

STILES SUPERANNUATION FUND

NOTICE TO MEMBERS OF VARIATION TO TRUST DEED

This notice to members explains the nature and purpose of the variation to the trust deed for the Fund that the trustee has recently affected and to briefly outline some of the features of the trust deed as varied.

Nature and Purpose

The nature and purpose of the variation to the trust deed is in order to:

1. ensure the Fund complies and will continue to comply with the self managed superannuation fund (**SMSF**) requirements of the Superannuation Industry (Supervision) Act 1993 (**SIS Act**) and the Superannuation Industry (Supervision) Regulations 1994 (**SIS Regulations**); and
2. update the trust deed in the light of other developments in superannuation law since the Fund was established and the trust deed was last varied (if applicable).

Essentially, the operative provisions of the trust deed for the Fund have been replaced with new provisions which reflect these requirements.

SMSFs

The SMSF requirements generally have effect that the members of the Fund must be actively involved in the Trusteeship for the Fund, i.e. either be individual Trustee or directors of a trustee company. These important requirements are included in the trust deed.

Accrued Benefits

The deed of Variation was drafted in accordance with the requirements and limitations of the variation clause of the trust deed for the Fund and accordingly, no members' accrued benefits have been varied or adversely affected in any way. Further the revised trust deed for the Fund operates to maintain as vested benefits which vested in Fund members under the current trust deed.

Death Benefits

The revised trust deed permits the trustee to be bound by a binding death benefit notice (**BDBN**) in relation to the distribution of death benefits from the Fund. Members should note the BDBN will have operation in relation to benefits which are still accumulating as well as the balance of an allocated pension on the death of a pensioner.

Members should note that a BDBN does not permit them to require the trustee to pay any part of the death benefit payment to a person who is not their dependant or legal personal representative. Members should consult the trustee for further details with respect to taking up the option of a BDBN.

Pension Provisions


The revised trust deed permits the trustee to pay allocated market linked and the new non-commutable "transition to retirement" pension as well as any other form of pension permitted under superannuation law.

The revised trust deed empowers the trustee to reserve investment income rather than distribute it wholly every financial year.

Contribution Splitting

The revised trust deed makes specific provision for members to split contributions in favour of their spouse, and for amounts resulting from a contribution split by a member's spouse in favour of the member to be received into the Fund.

DATED: 1 July, 2007

ATS 

On behalf of the Trustee