

# MACCA BARE TRUST

## Declaration of Custody Trust for the

## MACCA SUPER FUND

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**STERICMAC PTY LTD** ACN 609 860 308

and

**MACSTE PTY LTD** ACN 609 766 734 as Trustee for the MACCA SUPER FUND

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## Table of Contents

Background.....	4
Operative provisions .....	4
<b>A Custodian's Declaration of trust.....</b>	<b>4</b>
<b>What does the Custodian Hold on Trust? .....</b>	<b>4</b>
<b>What information and money must the Trustee provide?.....</b>	<b>5</b>
<b>What is the name of the Custody Trust?.....</b>	<b>5</b>
<b>What title must the Custodian Hold? .....</b>	<b>5</b>
<b>What bank accounts are to be used?.....</b>	<b>5</b>
Income, accruals, accretions .....	5
May the Custodian have listed securities held by a CHESSE sponsor? .....	5
<b>C Trustee to direct Custodian .....</b>	<b>5</b>
<b>What interest does the Trustee have in the Authorised investment? .....</b>	<b>5</b>
<b>How may the Trustee have the Authorised Investment transferred?.....</b>	<b>5</b>
<b>What information must the Custodian collect, provide etc?.....</b>	<b>6</b>
<b>May the Trustee require the Custodian to execute charge documents?.....</b>	<b>6</b>
<b>D Restriction of Custodian's Discretion .....</b>	<b>6</b>
<b>E Trustee's warranties .....</b>	<b>6</b>
<b>F Declaration of Trust.....</b>	<b>6</b>
<b>When does the Trust start and end? .....</b>	<b>6</b>
<b>What must the Trustee do before the Vesting Date? .....</b>	<b>6</b>
<b>What must the Custodian and Trustee do on (or soon after) the Vesting Date.....</b>	<b>7</b>
<b>G Replacement or resignation of Custodian .....</b>	<b>7</b>
<b>May the Trustee add, remove, or replace the Custodian? .....</b>	<b>7</b>
<b>What must an outgoing Custodian do?.....</b>	<b>7</b>
<b>What must a continuing Custodian do?.....</b>	<b>7</b>
<b>How may the Custodian resign .....</b>	<b>7</b>
<b>H Termination Indemnifies Custodian.....</b>	<b>7</b>
<b>I Trustee to pay Custodian's costs.....</b>	<b>8</b>
<b>J Notices to the parties .....</b>	<b>8</b>
<b>K Jointly and Severally Liable .....</b>	<b>8</b>
<b>L Limitation.....</b>	<b>8</b>
<b>M Compliance with Superannuation Law.....</b>	<b>8</b>
<b>N General and Interpretation .....</b>	<b>9</b>
<b>O Definitions .....</b>	<b>10</b>

Execution .....	11
Schedule .....	12

STRENGTH AND POWER TO AGREE WITH THE TERMS OF THE TRUST DEED, WITH THE INTENTION OF ENTERING INTO THE TRUST DEED.

IN WITNESS WHEREOF,

SIGNED

MARSHFIELD LTD, COMPANY NO. 12345678, is the duly authorised signatory to the Trust Deed, and the signatory on behalf of the Trust Deed in the State of Western Australia.

## Background

1. The Trust Deed is a Regulated Fund and the Trustee is the trustee of the Trust Deed.
2. The Trust Deed provides for the Trustee to be authorised to acquire, hold, manage, sell, dispose, lease, license, mortgage, charge, pledge, hypothecate, encumber, or otherwise dispose of any property, real or personal, movable or immovable, and any interest therein, and to do all such things as may be necessary or expedient for the purposes of the Trust Deed. The Trust Deed also provides for the Trustee to be authorised to borrow money, and to create and incur any liability, and to do all such things as may be necessary or expedient for the purposes of the Trust Deed. The Trust Deed also provides for the Trustee to be authorised to do all such things as may be necessary or expedient for the purposes of the Trust Deed.
3. The Trust Deed also provides for the Trustee to be authorised to do all such things as may be necessary or expedient for the purposes of the Trust Deed.
4. The Trust Deed also provides for the Trustee to be authorised to do all such things as may be necessary or expedient for the purposes of the Trust Deed.

