untaxed plan cap amount limits the concessional tax treatment of benefits that have not been subject to contributions tax in a superannuation fund. The untaxed plan cap amount applies to each superannuation fund from which a person receives superannuation lump sum Member benefits.

Income year	Amount of cap
2011-12	\$1,205,000
2010-11	\$1,155,000
2009-10	\$1.1 million
2008-09	\$1.045 million

Excess contributions tax

Excess contributions tax (ECT) is a tax you are liable to pay on contributions made to your superannuation that exceed your concessional or non-concessional contributions cap. The cap amount and the amount of extra tax you are liable for once a cap amount is exceeded, depends on whether the contributions are concessional or non-concessional contributions. ECT is the amount of tax imposed when your contributions exceed a relevant cap.

Special circumstances

If you believe that you exceeded a cap due to special circumstances, you can apply to the ATO for a determination that some or all of a contribution be either disregarded or reallocated to another year.

If you exceeded your non-concessional contributions cap because of a single contribution, your superannuation fund may have been required to return the excess amount to you. This means you may not have to pay ECT. You should discuss ECT with the Trustees and your professional advisers.

ACCEPTANCE OF CONTRIBUTIONS**Mandated Employer Contributions**

Mandated employer contributions are those made by your employer under a law or an industrial agreement for the benefit of a Fund Member and include superannuation guarantee contributions.

The Trustees can accept mandated employer contributions for a Member at any time irrespective of your age or the number of your hours worked.

For Members under 65 Years of Age

The Fund can accept any contributions made in respect of a Member under 65. 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 70

For a Member in this age group, the Fund can accept personal contributions or employer contributions that are not mandated employer contributions during a financial year provided they can demonstrate that, in that financial year, they were gainfully employed on at least a part-time basis.

Gainful employment means employment or self employment for gain or reward in any business, trade, profession, vocation, calling, occupation or employment. For this reason a person who only receives passive income such as trust distributions or dividend income would also fail to meet the gainful employment test.

In order to meet the work test, Members must 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.

Members aged 70 but less than 75

If the Member is between 70 and 74 years of age the contributions can only be accepted if they are received on or before the date 28 days after the end of the month in which the Member turns 75.

Members Aged 75 or over

The Trustees may only accept mandated employer contributions.

Eligible Spouse Contributions

Eligible spouse contributions may be accepted by the Fund at any time if your spouse is under the age of 65. If your spouse is aged 65 but under 70, eligible spouse contributions may be only accepted if your spouse is at least gainfully employed on a part-time basis. If your 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

When you split your contributions, you transfer or roll over a portion of contributions from your superannuation account, to your spouse's superannuation account.

The 'spouse' of a Member may be either: a person with whom the Member is in a relationship that is registered under certain state or territory laws (this includes marriages and registered same-sex relationships); or a person of the same or of a different sex, who lives with the Member on a genuine domestic basis in a relationship as a couple (known as a de-facto spouse). You can only apply to split contributions if your spouse is either: less than 55 years of age or between the ages of 55 and 65 years and not retired.

The contributions you can apply to split are: any contributions your employer made for you (including salary sacrifice contributions) any personal contributions you made for yourself and advise your superannuation fund that you will claim a tax deduction for. For example, if you are self-employed.

Taxed splittable contributions provide the amount or percentage of taxed splittable contributions you received in the financial year that you want to transfer to your spouse. You can ask your superannuation fund to transfer to your spouse up to 85% of the financial year's taxed splittable contributions. Taxed splittable contributions are concessional contributions made to your superannuation fund and include:

- employer contributions (including salary sacrifice contributions)
- personal contributions you have advised your Fund you will use to claim as a tax deduction (for example, because you are self-employed).

They can also include other amounts such as amounts allocated from your superannuation fund's surplus to meet an employer's liability to make contributions. Contact the Trustees for details of the taxed splittable contributions that were or may be made to your superannuation account.

The amount of concessional contributions you ask to split can't be more than the concessional contributions cap for the financial year.

Since 1 July 2008, other personal contributions cannot be split with your spouse.

Superannuation co-contribution

The superannuation co-contribution is a payment Federal Government to assist eligible individuals to save for their retirement. If you are eligible and make personal superannuation contributions, the government will match your contribution with a superannuation co-contribution up to certain limits. You should speak with your Trustees or your professional advisers for more information about co-contributions.

Directed termination payments

A directed termination payment is a transitional employment termination payment that you direct the payer to make to a complying superannuation plan or to purchase a superannuation annuity.

If you choose a directed termination payment, the payer must comply with the direction and give you the details of how the payment is made up.

When a directed termination payment is made on your behalf, the payment is tax-free. However, the taxable component of the payment will be included in the assessable income of the superannuation fund.

