

**MINUTES OF MEETING OF TRUSTEES OF
Hore & Sloan Family Superannuation Fund**

HELD AT: Level 3 67-69 Market Street
WollongongNSW 2500

ON:

PRESENT: Denise Sloan
Charles Hore

TABLED: Trust deed and rules for the proposed superannuation fund were tabled.

**IT WAS
RESOLVED
THAT:**

- 1) **Denise Sloan, Charles Hore**, agree(s) to act as the Trustee(s) of the Fund.

- 2) **Hore & Sloan Family Superannuation Fund** appoints **Denise Sloan, Charles Hore**, as the Trustee(s) of the Fund. **Denise Sloan, Charles Hore**, will execute the trust deed tabled at the meeting, and establish the operation of the Fund under the Fund's rules. It was noted that the trustee is required to undertake the following steps:
 - a) Ensure that members of the Fund are provided with the product disclosure statement;
 - b) Apply to become a regulated superannuation fund;
 - c) Apply for an Australian Business Number and a Tax File Number for the Fund;
 - d) Establish a bank account for the Fund;
 - e) Formulate and implement an investment strategy for the Fund in accordance with the *Superannuation (Industry) Supervision Act 1993* ('SIS Act');
 - f) Appoint an administrator to the Fund;
 - g) Appoint an auditor to the Fund;
 - h) The Trustee(s) will invite the following persons

Denise Sloan

Charles Hore

to become members of the Fund and will give them details of the benefits provided under the Rules of the Fund;

CHx 

(Chairman)

TRUSTEE CONSENT/DECLARATION FORM

Hore & Sloan Family Superannuation Fund

("the Fund")

I, Denise Sloan

HEREBY DECLARE THAT

- (a) I consent to act as trustee of the Fund
- (b) I have never been found guilty of a dishonest conduct offence in Australia or elsewhere.
- (c) I am not an insolvent under administration under the Bankruptcy Act 1966;
- (d) I am not disqualified from acting as trustee or as a responsible officer of a trustee company under the Superannuation Industry (Supervision) Act;
- (e) I have not at any time been prohibited from managing a corporation under State or Federal order;
- (f) I have not at any time been convicted of an offence relating to the management of a corporation under the Corporations Act or convicted of an offence involving serious fraud; and
- (g) I understand my duties as trustee of a self managed superannuation fund.

29/8/08

Date

DS y 

Signature

TRUSTEE CONSENT/DECLARATION FORM
Hore & Sloan Family Superannuation Fund
("the Fund")

I, **Charles Hore**

HEREBY DECLARE THAT

- (a) I consent to act as trustee of the Fund
- (b) I have never been found guilty of a dishonest conduct offence in Australia or elsewhere.
- (c) I am not an insolvent under administration under the Bankruptcy Act 1966;
- (d) I am not disqualified from acting as trustee or as a responsible officer of a trustee company under the Superannuation Industry (Supervision) Act;
- (e) I have not at any time been prohibited from managing a corporation under State or Federal order;
- (f) I have not at any time been convicted of an offence relating to the management of a corporation under the Corporations Act or convicted of an offence involving serious fraud; and
- (g) I understand my duties as trustee of a self managed superannuation fund.

22-8-08
Date

CHx 
Signature

Application for Membership With Binding Death Benefit Nomination

Hore & Sloan Family Superannuation Fund

Member details	
Name:	Denise Sloan
Address:	36 Coolawin Crescent, Shellharbour, NSW 2529
Date of Birth:	23/10/1960
Occupation:	
Telephone:	
Tax File No:	
Amount of Deposit (\$)*:	

*** (A Statement of Termination Payment needs to be attached if an amount is being transferred from another superannuation fund)**

I hereby apply to become a member of Hore & Sloan Family Superannuation Fund

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

DS SIGNED  DATED 29/8/08

Employer details	
Employer:	
Address:	

Binding death benefit nomination

Information about binding directions
<p>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.</p> <p>Under the Trust Deed, the Trustee has a discretion to decide whether, in the event of your death, to pay the death benefit, which is payable to your estate or to dependants of yours, and, in what proportions.</p> <p>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 and in the proportions that you specify.</p> <p>You may either elect for the Trustee to exercise the discretion given to it to decide who to pay your benefit to, in the event of your death, or you can give a binding direction to the Trustee by completing the direction in this Nomination.</p>

Important points about binding directions
<p>If you decide to give a binding direction by completing this Nomination, it is important for you to note the following:</p> <ol style="list-style-type: none">1. You can only direct the Trustee to pay the benefit either to your estate or to the dependants that you specify on this Nomination (or both).2. If you wish to give such a direction to the Trustee, you must specify the percentage of your total death benefit which is to be paid to each of the estate of your dependants.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 who to pay your death benefit to.6. For the purposes of the Trust Deed, a dependant is:<ul style="list-style-type: none">• a spouse of a Member• any children of a Member• any other person (whether related to the Member or not) who is financially dependent on the Member"Spouse" includes a de facto spouse and "children" includes step-children, adopted and ex-nuptial children. If you have any doubt as to whether a person you wish to nominate to receive any part of your death benefit is a dependant, you should seek advice from the Trustee before completing this Nomination.7. For this Nomination to be effective, it must be signed and dated by you in the presence of 2 witnesses who are both at least 18 years old and neither of the witnesses can be a person who you have nominated to receive a part of your death benefit.