## Operative provisions

### A. Custodian's Declaration of Trust

#### What does the Custodian Hold on Trust?

1. The Custodian declares that it will hold the property of the Trust Deed on trust for the Trustee under the Trust Deed, and that it will do so in accordance with the terms of the Trust Deed.
2. The Custodian declares that it will hold the property of the Trust Deed on trust for the Trustee under the Trust Deed, and that it will do so in accordance with the terms of the Trust Deed.
3. The Custodian declares that it will hold the property of the Trust Deed on trust for the Trustee under the Trust Deed, and that it will do so in accordance with the terms of the Trust Deed.

BETWEEN

**STERICMAC PTY LTD** ACN 609 860 308 of 46 Morfitt Street, Mandurah in the State of Western Australia

(Custodian)

AND

**MACSTE PTY LTD** ACN 609 766 734 in its capacity as trustee for the Macca Super Fund ("Fund") of 46 Morfitt Street, Mandurah in the State of Western Australia

(Trustee)

## Background

- A. The fund is a Regulated Fund and the Trustee is the trustee for the Fund.
- B. In limited circumstances, the law allows for the trustee of a Regulated Fund to agree to borrow funds to acquire an investment for that Regulated Fund. The relevant law is in Part 7 of the SIS Act relating to borrowing by superannuation funds. The exceptions to the general prohibition on superannuation funds borrowing provide, among other things, that for a borrowing arrangement to be allowed:
  - Legal title to the investment must be held by a third party on behalf of the trustees of the Regulated Fund; and
  - The lender's rights against the trustee of the Regulated Fund for any default under the borrowing arrangement must relate only to the investment for which the trustee will purchase with the money it borrows.
- C. The Trustee intends to borrow funds from a lender to acquire the Authorised Investment under an arrangement of the nature described in Recital B.
- D. The Custodian agrees to act as the third party described in Recital B and to hold title to the Authorised Investment under this Deed.

## Operative provisions

### A Custodian's Declaration of trust

#### What does the Custodian Hold on Trust?

1. The Custodian declares that it will hold the benefit of the Custody Fund on trust for the Trustee under this Deed, with effect from the date:
  - 1.1. that the Custodian purchases the Authorised Investment as contemplated by clause 3; or
  - 1.2. the date on which the Custodian receives any property to be held or applied in accordance with the trusts under this Deed.
2. The parties agree that the Trust is established and is to be maintained in connection with the limited recourse borrowing arrangement with the Lender.

### **What information and money must the Trustee provide?**

3. The Custodian and Trustee agree that:
  - 3.1. The details in the schedule to this Deed are all the relevant details regarding the Authorised Investment; and
  - 3.2. The Trustee will provide to the Custodian all funds necessary to enable the Custodian to purchase the Authorised Investment identified in the schedule.

When the Trustee does that, it will be taken to have requested the Custodian, and the Custodian will be taken to have agreed, to purchase and take legal title to the Authorised Investment under this Deed.

### **What is the name of the Custody Trust?**

4. The parties agree that the name of the Custody Trust will be Macca Bare Trust.
5. Custodian to hold title

### **What title must the Custodian Hold?**

6. The Custodian agrees that (subject to clause 8), it will maintain legal title to the Authorised Investment until the Trustee directs it under clauses 9 to 12 of this Deed.

### **What bank accounts are to be used?**

7. The Trustee must:
  - 7.1. Designate one or more bank accounts of the Fund into which all amounts referred to in clause 7 may be deposited; and
  - 7.2. Advise the Custodian of the details of that bank account or those accounts.

### **Income, accruals, accretions**

8. The Custodian agrees to deposit, or arrange for the deposit of, the following amounts in to the Cash Account or as otherwise directed by the Trustee:
  - 8.1. Any interest, income or other proceeds that the Authorised Investment generates; and
  - 8.2. Any accretions or accruals attributable to the Authorised Investment.

### **May the Custodian have listed securities held by a CHESSE sponsor?**

9. If the Authorised Investment is listed securities, then the Custodian may engage a duly licenced CHESSE sponsor to hold the Authorised Investment- as long as the Custodian first obtains the Trustee's written consent. The Custodian may do that even though it has an obligation to maintain legal title to the Authorised Investments.

