
**Self Managed Superannuation Fund
Pension Pack for
Walters Family Superannuation Fund**

APPLICATION TO COMMENCE PENSION

To: The Trustees

Walters Family Superannuation Fund
24 Tea-Tree Court,
VICTORIA POINT QLD 4165

I, Rhonda Elizabeth Walters, of 24 Tea-Tree Court, Victoria Point, Qld 4165 do hereby apply to receive the accumulated superannuation benefits standing to the credit of my account (or accounts as the case may be) within Walters Family Superannuation Fund by way of :

An Account Based pension and the initial amount to apply to this pension is \$323,430

I confirm that I have met a Condition of Release as laid down by Relevant Law.

I further confirm that I have attained Preservation Age.

I advise that I wish the pension payments to be made as follows:

Lump sum payment of \$40000 to be paid in November 2007 followed by regular Monthly payments , commencing December 2007.

Dated: 30/09/2007

Signed:



Rhonda Walters

EXPLANATORY NOTES

Preservation Age is generally the age at which a person is allowed to access their superannuation benefits if they have stopped working, unless other extenuating circumstances occur and the requirements which permit accessing the benefits early are met. A person's preservation age depends on their date of birth, as set out in the following table

Date of birth	Preservation age
Before 1 July 1960	55
1 July 1960 - 30 June 1961	56
1 July 1961 - 30 June 1962	57
1 July 1962 - 30 June 1963	58
1 July 1963 - 30 June 1964	59
After 30 June 1964	60

Conditions of Release are the nominated events that a person must satisfy to enable them to withdraw their preserved benefits (i.e benefits which must be retained in a superannuation fund until Preservation

Age has been attained) and restricted non-preserved benefits (that is, benefits to which preservation does not apply, but which cannot be accessed until a condition of release has been met) from a superannuation fund. You need to be aware that the conditions of release are also subject to the rules of your individual superannuation fund (as set out in the trust deed). It is possible that a benefit may be payable under the SIS Act but cannot be paid under the rules of your fund.

Superannuation is money invested for a member's retirement. It enjoys tax concessions, provided it is not accessed until the member meets certain conditions, which are generally retirement-related.

According to the SIS Act, a member's preserved benefits and restricted non-preserved benefits may be paid out for the following reasons:

1. Retirement

Actual retirement depends on a person's age and, for those under 60 years of age, their future employment intentions. A retired member cannot access their preserved benefits before they reach their preservation age.

A member who has reached their preservation age and is aged less than 60 retires when the arrangement under which they were gainfully employed ceases and the Fund Trustees are reasonably satisfied the member does not intend to be gainfully employed (for at least 10 hours a week) in the future.

When the member has reached 60 years of age, their retirement occurs when an arrangement under which they were gainfully employed ceases. There are no 'cashing restrictions' for retirement.

Where a member who is aged 60 or more gives up one employment arrangement but continues in another employment relationship, they:

- a. may cash all preserved and restricted non-preserved benefits accumulated up until that time, but
- b. may not cash any preserved or restricted non-preserved benefits accumulated after that condition of release occurs.

They cannot cash those benefits until a fresh condition of release occurs. If a member aged 60 or more commences a new employment arrangement after satisfying a condition of release, such as retirement from a previous employment arrangement at or after age 60, benefits related to the new employment remain preserved until a further condition of release is satisfied.

2. Attaining age 65 or more

If a member has reached age 65 (but is not yet 75) and is gainfully employed to at least a part-time equivalent level, they may cash their benefits at any time. However, if the member is not gainfully employed to at least a part-time equivalent level, the benefits must be cashed on reaching age 65. There are no cashing restrictions on attaining age 65 or more.

3. Terminating gainful employment - benefits less than \$200

A member may voluntarily cash their benefits where they have terminated employment with a standard employer-sponsor of the fund and their preserved benefits are less than \$200. There are no

cashing restrictions on payment of benefits.

4. Terminating gainful employment - benefits of \$200 or more

Subject to the governing rules of the fund, where a member has terminated employment with an employer who had contributed to the member's fund, preserved benefits may be paid, but the benefits must be taken as a non-commutable lifetime pension or annuity. On termination, all restricted non-preserved benefits become unrestricted non-preserved benefits and therefore can be cashed out on request from the member (no cashing restrictions).

5. Permanent incapacity

A member's benefits may be cashed if they cease gainful employment and you are satisfied that the member is unlikely, because of ill health, ever again to engage in gainful employment of the type for which they are reasonably qualified by education, training or experience. There are no cashing restrictions on payment of benefits.

6. Temporary incapacity

A member's benefits may be paid where the Trustees are satisfied that the member has temporarily ceased work due to physical or mental ill health which does not constitute permanent incapacity. In general, temporary incapacity benefits may be paid only from the insured benefits or voluntary employer-funded benefits.

It is not necessary for the member's employment to fully cease but, generally, a member would not be eligible for temporary incapacity benefits if they were receiving sick leave benefits. The cashing restriction is that the benefit must be paid as a non-commutable income stream for the period of the incapacity.