Important information for completion

1. In order for this Nomination Notice to be valid, it must be fully completed in accordance with the details below:
 - Ensure the Nomination, Member Declaration and Witness Declaration are completed.
 - The Beneficiaries named in this Nomination must be Dependants and/or your Legal Personal Representative. As mentioned above, your Dependants are your spouse, de facto spouse and your children (including step, adopted and ex-nuptial children), and any other person financially dependent upon you at the time of your death. Your Legal Personal Representative is either the person named as your executor in your will, or, if you do not have a valid will at the date of your death, the person who applies for and has been granted letters of administration for your estate. Should you wish to nominate your legal personal representative, please write 'Legal Personal Representative' as the name of the Beneficiary.
 - For each person nominated, you must provide both their relationships to you and the proportion of any benefit that is to be paid to each.
 - 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/s will contact you for clarification if this is the case.
3. It is not compulsory to complete this Nomination. Details of who a death benefit will be paid to in the situation where there is no valid Nomination, can be found in the Member Information document.

Nomination of dependants

Name of beneficiary	Relationship to you	Proportion of benefit
Charles Hore	partner	100%

Total Allocation 100%

Member declaration

I, **Denise Sloan** of **36 Coolawin Crescent, Shellharbour, NSW 2529** as a member of the Fund, direct the Trustees to pay my death benefit to the above persons in the proportions shown above.

I understand:

- 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/s 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/s of the Fund in regard to my nominated beneficiaries;
- If this Nomination is not correctly completed, it may be invalid.
- If I have nominated persons who are not "dependants" as explained above, the direction contained in the Nomination, will be void and of no effect and the Trustee will have a discretion as to when the benefit is payable and in what proportion.

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

Signature of Member DS K. [Signature]	Date 29/8/08
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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	Signature of Witness	Date
W x/h R 		28/08/2008

Application for Membership With Binding Death Benefit Nomination

Hore & Sloan Family Superannuation Fund

Member details	
Name:	Charles Hore
Address:	36 Coolawin Crescent, Shellharbour, NSW 2529
Date of Birth	13/09/1960
Occupation:	
Telephone:	
Tax File No:	
Amount of Deposit (\$)*:	

*** (A Statement of Termination Payment needs to be attached if an amount is being transferred from another superannuation fund)**

I hereby apply to become a member of Hore & Sloan Family Superannuation Fund

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

SIGNED



DATED

29-8-08

Employer details	
Employer:	
Address:	

Binding death benefit nomination

Information about binding directions
<p>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.</p> <p>Under the Trust Deed, the Trustee has a discretion to decide whether, in the event of your death, to pay the death benefit, which is payable to your estate or to dependants of yours, and, in what proportions.</p> <p>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 and in the proportions that you specify.</p> <p>You may either elect for the Trustee to exercise the discretion given to it to decide who to pay your benefit to, in the event of your death, or you can give a binding direction to the Trustee by completing the direction in this Nomination.</p>

Important points about binding directions
<p>If you decide to give a binding direction by completing this Nomination, it is important for you to note the following:</p> <ol style="list-style-type: none">1. You can only direct the Trustee to pay the benefit either to your estate or to the dependants that you specify on this Nomination (or both).2. If you wish to give such a direction to the Trustee, you must specify the percentage of your total death benefit which is to be paid to each of the estate of your dependants.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 who to pay your death benefit to.6. For the purposes of the Trust Deed, a dependant is:<ul style="list-style-type: none">• a spouse of a Member• any children of a Member• any other person (whether related to the Member or not) who is financially dependent on the Member"Spouse" includes a de facto spouse and "children" includes step-children, adopted and ex-nuptial children. If you have any doubt as to whether a person you wish to nominate to receive any part of your death benefit is a dependant, you should seek advice from the Trustee before completing this Nomination.7. For this Nomination to be effective, it must be signed and dated by you in the presence of 2 witnesses who are both at least 18 years old and neither of the witnesses can be a person who you have nominated to receive a part of your death benefit.

Important information for completion

- In order for this Nomination Notice to be valid, it must be fully completed in accordance with the details below:
 - Ensure the Nomination, Member Declaration and Witness Declaration are completed.
 - The Beneficiaries named in this Nomination must be Dependants and/or your Legal Personal Representative. As mentioned above, your Dependants are your spouse, de facto spouse and your children (including step, adopted and ex-nuptial children), and any other person financially dependent upon you at the time of your death. Your Legal Personal Representative is either the person named as your executor in your will, or, if you do not have a valid will at the date of your death, the person who applies for and has been granted letters of administration for your estate. Should you wish to nominate your legal personal representative, please write 'Legal Personal Representative' as the name of the Beneficiary.
 - For each person nominated, you must provide both their relationships to you and the proportion of any benefit that is to be paid to each.
 - 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.
- If any of this information is not provided, then your Nomination may be invalid. The Trustee/s will contact you for clarification if this is the case.
- It is not compulsory to complete this Nomination. Details of who a death benefit will be paid to in the situation where there is no valid Nomination, can be found in the Member Information document.

Nomination of dependants

Name of beneficiary	Relationship to you	Proportion of benefit
Denise Sloan	partner.	100%

Total Allocation 100%

Member declaration

I, **Charles Hore** of **36 Coolawin Crescent, Shellharbour, NSW 2529** as a member of the Fund, direct the Trustees to pay my death benefit to the above persons in the proportions shown above.