### **C Trustee to direct Custodian**

#### **What interest does the Trustee have in the Authorised investment?**

10. At all times up to and including the Vesting Date, the Trustee:
  - 10.1. Has a vested and indefeasible interests in the Authorised Investment and any other assets comprising the Custody Fund; and
  - 10.2. Is absolutely entitled to the Authorised Investment and any other assets comprising the Custody Fund as against the Custodian

#### **How may the Trustee have the Authorised Investment transferred?**

11. The Trustee may in writing direct the Custodian to transfer, or otherwise deal with, the Authorised Investment and the other assets comprising the Custody Fund. The Custodian must do as directed. Before the Custodian transfers, or otherwise deals with, the Authorised Investment and any other asset comprising the Custody Fund as directed by the Trustee, the Custodian must notify the Lender in writing.

**What information must the Custodian collect, provide etc?**

12. The Custodian will use its best endeavours to obtain information concerning the Authorised Investment. It will communicate all that information to the Trustee as soon as practicable. For example, the Custodian must provide the Trustee with any information it needs to help it exercise a discretion about, say, voting, or about participating in the bonus issues, capital reductions, share buy backs, rights plans and so on.

**May the Trustee require the Custodian to execute charge documents?**

13. The Custodian must execute all documents the Trustee asks it to execute that are necessary to charge the Authorised Investment to secure the Trustee's payment to the Lender of all money owed in respect of the Authorised Investment

**D Restriction of Custodian's Discretion**

14. Notwithstanding any other provision to the contrary set out in this Deed, the exercise of any Discretion (if any) by the Custodian under this Deed requires the consent of the Trustee in all instances.

**E Trustee's warranties**

15. The Trustee warrants that:
- 15.1. the Fund is a Regulated Fund;
  - 15.2. the Fund has a written investment strategy which accords in all respects with Superannuation Law;
  - 15.3. the Trustee's investment in the Authorised Investment accords with the Fund's written investment strategy;
  - 15.4. the Trustee is the sole trustee of the Fund
  - 15.5. the Trustee has the power and authority to enter into this Deed;
  - 15.6. the Trustee has the power and authority to purchase the Authorised Investment; and
  - 15.7. this Deed is legally binding on it, and the Deed is enforceable against it in accordance with its terms.

**F Declaration of Trust**

**When does the Trust start and end?**

16. The Trust commences on the date described in Clause 1 and terminates on the Vesting Date.

**What must the Trustee do before the Vesting Date?**

17. Before the Vesting Date the Trustee must ensure:
- 17.1. That all money the Lender Loaned to the Trustee in respect of the Authorised Investment has been repaid; and

- 17.2. That any security or charge over the Authorised Investment has been discharged in full.

#### **What must the Custodian and Trustee do on (or soon after) the Vesting Date**

18. On the Vesting Date (or as soon as practicable after the Vesting Date) the Custodian must either;
  - 18.1. Transfer the Authorised Investment and any other assets comprising the Custodian Fund to the Trustee; or
  - 18.2. Otherwise deal with the Authorised Investment and other assets comprising the Custody Fund as the Trustee may direct in writing.

#### **G Replacement or resignation of Custodian**

##### **May the Trustee add, remove, or replace the Custodian?**

19. At any time, the Trustee may by deed remove the custodian, appoint a replacement custodian, or appoint a replacement custodian.

##### **What must an outgoing Custodian do?**

20. The outgoing Custodian must as soon as practicable after being removed or replaced:
  - 20.1. Sign all documents and do all thing necessary to transfer legal title (and any CHES Sponsorship) in the Authorised Investment and in any other asset comprising the Custody Fund to the new or continuing Custodian; and
  - 20.2. Sign all documents and do all things necessary to transfer any charge or security in respect of the Authorised Investment or any other asset comprising the Custody Fund to the new or continuing Custodian.

##### **What must a continuing Custodian do?**

21. If a new Custodian is added, then as soon as practicable the continuing Custodian must sign all documents and do all things necessary to transfer legal title (and any CHES Sponsorship) in the Authorised Investment, and in any other asset comprising the Custody Fund, to the new custodian jointly with the continuing custodian.

##### **How may the Custodian resign**

22. The Custodian may resign by providing at least 60 days written notice to the Trustee. During the 60 day period, the Custodian must comply with any reasonable directions of the Trustee concerning completing the steps set out in clauses 19.1 to 19.2.