7. Severe financial hardship

Different conditions for release and cashing restrictions apply depending on the age of the member:

Where the member is under their preservation age plus 39 weeks, you must be satisfied that the member:

- cannot meet reasonable and immediate family living expenses, and
- has been receiving relevant Commonwealth income support payments for a continuous period of 26 weeks and was receiving that support at the time of applying to the trustee.

The cashing restriction is that the payment must be a single gross lump sum of no more than \$10,000 and no less than \$1,000 (or a lesser amount if the member's benefits are less than \$1,000). Only one payment is permitted in any 12-month period.

Where the member has reached their preservation age plus 39 weeks, you must be satisfied that the member:

- has been receiving Commonwealth income support payments for a cumulative period of 39 weeks since reaching their preservation age, and
- was not gainfully employed on a full-time or part-time basis at the time of applying to the trustee.

There are no cashing restrictions if releasing benefits under these circumstances.

8. Compassionate grounds

Benefits may be released on specified compassionate grounds where:

a member does not have the financial capacity to meet an expense
release is allowable under the governing rules of the fund, and
APRA determines, in writing, that release is permitted.

There are specific grounds for release and, once APRA has approved the release, the final decision to release the benefits lies with the trustees.

9. Temporary residents departing Australia

From 1 July 2002, people who have entered Australia on an eligible temporary residents visa and who subsequently permanently depart Australia can be paid any superannuation they have accumulated. The member will have to prove their eligibility under this condition of release.

The payment is subject to special withholding tax. Trustees are required to issue a withholding payment summary to the individual and report details of the amounts withheld annually to the Tax Office.

10. Attaining preservation age (Transition to retirement)

From 1 July 2005, 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 preserved benefits and restricted non-preserved benefits as a non-commutable income stream.

**NOTICE TO MEMBER AT THE COMMENCEMENT OF A PENSION
FROM WALTERS FAMILY SUPERANNUATION FUND**

2nd October 2007

To: Rhonda Walters

We refer to your Application to Commence receiving the following Pension or Pensions from the above superannuation fund:

An Account based pension and the initial amount to apply to this pension is \$323,430.00

We confirm that the Rules of the Fund permit the payment of the requested pension to you and further confirm the amounts as shown are available to support the payment of those pensions.

You have advised that you wish the pension to commence on 01/11/2007 and that you wish to receive benefits on a monthly basis thereafter.

We have calculated the pension payments applicable and advise the gross payments are as follows:

PENSION TYPE	MINIMUM REQUIRED	MAXIMUM APPLICABLE
Account Based Pension	\$12,937.20	No Maximum applies

Note that if the pension payable to you in the first year is for a part year only, the amounts above will be pro-rated according to the number of days for which the pension is payable.

The Trustees are obliged to deduct tax from these amounts and to forward this to the Australian Taxation Office, except in certain circumstances, which are outlined in the enclosed Product Disclosure Statement. The Trustees will issue you with a PAYG Summary at the end of the year. It will be necessary for you to complete and return a TFN Declaration Form and this will be provided to you by the Trustees

Please read the enclosed Product Disclosure Statement carefully and contact the Trustees if there is anything you do not understand or if you have any further questions.



Darryl Walters (Chairman)

MINUTE TO COMMENCE PENSION

Minutes of a meeting of the Trustees of Walters Family Superannuation Fund held at 24 Tea-Tree Court Victoria Point QLD 4165 on 1st October 2007.

Present: Darryl Walters
Rhonda Walters

Application: Application to Commence a Pension was received from Rhonda Walters and it was noted that the member wishes to commence:
An Account Based pension and the initial amount to apply to this pension is \$ 323,430.00

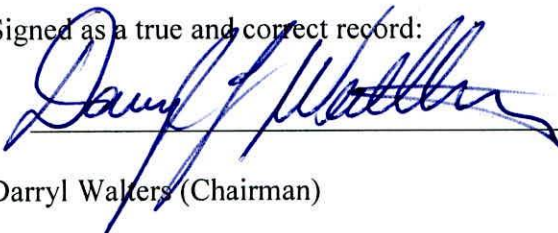
Calculation: The Secretary was authorized to calculate the minimum pension amounts which must be paid in the current and following years and the maximum amount (if applicable) which may be paid in the current and following years and to notify the Member accordingly

Product Disclosure Statement: The Secretary was authorized to provide the member with a Product Disclosure Statement which outlines the rules applicable to the payment of superannuation benefits to Rhonda Walters in the form requested

Segregation of Assets: The Secretary was authorized to make such arrangements as may be necessary to segregate the assets supporting the payment of this pension from the other assets of Walters Family Super Fund or, if such segregation is not either achievable or desirable for the ongoing achievement of investment goals in the fund, to obtain such actuarial advice in relation to the income of the fund and the tax-exempt portion thereof as may be necessary

There being no further business, the meeting closed.

Signed as a true and correct record:



Darryl Walters (Chairman)