I understand:

- 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/s 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/s of the Fund in regard to my nominated beneficiaries;
- If this Nomination is not correctly completed, it may be invalid.
- If I have nominated persons who are not "dependants" as explained above, the direction contained in the Nomination, will be void and of no effect and the Trustee will have a discretion as to when the benefit is payable and in what proportion.

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

Signature of Member CH x 	Date 29/08/08.
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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	Signature of Witness	Date
W 		29 / 08 / 2008

PRODUCT DISCLOSURE STATEMENT

Hore & Sloan Family Superannuation Fund ("Fund")

Trustees: **Denise Sloan**
 Charles Hore

Name of Member: **Denise Sloan**

Date of this Statement:

1 Introduction

- 1.1 This Product Disclosure Statement (PDS) is prepared by the Trustees for the benefit of Members of the Fund.
- 1.2 The Fund is governed by a trust deed which can be inspected on request. The Fund qualifies as a regulated superannuation fund under the Superannuation Industry (Supervision) Act (1993) (Cth) as amended ("SIS"). SIS sets out certain rules which the Fund has to comply.
- 1.3 The PDS contains a summary of the significant provisions of the Fund and the effects that those provisions have on you as a member.
- 1.4 The Corporations Act 2001 requires that a member be given this PDS within 3 months after becoming a member of the Fund.
- 1.5 You should refer any questions to the Trustees. Words and phrases used in the PDS are defined in the Funds Deed.
- 1.6 Your benefit in the Fund is ordinarily determined by the balance of your Member's Account, together with the proceeds of any death or disability insurance policy, if applicable. In some cases your entitlement may be paid as a pension.
- 1.7 The Fund must have less than five (5) members.
- 1.8 All members must be trustees or directors of the trustee company.

In the case of a sole member fund, either a corporate trustee must be appointed with the member being director of the trustee company or the member and another individual must be appointed trustees.

A proposed member is ineligible to be a member if the member would be taken to be employed by another member and they are not related.

The Trustee and the directors of the trustee company cannot charge the Fund any fees for acting as trustee.

Where the trustees are individuals the primary purpose is to pay a superannuation pension.

2 Contributions

- 2.1 You may contribute to the Fund at any rate agreed upon between you and the Trustees.

- 2.2 Your employer may make contributions to the Fund in respect of you as agreed between the employer, yourself and the Trustees. You may also be able to make contributions on behalf of your spouse.
- 2.3 In some instances, if you are an employee and make contributions of a certain level to the Fund, the Government may make "contributions" in certain circumstances.
- 2.4 Whilst in general there are no limits to the amount of contributions that can be made, the Australian Tax Office prescribes restrictions on the amount of contributions that are deductible. Deductible contributions are taxed at 15%.
- 2.5 Concessional contributions (also known as deductible contributions) will be limited as from 1 July 2007 to \$50,000.00 per annum, irrespective of age. However, for persons 50 years old or are turning 50 before 30 June 2012, between the financial years 2007 – 2008 and 2011 – 2012, concessional contributions will be limited to \$100,000.00 per annum.
- 2.6 If you are between 65 years and under 75 years you may contribute to superannuation if you satisfy the work test. The Fund cannot accept contributions if you have reached 75 years.
- 2.7 Non-concessional contributions are contributions made from a person's after tax income.
- 2.8 You can make a non-concessional contribution into superannuation if:
- (a) 64 years old or younger;
 - (b) 65 years to 74 years old and you satisfy the work test.
- From 1 July 2007 a person:
- (a) under 65 years old, may contribute up to \$150,000.00 per annum or \$450,000.00 if averaged over 3 years; or
 - (b) 65 to 74 years old, may contribute up to \$150,000.00 per annum (no averaging) if the person meets the work test.
- (NB: From 10 May 2006 to 30 June 2007, non-concessional contributions are capped at \$1 million. Contributions made on or before 9 May 2006 will not count towards the cap.)
- Non-concessional contributions within the above limits will not be taxed again and will be tax free when withdrawn from the Fund.
- The earnings on non-concessional contributions, whilst taxable, are taxed concessionaly at 15 per cent in the Fund.
- 2.9 Contributions in excess of the relevant concessional cap will be subject to excess contributions tax of 31.50%. In addition the excess concessional contribution (gross of tax) will be assessable toward the individual non-concessional contribution cap. Excess non-concessional contributions will be subject to tax at 46.50%.
- 2.10 Contributions are credited to your Member's Account. Deductions are made from this account for any insurance premiums, Fund expenses and taxes. Interest is credited (or debited) to this account.
- 2.11 As from 1 January 2006 you may make application to the Trustees to split concessional contributions with your spouse.

- 2.12 We suggest that you seek professional advice about matters relevant to contributions.

3 Investments

- 3.1 The Fund assets are invested in accordance with an investment strategy which the Trustees formulate having regard to all the relevant circumstances. This investment strategy is designed to meet the Fund's investment objectives.
- 3.2 The Trustees do not take into account labour standards, environmental, social or ethical matters in the selection, retention or realisation of investments.
- 3.3 The Trustees may decide to engage professional help in managing or investing the Fund.
- 3.4 The performance of the Fund depends on future events and the investment activities carried out by the Trustees. Superannuation investments are subject to significant risks, such as changes in the law and market factors. The Members bear these investment risks. While the Trustees will aim to control these risks, the Trustees do not guarantee the performance of the Fund or any particular investments.
- 3.5 In turn this may affect the Trustees' capacity to make payments to you or to sustain the level of payments made to you.

