

RESOLUTION OF TRUSTEES OF
JOHN R KEITH PTY LIMITED PROVIDENT FUND
HELD AT LEVEL 11, 111 ELIZABETH STREET, SYDNEY
ON 30 JUNE 2020 AT 10:00AM

The Trustee is in favour of the following resolutions:

**ALLOCATIONS TO
RESERVE ACCOUNT**

NOTICE that the trustee has created a reserve account for several purposes including the following:

- Investment return smoothing;
- Guaranteeing a minimum benefit to members on retirement;
- Guaranteeing a minimum death benefit for dependents;
- Protection of members minimum death benefits; and
- To be used potentially as a pension reserve account, if required.

NOTED that in accordance with clause 21-5 of the trust deed the trustee is able to create an investment fluctuation reserve for the abovementioned purposes.

RESOLUTION

RESOLVED that the directors below be authorised to attend to any relevant matter to allow net earnings after tax to be allocated for the abovementioned purposes for the year ended 30 June 2020 as authorised in accordance with the Fund's trust deed and applicable superannuation law.

SIGNED by the Directors of the Trustee Company

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John Robert Keith

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John Robert Keith

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Lana Keith

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Larrisa Keith

JOHN R KEITH PTY LIMITED PROVIDENT FUND

NOTICE TO MEMBERS

1. NOTICE is given that the trustee has created a reserve account for several purposes including the following:
 - investment return smoothing;
 - guaranteeing a minimum benefit to members on retirement;
 - guaranteeing a minimum death benefit for dependants;
 - protection of members minimum death benefits; and
 - to be used potentially, as a pension reserve account if required.

2. NOTICE is given that the fund has significant net earnings after tax for the year ended 30 June 2020. The Trustee wishes to allocate \$0.00 of after tax [profit](#) to the Investment Fluctuation Reserve and add to the account that was created for the purposes discussed above. The amount allocated represents preserved monies that will be a taxable component to the Fund.

The trustee believes that the crediting of net earnings to the Investment Fluctuation Reserve should not jeopardise the ability for the trustee to provide retirement benefits to the members of the fund.

3. The trustee seeks to rely on clause 21-4 of the Trust Deed, in order to effect this credit to the Investment Fluctuation Reserve Account. The clause provides as follows:

21-4 **Earnings**

- a) Earnings may be credited or debited to the Members Accounts, the Pension Reserve Account, the Accumulation Reserve Account or other Accounts under this clause so long as these credits shall not sum to an amount greater than Earnings in a period as ascertained in the Accounts and so long as these debits shall not sum to an amount greater than Earnings in the event Earnings are negative unless the Trustee determines otherwise.

- b) The Trustee shall have regard to:
 - (i) The ARC of members;

 - (ii) any property held on behalf of a Member and any income earned from that property;

- (iii) Pension Reserve Account balances, if any;
- (iv) other Reserve Account balances, if any;
- (v) length of membership;
- (vi) investment strategies;
- (vii) actuarial advice, if any; and
- (viii) the exchange and segregation of the assets of the Fund, if any, as assets set aside to meet current pension liabilities of the Fund or for other purposes of the Fund and the extent to which Earnings are attributable to those assets;

in the exercise of its discretion in determining allocations of Earnings to each Member under this clause.

- c) Earnings may be debited or credited, as the case may require, annually or at other times in the Trustee's absolute discretion.
 - d) The Trustee may make a reasonable estimate in crediting or debiting any Earnings, as the case may be, before final Accounts or financial statements are available to the Trustee after the end of a Financial Year.
4. This clause will allow the allocation of the \$0.00 profit as it does not form part of the member's minimum benefits. The amount will then be dealt with under clause 21-5 the relevant provisions of the trust deed which provides as follows:

21-5 **Reserves**

The Trustee shall establish and maintain in its own name or otherwise under its control the following accounts:

- a) the Accumulation Reserve Account which may receive credits in the circumstances outlined in sub-clause 21-11;
- b) such reserve Accounts or liability Accounts as may assist the Trustee to identify the value of assets that may have been exchanged or segregated as either current pension assets, non current pension assets or that are dealt with as a different sub-fund, segment or partition; and
- c) Such other Accounts, including a Pension Reserve Account and such other reserves as the Trustee considers appropriate from time to time including,

without limitation, one or more contributions, miscellaneous and investment reserve accounts.

Please contact the trustee if you require any further information.

SIGNED by all of the Members of the Superannuation Fund to signify that they have had adequate time to consider the matters contained in the above notice and that they agree to the proposals included in this notice.

DATED this 30th day of June, 2020

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John Robert Keith

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John Robert Keith

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Lana Keith

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Larrisa Keith