Information About Amounts Debited to the Fund and Your Account

Under the Governing Rules, the Trustees may debit your account with expenses to pay taxes, administrative and other expenses, to pay for insurance policies or premiums for third party annuities and other taxes in accordance with the governing rules, subject to complying with the law. The Trustees 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 risk in return, diversification, the liquidity and liabilities. An investment strategy is a plan for making holding and realising Fund investments that reflect the Fund's objectives and circumstances.

All investments must be made in accordance with the investment strategy. The Trustees have a defence to an action for loss or damage suffered as a result of the Trustees making an investment where the Trustees can show that the investment was made in accordance with an investment strategy formulated in accordance with superannuation law. Investments must be made and maintained on a strict commercial basis. Income should also reflect a true market rate of return.

Generally the Fund cannot lend or invest more than 5% of the Fund's total assets in related parties of the Fund although there are some very limited exceptions, including allowing an exemption for business real property which is subject to a lease between the Fund and a related party of the Fund and limited exemptions for certain investments in related non-g geared Trusts or companies.

Auditor

The Fund like all self managed funds is required to have its financial accounts and statements audited each year by an approved auditor. The approved auditor is also required to assess the Fund's overall compliance with the law. The auditor must also notify the Trustees of any concerns they have about the financial position of the Fund or compliance with the law. If they are not satisfied that the Trustees have taken appropriate action to rectify any issues raised they must inform the ATO.

INFORMATION ABOUT RISKS ASSOCIATED WITH THE FUND

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

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 there may be 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 Trustees may bear the risk of the asset being insufficient to make payments to you.

Trustees choose the investments in accordance with their investment strategy. If the Trustees offer more than one strategy you may choose the appropriate strategy but you cannot choose investments the Trustees are 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.

Market risks, market sentiment and economic, technological, political and legal conditions 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 if 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 obligations as they arise.

Under the Governing Rules, the Trustees are not liable for any loss or detriment to the Fund unless it is due to the Trustees' dishonesty or wilful or reckless failure to exercise the degree of care and diligence necessary. The Trustees are 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.

If the Trustees borrow in accordance with superannuation law, the Fund may, if the loan is not repaid or terms of the loan not complied with, lose the asset purchased with the borrowed funds or part of its value. See further details about borrowing below.

The Fund must always comply with the definition of a self managed superannuation fund and comply with superannuation law. This amongst other things requires that generally either the Trustees must be identical to the Members or that any corporate Trustee has as its director(s) the identical Member(s). Failure by the Trustees to comply with superannuation and tax law could affect your benefits adversely.

As a Member and Trustee or a director of a corporate Trustee company, you may not understand your obligations possibly resulting in unintended costs or fines and potential loss of the Fund's complying status.

The Trustee or one of them may defraud the Fund and its Members.

If a Trustee dies, investments need to be transferred to the names of the appropriate Trustees. This may result in tax or stamp duty being payable depending on the types of investments being transferred.

Borrowing

The SIS Act prohibits borrowing by superannuation funds except in limited circumstances. Trustees are able to borrow for a maximum of 90 days to meet benefit payments due to Members as long as the borrowing does not exceed 10% of the Fund's total assets.

Under section 67(A) and (B) of the Superannuation Industry (Supervision) Act 1993 (SIS Act) the Trustees are permitted to borrow to invest in limited circumstances. Briefly these require that borrowed money must be applied to the acquisition of an asset that is otherwise permitted to be acquired by the Trustees; the loan must be a limited recourse loan and the lender's security is limited to the assets bought with that loan; the asset must not be an in-house asset or other asset not permitted under superannuation law; the asset must be held on trust for the Fund so that the Fund has a beneficial interest in the asset with the legal title being held by a separate Trustee; the Fund must have a right to acquire the legal title of the asset on payment of one or more instalments.

The Governing Rules of the Fund permit borrowing however the provision must be read in conjunction with other sections of the SIS Act such as the sole-purpose test, investment strategy requirement, related-party acquisition rules, in-house asset rules, prohibition against charging and arms length dealing requirements.

It is recommended that appropriate tax and financial advice, including further information about the risks of gearing, are sought before implementing this type of strategy. See also the ATO website.

Government Age Pension

If you are on or intend to apply for a Government pension you should obtain financial advice before doing so to determine how your superannuation may affect a government pension.

TAXATION

You should seek taxation advice from your accountant. Below is some information about tax and superannuation however professional advice should always be sought.

Tax on Payments from a Superannuation Fund

Superannuation benefits paid from a taxed fund either as a lump sum or as a pension are tax free for people aged 60 or more. All pensions that meet the simplified minimum standards are taxed the same on payment. This includes pensions that were already commenced by the Fund prior to 1 July 2007. Pension payments for individuals aged under 60 are taxed but are eligible for a 15 % offset with any exempt component being tax free. Once the pension recipient turns age 60, their pension will be tax free.