4 Costs

- 4.1 There are no fees or commissions charged to you by the Fund or the Trustees. However, an allowance for the Trustee's expenses of running the Fund may be debited to your Member Account.
- 4.2 If the Trustees make an investment through a financial adviser or other intermediary, commissions or fees may be payable to that adviser or intermediary, usually out of the fees that the Fund would pay to the providers of the investment.

5 Benefits

- 5.1 You will be entitled to a benefit calculated according to the value of your Member's Account on your retirement. There may be circumstances in which you will become entitled to payment of a retirement benefit while you are still employed or when you retire but have reached the relevant preservation age. You should ask your Trustees for advice at the relevant time.
- 5.2 The value of your Member's Account will be calculated on the basis of contributions made by you on your behalf (eg by your employer), together with changes to the value of Fund assets and other income which has accrued on those contributions. This calculation will also take account of taxes and any expenses and investment losses.
- 5.3 A Member is not required to withdraw benefits from the Fund and may keep the benefits in the Fund indefinitely.
- 5.4 Your benefit will be paid by the Trustees in a form agreed between you and the Trustees, and as permitted under SIS. That is, you may agree with the Trustee to have your benefits paid in the form of a lump sum or a pension.
- 5.5 A member's entitlement may be paid out in full by way of lump sum when all conditions of release have been met and where the Trustee is a corporate trustee. Payment will be made subject to the terms of the Fund deed and SIS requirements from time to time.

6 Pension Benefits

- 6.1 When you become entitled to payment of a **lump sum benefit**, the Trustees may allow you to choose to receive that lump sum in the form of regularly paid income. This is called a pension.
- 6.2 Under the Fund deed, if a pension is to be paid, depending on when the Fund was established you may choose from the different types listed. Each different type of pension available under the Fund deed operates differently and will impact on you differently. You should discuss these pensions in detail with the Trustees before you select the pension you would like to receive.

Pensions in existence prior to 1 July 2007 will be deemed to meet the requirements of SIS if they meet their existing rules.

A person can commence a new Account Based Pension in accordance with the rules that require:

- (a) a minimum payment must be made at least annually to each member (see table below). There is no maximum payment required.
- (b) an amount or percentage of the pension cannot be prescribed as being left over when the pension ceases;
- (c) the pension's capital value and the income from it cannot be used for borrowing;
- (d) the pension can be commuted subject to special rules applying to a transition to retirement pension;
- (e) a pension may only be transferred on the death of the pensioner to one or more dependants or cash as lump sum to the pensioner's estate.

Age of member	% of account balance to be taken
Under 65	4
65-74	5
75-79	6
80-84	7
85-89	9
90-94	11
95+	14

- 6.3 A transition to retirement pension can be paid if the member is aged over 55 years and has not retired. This is an account based pension that meets certain requirements:
- (a) the pension payment in any year must not exceed 10% of the member's account balance at the start of the year;
 - (b) the pension cannot be commuted and taken as a lump sum until the member meets a condition of release such as retirement death permanent disability or age 65.
- 6.4 As from 20 September 2007 a member may only commence an Account Based Pension and a Transition to Retirement Pension.
- 6.5 Subject to SIS, the Trustees may make available any other form of pension. You should contact the Trustees at the relevant time.

7 Death Benefit

- 7.1 If you die your benefit will be calculated according to the value of your Member's Account, including the proceeds of any insurance policy taken out by the Trustees.
- 7.2 The benefit will be payable to your dependants or your estate in proportions determined by the Trustees.
- 7.3 You are able to notify the Trustees of whom you would like to be considered in the payment of your death benefit. To do this, you will need to complete the nomination of beneficiary notice, called in the Deed and Indicative Death Benefit Nomination. This nomination can be updated at any time. You are advised to review it if your circumstances change – for example if you marry or have children. Whilst the Trustee will take note of your wishes it is not bound by them.
- 7.4 Alternatively, you may give a binding nomination to the Trustees, called in the Deed a Binding Death Benefit Nomination, provided this is done in accordance with the legislation. The nomination outlines the requirements for a nomination that is intended to be binding. Where there is no valid binding death benefit nomination, the Trustee will determine which of your Dependants or estate will receive the death benefit.
- 7.5 If death benefits are paid as a lump sum to a dependant they will be tax free.
- If a dependant chooses to take a death benefit as a pension stream, the taxation treatment will depend on the age of the primary beneficiary and dependant.
- (a) if the primary beneficiary was age 60 or over at the time of death, the pension payments to the dependant will be tax free;
 - (b) if the primary beneficiary was under age 60 at the time of death, the pension will continue to be taxed at the dependant beneficiary's marginal rate (less any deductible amount and pension rebate). If (or when) the dependant is aged 60 and over, the pension payment will be tax free.
- 7.6 The taxable component of a lump sum paid to a non-dependant will be taxed concessionally at 15 per cent.
- A pension will not be able to revert or be paid to a non-dependant; rather, it will have to be made as a lump sum.
- 7.7 A death benefit will be able to be paid as a pension to a dependant child. However, when the child turns 25, the balance in the fund will have to be paid as a lump sum (tax free), unless the child is permanently disabled.
- 7.8 The tax treatment of the payment will depend on whether the recipient is a dependant as defined in s.27A(1)(b) Tax Act or as defined in r.6.21(2A) SIS Regulations.