#### **H Termination Indemnifies Custodian**

23. The Trustee agrees to indemnify and keep the Custodian indemnified against all liabilities, actions, proceedings, demands, claims, costs, damages, stamps duty, taxes, losses and expenses incurred or sustained by the Custodian or brought or made against the Custodian:
  - 23.1. In relation to the purchase of the Authorised Investment;
  - 23.2. By virtue of the Custodian holding legal title to the Authorised Investment; and
  - 23.3. As a consequence of the Custodian complying with any direction of the Trustee under this Deed.

## **I Trustee to pay Custodian's costs**

24. The Trustee indemnifies the Custodian against, and will pay the Custodian on demand, the amount of losses, liabilities, cost and expenses (including without limitation, legal expenses on a full indemnity basis) and Taxes in connection with:
- 24.1. The negotiation, preparation, execution, stamping and registration of this Deed;
  - 24.2. The enforcement or attempted enforcement or preservation or attempted preservation of any rights under this Deed; and
  - 24.3. Any amendment to, or consent, waiver or release of or under, this Deed.

## **J Notices to the parties**

25. All notices to be given to or demands to be made under this Deed must be in writing. They may be delivered in person or sent by mail or facsimile to the party's current business address.
26. All notices are to be treated as having been served:
- 26.1. If posted, 48 hours after the date of posting;
  - 26.2. If delivered personally, on the actual day of receipt; and
  - 26.3. If sent by facsimile, in the normal course of transmission.

## **K Jointly and Severally Liable**

27. If two or more persons or entities comprise a party to this Deed, then each person or entity is jointly and severally liable for the obligations of that party under this Deed.

## **L Limitation**

28. Notwithstanding anything else to the contrary contained in this Deed the Custodian and the Trustee agree that:
- 28.1. The Custodian's rights against the Trustee for, in connection with, or as a result of (whether directly or indirectly) either of the following defaults are limited to rights relating to the Authorised Investment

## **M Compliance with Superannuation Law**

29. The Custodian and the Trustee agree that all arrangements in respect of the Custody Trust as contained in, or referred to in, this Deed must be strictly in accordance with Superannuation Law including, without limitation, for the purpose:
- 29.1. Of ensuring the concessional tax treatment of the Fund and amounts paid into or out of the Fund; and
  - 29.2. Of the Fund's status as a Regulated Fund.
30. For this purpose:
- 30.1. The provisions of this Deed which, (whether express or implies) confer or impose discretions, rights or obligations on the parties are to be read as:
    - 30.1.1. Extending to confer or impose on the parties and discretions, powers, rights or obligations as may be necessary to ensure compliance with Superannuation Law; and
    - 30.1.2. Circumscribing any discretions, powers, rights or obligations as may be necessary to ensure compliance with Superannuation Law; and



30.2. If a provision of this Deed (whether express or implied) is inconsistent with this purpose, then that provision must be read down to the extent necessary to ensure compliance with the requirements of this clause 29. If it is not possible to read down a provision of this Deed in that manner, then that provision is severable without effecting the validity or enforceability of the remaining part of that provision or of other provisions of this Deed.

## **N General and Interpretation**

31. Time is of the essence of all obligations under this Deed,
32. This Deed may only be varied or replaced by a document executed by the parties.
33. Each party must promptly execute and deliver all documents and promptly take all other action necessary or desirable to effect, perfect or complete the transactions contemplated by this Deed.
34. Each indemnity in this Deed is a continuing obligation, separate and independent from the other obligations of the parties. It survives this Deed's termination.
35. It is not necessary for a party to incur expense or make payment before enforcing a right of indemnity conferred by this Deed.
36. The warranties, undertakings, agreements and continuing obligations in this Deed do not merge on completion.
37. This Deed is governed by, and interpreted under, the laws of the jurisdiction set in the Schedule.
38. If a party consists of more than one person, then this Deed binds them jointly and severally.
39. This Deed may be executed in any number of counterparts all of which taken together constitute one instrument.
40. If a payment or other act is required to be made or done on a day which is not a Business Day, then the payment or act must be made or done on the next following Business Day.
41. If a provision in this Deed is held to be illegal, invalid, void or unenforceable, that provision must be read down to the extent necessary to ensure that it is not illegal, invalid, void, voidable or unenforceable.
42. If it is not possible to read down a provision of this Deed in the manner described above, that provision is severable without affecting the validity or enforceability of the remaining part of that provision or the other provisions in this Deed.
43. A reference in this Deed to:
  - 43.1. A statute includes regulations under it and consolidations, amendments, re-enactments or replacements of any of them;
  - 43.2. A person includes a firm, partnership, joint venture, association, corporation or other corporate body;
  - 43.3. A person includes the legal personal representatives, successors and assigns of that person;
  - 43.4. Any body which no longer exists or has been reconstituted, renamed, replaced or whose powers or functions have been removed or transferred to another body or agency, is a reference to the body which most clearly serves the relevant purposes or objects of the first mentioned body;