A person receiving a pension from an untaxed source will become eligible for a 10% tax offset after the age of 60.

If you choose to take your benefits in pension form, then earnings on the assets supporting that pension will be exempt from tax. Earnings on other assets will be subject to tax as assessable income of the Fund at 15%.

See the first table below for tax on superannuation benefits including commutations of pensions. The second table below relates to tax on pension payments.

Component	Tax Treatment
Tax-free*	Tax-free.
Taxable**	Under age 55: Taxed at 20% plus Medicare
	Aged 55-59: First \$160,000 is tax free (year ended 30 June 2011) and the balance taxed at 15% plus Medicare
	Aged 60 and over: Tax-free

Component	Tax Treatment
Tax-free*	Tax-free.
Taxable**	Under age 55: Taxable at marginal tax Rate plus Medicare
	Aged 55-59: Taxable at marginal tax Rate plus Medicare less 15% pension offset
	Aged 60 and over: Tax-free

* Includes after-tax contributions & co-contributions from 1 July 2007 (plus undeducted contributions pre-July 1983 (fixed at 30 June 2007), post-June 1994 invalidity, CGT exempt & concessional components).

** Includes concessional contributions from 1 July 2007 (plus post-June 1983 (taxed) and excessive components).

Tax on death benefits

Payment rules and the tax consequences depend on whether the death benefit is paid to a dependant or non-dependant. A death benefit dependant for tax purposes is a current or former spouse; •child under age 18 person who was financially dependent on you at the time of your death or •person who you have an 'interdependency relationship' (see under the heading **Nominations - Death Benefits**)

Death benefits paid to dependants

Death benefit payments paid as lump sums are tax-free if paid to a dependant.

If paid as a pension, a death benefit paid is tax-free if either the primary or reversionary beneficiary is aged at least 60. If they're both under age 60 at the time of death, the pension (less any tax-free amount) will be taxed at the reversionary beneficiary's marginal tax rate plus Medicare less 15% pension tax offset until the reversionary beneficiary turns age 60.

An anti-detriment payment may be payable if a death benefit is paid as a lump sum to an eligible dependant. This is basically a refund of contributions.

Tax paid by the deceased Member and in some cases can also be passed to eligible estates. Where applicable, this payment will form part of the death benefit.

Determining the ability to pay and how to fund anti-detriment payments is complex and you should obtain professional advice.

If the death benefit is paid as a pension to a dependant child, the balance must be paid as a (tax-free) lump sum when the child turns 25 (unless permanently disabled).

Death benefits paid to non-dependants

Death benefit payments to non-dependants must be paid as a lump sum benefit. The taxable component of a death benefit paid to a non-dependant will be taxed at 15% plus Medicare.

Death benefits paid to your estate

If the death benefit is paid to your legal personal representative for distribution through your estate, any tax payable will depend on how the death benefit is distributed between the beneficiaries in the estate by the executor.

Terminal illness benefits

No tax is payable on these complying benefits.

Expenses

The Trustee can claim tax deductions in respect of certain expenses incurred by the Fund and this will reduce the tax payable.

Franking credits

Franking credits foreign tax credits can be claimed which will reduce the tax payable by the Fund. If the franking credits exceed the tax payable franking credits will be refunded after the Fund's tax return has been lodged.

Spouse contributions

Tax off sets can be claimed for contributions made by you for your spouse.

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.

Tax File Numbers

What will happen if I don't give my TFN to the Trustees?

If the Trustees do not have your TFN:

- The Trustees will have to pay additional income tax (called 'TFN contributions tax') on some types of contributions
- The Trustees may not be able to accept some types of contributions, and
- You may miss out on superannuation co-contributions.

Additional income tax

Members do not have to provide their TFN, however, if they don't, the Fund must pay additional income tax on those contributions that form part of the Fund's assessable income.

The contributions that are taxed in this way include contributions made by an employer on behalf of a Member, including salary sacrifice contributions and any part of a transfer from a foreign superannuation fund that is assessable income of the Fund.

If you do not quote your TFN by 30 June and your Member's account was opened before 1 July 2007 then the assessable contributions will be taxed an extra 31.5% when those contributions reach or exceed \$1,000 in an income year (the extra tax is on all assessable contributions made in that income year, including the first \$1,000) and on or after 1 July 2007 all the assessable contributions made during the income year will be taxed an extra 31.5%.

INFORMATION ABOUT LABOUR STANDARDS, ENVIRONMENTAL, SOCIAL OR ETHICAL CONSIDERATION

The Trustees will inform you if labour standards or environmental, social or ethical considerations are or will be taken into account when the Trustees select, retain or realise an investment. Unless you are notified otherwise the Trustees do not take any such considerations into account however the Trustees may incorporate those things into their investment strategy.