8 Total and permanent disablement benefit

- 8.1 If you cease or become totally and permanently disabled you may receive a benefit calculated in the same way as a death benefit.
- 8.2 "Total and Permanent Disablement" means:
- (a) where an insurance policy has been taken out, as defined in that policy; or
 - (b) in the absence of any policy, in the opinion of the Trustees you are incapacitated through accident or illness to such an extent as to render you permanently disabled in accordance with superannuation law.

9 Temporary disablement benefit

In some cases an income benefit may be payable on a Member's temporary disablement. If so, the benefit will be payable in accordance with the terms of the policy taken out by the Trustee to provide such a benefit.

10 Severe financial hardship

In certain circumstances you may apply to the Trustees for payment to you of all benefits owing to you. The conditions that you must meet for payment in these circumstances are restrictive. You should take professional actions in determining whether payment of all or part of your benefits is possible in a given set of circumstances.

11 Compassionate Grounds

Similarly, benefits may be paid to you on compassionate grounds if the Regulator determines that the grounds of release may be met. Again there are restrictions in payment.

12 Taxation

- 12.1 Generally tax is payable on deductible contributions and investment earnings of the Fund.
- 12.2 A tax rebate may be available on certain contributions made for a Member by the Member's spouse. Tax deductions may also be available for contributions by self-employed persons or by an employer for its employees.
- 12.3 There are very complex provisions relating to taxation of these items depending on the nature and circumstance of the Fund and you are recommended to take professional advice from a taxation adviser depending on your circumstances in the Fund.
- 12.4 The key points relating to the taxation of benefits after 1 July 2007 are:
 - (a) benefits paid from a taxed source either as a lump sum or pension will be tax free when paid to people who are 60 years of age or older.
 - (b) superannuation benefits paid before age 60 will be generally taxed the same way they are now, for instance:
 - (i) lump sums will comprise two components – an exempt component and a taxable component
 - the exempt component will be paid tax free and comprise: the pre-July 83 component; the CGT exempt component; the post-June 1994 invalidity component; the concessional component and the non-concessional (post-tax) contributions;
 - the taxable component includes: the current post-July 1983 component and the non qualifying component. It will be paid tax free up to the low-rate threshold (\$140,000.00 in 2006-07) and amounts above the threshold will be taxed at 15 per cent. The tax rate will be 20 per cent for individuals aged under 55 years.
 - (ii) pension payments will be taxed under the current arrangements, although tax will be lower in some cases.

- (iii) the full superannuation pension rebate of 15 per cent will apply to all pensions paid from a taxed source to a person who is aged 55 to 59 years.
- (iv) once the pension recipient turns 60, their pension will be tax free.

13 Preservation of benefits

- 13.1 Preservation regulations are designed to ensure that some or all of a member's superannuation benefits are kept for use in retirement.
- 13.2 This means that part or all of your benefit cannot be paid in cash until:
- (a) you attain age 65;
 - (b) you retire from the work force at or after your Preservation Age (see below);
 - (c) you leave a job after age 60;
 - (d) you die or become totally disabled;
 - (e) you meet the severe financial hardship or compassionate grounds provisions under the SIS; or
 - (f) certain other circumstances occur as specified by SIS.

14 Preservation age

This depends on your date of birth as shown in the following table:

Date of Birth	Preservation Age
Before 1/7/60	55
1/7/60 to 30/6/61	56
1/7/61 to 30/6/62	57
1/7/62 to 30/6/63	58
1/7/63 to 30/6/64	59
After 30/6/64	60

15 Cooling-off period

- 15.1 There is no cooling-off period applicable to membership of this Fund.
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- 16.1 Any query or complaint you may have with any aspect of the funds operation should be made in writing to the Trustees. The Trustees will attempt to resolve any issues raised as soon as practicable. It is important to note that in doing so the Trustees are bound to act in accordance with the Fund deed and in the best interests of all members.
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Each year the Trustees will provide you with the annual fund accounts and a member's statement setting out your account's opening and closing balances, a summary of all transactions through the account for the year, the preservation status of your account balance and other relevant information.

DS v 

Denise Sloan

CH v 

Charles Hore

PRODUCT DISCLOSURE STATEMENT

Hore & Sloan Family Superannuation Fund ("Fund")

Trustees: Denise Sloan
Charles Hore

Name of Member: Charles Hore

Date of this Statement:

1 Introduction

- 1.1 This Product Disclosure Statement (PDS) is prepared by the Trustees for the benefit of Members of the Fund.
- 1.2 The Fund is governed by a trust deed which can be inspected on request. The Fund qualifies as a regulated superannuation fund under the Superannuation Industry (Supervision) Act (1993) (Cth) as amended ("SIS"). SIS sets out certain rules which the Fund has to comply.
- 1.3 The PDS contains a summary of the significant provisions of the Fund and the effects that those provisions have on you as a member.
- 1.4 The Corporations Act 2001 requires that a member be given this PDS within 3 months after becoming a member of the Fund.
- 1.5 You should refer any questions to the Trustees. Words and phrases used in the PDS are defined in the Funds Deed.
- 1.6 Your benefit in the Fund is ordinarily determined by the balance of your Member's Account, together with the proceeds of any death or disability insurance policy, if applicable. In some cases your entitlement may be paid as a pension.
- 1.7 The Fund must have less than five (5) members.
- 1.8 All members must be trustees or directors of the trustee company.