- 43.5. This or other document includes the document as varied or replaced regardless of any change in the identity of the parties;
- 43.6. The singular includes the plural and vice versa; and
- 43.7. A gender includes other genders.
44. If a party that is a trustee makes a covenant, agreement, undertaking representation or warranty, then the covenant, agreement, undertaking, representation or warranty is to be construed as having been made in the capacity as trustee of the relevant trust.

## **0 Definitions**

45. In this Deed unless expressed or implied to the contrary:

**Authorised Investment** means the investment specified in the schedule.

**Cash Account** means the account established under clause 8.

**Custody Fund** means the Authorise Investment together with the following assets transferred to the Custodian and other amounts which accrue or are paid in respect of the Authorised Investment:

- All right title and interest of the Custodian from time to time in the Authorised Investment;
- All income and other proceeds generated from the holding of the Authorised Investment; and
- All other income, proceeds, accretions or accruals attributable to the Custody Trust

**Custody Trust** means the trust known as " Macca Bare Trust" created by operation of this Deed.

**Deed** means this trust deed, including all schedules.

**Discretion** means a right or power to act in accordance with one's own judgement.

**Fund** means the MACCA SUPER FUND

**Lender** means each person from whom the Trustee is borrowing in order to acquire Authorised Investment, as identified in the Schedule.

**Regulated Fund** means a "regulated superannuation fund" within the meaning of section 19 of the SIS Act and a "complying superannuation fund" within the meaning of Part 5 of the SIS Act.

**Schedule** means the schedule to this Deed.

**SIS Act** means the Superannuation Industry (Supervision) Act 1993 (Cth).

**Superannuation Law** means:

- Any law of the Commonwealth of Australia which deals with any aspect of the superannuation or Taxation in relation to superannuation, including the SIS Act and the Superannuation Industry (Supervision) Regulations 1994 (CTH); and
- Any lawful requirement in relation to the Fund by any authority or body that has responsibility in connection with the regulation of superannuation, or taxation in relation to superannuation.

- It includes:
- Changes to any such laws or requirements after the date of this Deed; and
- Any proposed law or lawful requirement that the trustee believes may have retrospective effect.

**Trustee** means the trustee for the time being of the Fund, who as at the date of this Deed is the person identified on page 1.

**Vesting Date** means either:

- The date which is 80 years from the date of this Deed; or
- Any earlier date the Custodian and the Trustee jointly determine.

## Execution

Executed by the parties.

Dated 22/1/16

Executed by

**STERICMAC PTY LTD** ACN 609 860 308

in accordance with section

127(1) of the Corporations Act 2001 (Cth)



Sole Director/Sole Secretary

STEPHEN ERIC MacDONALD

Executed by

**MACSTE PTY LTD** ACN 609 766 734

in its capacity as

trustee of the fund in accordance

with section 127(1) of the

Corporations Act 2001 (Cth)



Sole Director/Sole Secretary

STEPHEN ERIC MacDONALD

## Schedule

Lender:		SML
Lender ABN/ACN (if applicable):		SML
Lender Address for notices:		SML
Lender Fax:		SML
Loan Amount:	\$204,000.00	
Loan Term:	360 months	
Authorised Investment:	6/13 Leslie Street, Dudley Park, WA 6210 – Certificate of Title Volume 1380 Folio 798	
Jurisdiction:		
Settlement Date (if applicable):	On or before 25 February 2016	