ADDITIONAL INFORMATION-CONTACT DETAILS

If you require further information concerning the Fund or the Governing Rules or your rights as a Member or the Fund's performance you may contact the Trustees. The issuer of the financial product is the Fund by its Trustees. The contact details of the Trustees will be either you (if there are individuals as Trustees) or the Company of which you are a director, if there is a corporate trustee. The contact details of the Fund are therefore known to you and are not set out in this PDS.

COMPLAINTS

If you have a complaint you should notify the Trustees in writing of it. Redress is via the Courts if the issue cannot be resolved.

COOLING OFF PERIOD

If you become entitled to a pension then a new PDS to be given to you at that time by the Trustees will set out any cooling off rights that may apply (a 14 day cooling off period usually applies in that event). There is no cooling off period for new Members joining the Fund.

COSTS, COMMISSIONS, EXPENSES OF THE FUND

The Trustees do not charge for their services however they may pay all appropriate expenses and outgoings from the Fund. These are usually debited to your Member account in the Fund on a pro-rata basis unless there are different investment strategies for each Member, in which case those expenses and outgoings would normally be debited to the appropriate Member's account.

INVESTMENTS

The Trustees must formulate an investment strategy and that strategy including the investments should be provided to you. If the Fund has been operating and you are a new Member then these should be provided to you with this PDS when you join the Fund.

Changes to superannuation Federal Budget 2011-12 and the Federal Government's response to Australia's future tax system review and Stronger Super package of proposed changes.

As at 1 June 2011 the proposed changes were not law as they had not been passed by parliament or received Royal Assent.

For more information about the superannuation reforms, refer to the ATO website new legislation page and/or the Government's Stronger Super website.

Refund of excess concessional contributions

From 1 July 2011, individuals who breach the concessional contributions cap by \$10,000 or less can request that the excess contributions be withdrawn from their superannuation fund and refunded to them. Those excess concessional contributions will be taxed at the individual's marginal tax rate.

This measure, if passed by parliament, will only apply for first-time breaches of the concessional cap and apply for contributions made in the 2011-12 financial year onwards.

A higher concessional superannuation contributions cap is to apply for eligible individuals who are 50 years old or over with total superannuation balances of less than \$500,000 to \$25,000 above the general concessional cap (currently \$25,000). This is proposed to apply from 1 July 2012, with the higher concessional cap being \$50,000 for the 2012-13 financial year.

A range of possible reforms for self-managed superannuation funds

The ATO being able to apply administration penalties for non-compliance by self managed superannuation fund Trustees;

Implementing a knowledge and competency requirement for self managed superannuation fund service providers, including the registration of self managed superannuation fund auditors;

Requiring SMSFs to value their assets at net market value, with the ATO publishing valuation guidelines;

The ATO collecting and publishing data on SMSFs; and

Changing the registration and rollover processes of SMSFs and illegal early release penalties to deter the use of SMSFs for illegal activity.

Tightened legislative restrictions on self-managed superannuation funds investing in collectables and personal use assets

In the Stronger Super package of proposed changes and in the 2011-12 Federal Budget, the government announced they would tighten the legislation standards for self-managed superannuation funds investing in collectables and personal use assets. If passed by parliament, this will apply to all new investments from 1 July 2011, and will apply to all holdings of collectables and personal use assets by 1 July 2016.

Increase to the self-managed superannuation fund supervisory levy

For the 2010-11 income year the annual self managed superannuation fund supervisory levy will increase from \$150 to \$180 dollars. Self managed superannuation fund Trustees must pay this levy when they lodge their 2011 self managed superannuation fund annual return.

The amendment to the regulation to change the levy amount has been signed by the Governor-General.

Changes to the superannuation guarantee

The superannuation guarantee rate will gradually increase from 9% to 12% between 1 July 2013 and 1 July 2019 and the superannuation guarantee age limit will be raised from 70 to 75 on 1 July 2013.

Low-income earner government contribution

The Federal government will provide a new superannuation contribution tax rebate of up to \$500 annually for low-income earners for the 2012-13 income year. This will apply to concessional contributions (including employer contributions) made by or for individuals with adjusted taxable incomes of up to \$37,000 (this amount is not indexed).

Minimum pension relief for self-funded retirees

The superannuation co-contribution income thresholds for 2011-12 and 2012-13 will remain at:

\$31,920 (the lower income threshold)

\$61,920 (the higher income threshold).

Trustee of self-managed superannuation fund – person under 18 years amendment

The superannuation legislation is to be amended so that, where a Member of a self-managed superannuation fund is a minor and the Trustee of that self managed superannuation fund is a body corporate, a parent or guardian may be the director of the body corporate in place of the minor.