In the case of a sole member fund, either a corporate trustee must be appointed with the member being director of the trustee company or the member and another individual must be appointed trustees.

A proposed member is ineligible to be a member if the member would be taken to be employed by another member and they are not related.

The Trustee and the directors of the trustee company cannot charge the Fund any fees for acting as trustee.

Where the trustees are individuals the primary purpose is to pay a superannuation pension.

2 Contributions

- 2.1 You may contribute to the Fund at any rate agreed upon between you and the Trustees.

- 2.2 Your employer may make contributions to the Fund in respect of you as agreed between the employer, yourself and the Trustees. You may also be able to make contributions on behalf of your spouse.
- 2.3 In some instances, if you are an employee and make contributions of a certain level to the Fund, the Government may make "contributions" in certain circumstances.
- 2.4 Whilst in general there are no limits to the amount of contributions that can be made, the Australian Tax Office prescribes restrictions on the amount of contributions that are deductible. Deductible contributions are taxed at 15%.
- 2.5 Concessional contributions (also known as deductible contributions) will be limited as from 1 July 2007 to \$50,000.00 per annum, irrespective of age. However, for persons 50 years old or are turning 50 before 30 June 2012, between the financial years 2007 – 2008 and 2011 – 2012, concessional contributions will be limited to \$100,000.00 per annum.
- 2.6 If you are between 65 years and under 75 years you may contribute to superannuation if you satisfy the work test. The Fund cannot accept contributions if you have reached 75 years.
- 2.7 Non-concessional contributions are contributions made from a person's after tax income.
- 2.8 You can make a non-concessional contribution into superannuation if:
- (a) 64 years old or younger;
 - (b) 65 years to 74 years old and you satisfy the work test.
- From 1 July 2007 a person:
- (a) under 65 years old, may contribute up to \$150,000.00 per annum or \$450,000.00 if averaged over 3 years; or
 - (b) 65 to 74 years old, may contribute up to \$150,000.00 per annum (no averaging) if the person meets the work test.
- (NB: From 10 May 2006 to 30 June 2007, non-concessional contributions are capped at \$1 million. Contributions made on or before 9 May 2006 will not count towards the cap.)
- Non-concessional contributions within the above limits will not be taxed again and will be tax free when withdrawn from the Fund.
- The earnings on non-concessional contributions, whilst taxable, are taxed concessionally at 15 per cent in the Fund.
- 2.9 Contributions in excess of the relevant concessional cap will be subject to excess contributions tax of 31.50%. In addition the excess concessional contribution (gross of tax) will be assessable toward the individual non-concessional contribution cap. Excess non-concessional contributions will be subject to tax at 46.50%.
- 2.10 Contributions are credited to your Member's Account. Deductions are made from this account for any insurance premiums, Fund expenses and taxes. Interest is credited (or debited) to this account.
- 2.11 As from 1 January 2006 you may make application to the Trustees to split concessional contributions with your spouse.

- 2.12 We suggest that you seek professional advice about matters relevant to contributions.

3 Investments

- 3.1 The Fund assets are invested in accordance with an investment strategy which the Trustees formulate having regard to all the relevant circumstances. This investment strategy is designed to meet the Fund's investment objectives.
- 3.2 The Trustees do not take into account labour standards, environmental, social or ethical matters in the selection, retention or realisation of investments.
- 3.3 The Trustees may decide to engage professional help in managing or investing the Fund.
- 3.4 The performance of the Fund depends on future events and the investment activities carried out by the Trustees. Superannuation investments are subject to significant risks, such as changes in the law and market factors. The Members bear these investment risks. While the Trustees will aim to control these risks, the Trustees do not guarantee the performance of the Fund or any particular investments.
- 3.5 In turn this may affect the Trustees' capacity to make payments to you or to sustain the level of payments made to you.

4 Costs

- 4.1 There are no fees or commissions charged to you by the Fund or the Trustees. However, an allowance for the Trustee's expenses of running the Fund may be debited to your Member Account.
- 4.2 If the Trustees make an investment through a financial adviser or other intermediary, commissions or fees may be payable to that adviser or intermediary, usually out of the fees that the Fund would pay to the providers of the investment.

5 Benefits

- 5.1 You will be entitled to a benefit calculated according to the value of your Member's Account on your retirement. There may be circumstances in which you will become entitled to payment of a retirement benefit while you are still employed or when you retire but have reached the relevant preservation age. You should ask your Trustees for advice at the relevant time.
- 5.2 The value of your Member's Account will be calculated on the basis of contributions made by you on your behalf (eg by your employer), together with changes to the value of Fund assets and other income which has accrued on those contributions. This calculation will also take account of taxes and any expenses and investment losses.
- 5.3 A Member is not required to withdraw benefits from the Fund and may keep the benefits in the Fund indefinitely.
- 5.4 Your benefit will be paid by the Trustees in a form agreed between you and the Trustees, and as permitted under SIS. That is, you may agree with the Trustee to have your benefits paid in the form of a lump sum or a pension.
- 5.5 A member's entitlement may be paid out in full by way of lump sum when all conditions of release have been met and where the Trustee is a corporate trustee. Payment will be made subject to the terms of the Fund deed and SIS requirements from time to time.

6 Pension Benefits

- 6.1 When you become entitled to payment of a **lump sum benefit**, the Trustees may allow you to choose to receive that lump sum in the form of regularly paid income. This is called a pension.
- 6.2 Under the Fund deed, if a pension is to be paid, depending on when the Fund was established you may choose from the different types listed. Each different type of pension available under the Fund deed operates differently and will impact on you differently. You should discuss these pensions in detail with the Trustees before you select the pension you would like to receive.

Pensions in existence prior to 1 July 2007 will be deemed to meet the requirements of SIS if they meet their existing rules.

A person can commence a new Account Based Pension in accordance with the rules that require:

- (a) a minimum payment must be made at least annually to each member (see table below). There is no maximum payment required.
- (b) an amount or percentage of the pension cannot be prescribed as being left over when the pension ceases;
- (c) the pension's capital value and the income from it cannot be used for borrowing;
- (d) the pension can be commuted subject to special rules applying to a transition to retirement pension;
- (e) a pension may only be transferred on the death of the pensioner to one or more dependants or cash as lump sum to the pensioner's estate.

Age of member	% of account balance to be taken
Under 65	4
65-74	5
75-79	6
80-84	7
85-89	9
90-94	11
95+	14

- 6.3 A transition to retirement pension can be paid if the member is aged over 55 years and has not retired. This is an account based pension that meets certain requirements:
- (a) the pension payment in any year must not exceed 10% of the member's account balance at the start of the year;
 - (b) the pension cannot be commuted and taken as a lump sum until the member meets a condition of release such as retirement death permanent disability or age 65.
- 6.4 As from 20 September 2007 a member may only commence an Account Based Pension and a Transition to Retirement Pension.
- 6.5 Subject to SIS, the Trustees may make available any other form of pension. You should contact the Trustees at the relevant time.

7 Death Benefit

- 7.1 If you die your benefit will be calculated according to the value of your Member's Account, including the proceeds of any insurance policy taken out by the Trustees.
- 7.2 The benefit will be payable to your dependants or your estate in proportions determined by the Trustees.
- 7.3 You are able to notify the Trustees of whom you would like to be considered in the payment of your death benefit. To do this, you will need to complete the nomination of beneficiary notice, called in the Deed and Indicative Death Benefit Nomination. This nomination can be updated at any time. You are advised to review it if your circumstances change – for example if you marry or have children. Whilst the Trustee will take note of your wishes it is not bound by them.
- 7.4 Alternatively, you may give a binding nomination to the Trustees, called in the Deed a Binding Death Benefit Nomination, provided this is done in accordance with the legislation. The nomination outlines the requirements for a nomination that is intended to be binding. Where there is no valid binding death benefit nomination, the Trustee will determine which of your Dependants or estate will receive the death benefit.
- 7.5 If death benefits are paid as a lump sum to a dependant they will be tax free.
- If a dependant chooses to take a death benefit as a pension stream, the taxation treatment will depend on the age of the primary beneficiary and dependant.
- (a) if the primary beneficiary was age 60 or over at the time of death, the pension payments to the dependant will be tax free;
 - (b) if the primary beneficiary was under age 60 at the time of death, the pension will continue to be taxed at the dependant beneficiary's marginal rate (less any deductible amount and pension rebate). If (or when) the dependant is aged 60 and over, the pension payment will be tax free.
- 7.6 The taxable component of a lump sum paid to a non-dependant will be taxed concessionally at 15 per cent.
- A pension will not be able to revert or be paid to a non-dependant; rather, it will have to be made as a lump sum.
- 7.7 A death benefit will be able to be paid as a pension to a dependant child. However, when the child turns 25, the balance in the fund will have to be paid as a lump sum (tax free), unless the child is permanently disabled.
- 7.8 The tax treatment of the payment will depend on whether the recipient is a dependant as defined in s.27A(1)(b) Tax Act or as defined in r.6.21(2A) SIS Regulations.

8 Total and permanent disablement benefit

- 8.1 If you cease or become totally and permanently disabled you may receive a benefit calculated in the same way as a death benefit.
- 8.2 "Total and Permanent Disablement" means:
- (a) where an insurance policy has been taken out, as defined in that policy; or
 - (b) in the absence of any policy, in the opinion of the Trustees you are incapacitated through accident or illness to such an extent as to render you permanently disabled in accordance with superannuation law.

9 Temporary disablement benefit

In some cases an income benefit may be payable on a Member's temporary disablement. If so, the benefit will be payable in accordance with the terms of the policy taken out by the Trustee to provide such a benefit.

10 Severe financial hardship

In certain circumstances you may apply to the Trustees for payment to you of all benefits owing to you. The conditions that you must meet for payment in these circumstances are restrictive. You should take professional actions in determining whether payment of all or part of your benefits is possible in a given set of circumstances.

11 Compassionate Grounds

Similarly, benefits may be paid to you on compassionate grounds if the Regulator determines that the grounds of release may be met. Again there are restrictions in payment.

12 Taxation

- 12.1 Generally tax is payable on deductible contributions and investment earnings of the Fund.
- 12.2 A tax rebate may be available on certain contributions made for a Member by the Member's spouse. Tax deductions may also be available for contributions by self-employed persons or by an employer for its employees.
- 12.3 There are very complex provisions relating to taxation of these items depending on the nature and circumstance of the Fund and you are recommended to take professional advice from a taxation adviser depending on your circumstances in the Fund.
- 12.4 The key points relating to the taxation of benefits after 1 July 2007 are:
 - (a) benefits paid from a taxed source either as a lump sum or pension will be tax free when paid to people who are 60 years of age or older.
 - (b) superannuation benefits paid before age 60 will be generally taxed the same way they are now, for instance:
 - (i) lump sums will comprise two components – an exempt component and a taxable component
 - the exempt component will be paid tax free and comprise: the pre-July 83 component; the CGT exempt component; the post-June 1994 invalidity component; the concessional component and the non-concessional (post-tax) contributions;
 - the taxable component includes: the current post-July 1983 component and the non qualifying component. It will be paid tax free up to the low-rate threshold (\$140,000.00 in 2006-07) and amounts above the threshold will be taxed at 15 per cent. The tax rate will be 20 per cent for individuals aged under 55 years.
 - (ii) pension payments will be taxed under the current arrangements, although tax will be lower in some cases.

- (iii) the full superannuation pension rebate of 15 per cent will apply to all pensions paid from a taxed source to a person who is aged 55 to 59 years.
- (iv) once the pension recipient turns 60, their pension will be tax free.

13 Preservation of benefits

- 13.1 Preservation regulations are designed to ensure that some or all of a member's superannuation benefits are kept for use in retirement.
- 13.2 This means that part or all of your benefit cannot be paid in cash until:
- (a) you attain age 65;
 - (b) you retire from the work force at or after your Preservation Age (see below);
 - (c) you leave a job after age 60;
 - (d) you die or become totally disabled;
 - (e) you meet the severe financial hardship or compassionate grounds provisions under the SIS; or
 - (f) certain other circumstances occur as specified by SIS.

14 Preservation age

This depends on your date of birth as shown in the following table:

Date of Birth	Preservation Age
Before 1/7/60	55
1/7/60 to 30/6/61	56
1/7/61 to 30/6/62	57
1/7/62 to 30/6/63	58
1/7/63 to 30/6/64	59
After 30/6/64	60

15 Cooling-off period

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DSV 

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CHX 

Charles Hore

Investment Strategy

Hore & Sloan Family Superannuation Fund ('the Fund')

Members and Trustees

Denise Sloan

Charles Hore

Objectives

The trustees of the Hore & Sloan Family Superannuation Fund ('the Trustee') have formulated the following investment objectives and strategy in accordance with section 52(2)(f) of the Superannuation Industry (Supervision) Act, 1993 ('SIS Act').

The Trustee aims to:

- provide superannuation benefits to members and their dependants to meet their retirement needs.
- ensure that an appropriate mix of investments are held by the Fund to support these needs.

As a general investment objective the Trustee aims to achieve reasonable medium to long term growth whilst maintaining a low level of capital volatility and risk. The Trustee does accept that short term volatility will occur within asset classes however the Trustee will seek sufficient diversification within the Fund's investment portfolio to minimise such risk and volatility.

Investment Strategy

As a means to achieving this objective, the Trustee has determined that the Fund's investments may include but not be limited to all or one of the following:

- direct equities, stocks and derivatives and including the participation in dividend reinvestment programs and rights issues;
- property trusts and associated investments;
- managed investments and associated products;
- direct residential industrial or commercial property investment;
- bank and other financial institution securities including term deposits, debentures, secured and unsecured notes and bonds;
- any other investment which would not jeopardise the complying status of the Fund.

The investment strategy of the fund comprises the following asset allocations:

Asset	Range
Cash	0 -%
Fixed Interest	0 -%
Australian Equities	0 -%
International Equities	0 -%

Property (direct or indirect)	0 -%
Other investments including derivatives, futures, options, foreign currency	0 -%

These ranges are purely indicative and the Trustee may vary the allocations at any time if satisfied that the current market conditions or the Fund's circumstances warrant such a change. If the Trustees wish to invest outside these parameters, the investment strategy of the Fund must be revised in writing and all decisions minuted.

The Trustee may from time to time seek the professional advice of an accountant, solicitor or financial planner in the formulation of the investment strategy.

In formulating this strategy the Trustee has taken into consideration relevant features of the investment types in accordance with both the Fund's objectives and the superannuation laws. The Trustee considered:

- The risk and return of the investments;
- Diversification of investments;
- Liquidity and cash-flow requirements; and
- Ability of the Fund to discharge its liabilities.

Policies

The policies adopted by the Trustee in order to achieve these objectives are:

- regular monitoring of the performance of the Fund's investments which would cover the rate of return in income and capital growth, the risk profile of the overall investment mix and the expected cash flow requirements of the Fund.
- balancing the Fund's investment portfolio due to changes in market conditions.

The Trustee aims to ensure investments of the Fund continue to comply with the overall strategy and so may review the strategy as required however it will be reviewed at least annually and the Trustee reserves the right to change the strategy at any time.

Signed by/on behalf of the Trustee

Denise Sloan

DSr  _____

Charles Hore

CHr  _____

Date 29-8-08