

- 5.11.6 the Trustees may transfer a Death Benefit to a trust in which the beneficiaries of such trust are limited to those persons who are Dependants for the purposes of section 302-195 of the *Income Tax Assessment Act 1997*;
 - 5.11.7 any payment of a Death Benefit shall be in accordance with the Regulations if to do otherwise would affect the status of the Fund as a Complying Superannuation Fund; and
 - 5.11.8 the prior written consent of the Legal Personal Representative of the deceased Member has been obtained to the minutes and resolutions of the Trustees concerning the decision to pay a Death Benefit in respect of a deceased Member.
- 5.12 If the Trustees are unable to establish within 6 months of the death of the Member that there are any Dependants, then the Death Benefit shall be paid to the Member's Legal Personal Representative but, if a Grant of Probate or Letters of Administration in respect of the estate of the Member is not made within 3 years of the Member's date of death (or such other period that the Trustees determine), then the Death Benefit shall be paid to such person or persons that the Trustees determine or shall be dealt with pursuant to Rule 5.14 or Rule 5.15.
- 5.13 Notwithstanding Rules 5.9 and 5.10, where a Nominated Beneficiary gives notice in writing to the Trustees that the Nominated Beneficiary elects not to receive a benefit under a notice made under Rule 5.6 or an Agreement made under Rule 5.8 then so much of the Member's Death Benefit as is covered by the Nominated Beneficiary's written notice shall be paid by the Trustees in accordance with Rules 5.11 and 5.12 unless the notice made under Rule 5.6 or the Agreement made under Rule 5.8 contains provisions for the payment of a Benefit to an alternative Beneficiary.

UNCLAIMED MONEY

- 5.14 The Trustees shall comply with the Regulations relating to unclaimed money which becomes payable by the Fund to a Member or a Dependant or other person whom the Trustees are unable to locate after making reasonable efforts and enquiries which shall be paid in accordance with any applicable unclaimed money law or, in the event that no such law is applicable, to the Regulators.

PAYMENT OF MONEY TO AN EMPLOYER

- 5.15 In the event that the Trustees determine that an Employer is entitled to receive money from the Fund, the Trustees shall pay such amount to the Employer in accordance with the requirements of the Regulations and provided Government Approval of the Fund is not prejudiced.

ROLLOVER OF BENEFIT BETWEEN FUNDS

- 5.16 In the event that the Trustees determine that a Benefit (other than a Pension) is immediately payable to a Member, to an Eligible Fund in respect of a Member or to another person in respect of a Member, and the Benefit has not been paid within 90 days (or such other period of time specified by the Regulations) of the date the Benefit first became payable, the Trustees may pay the Benefit to an Eligible Fund that has been declared by the Regulator to be a fund eligible to receive such rolled-over benefits.
- 5.17 Where a Benefit has become payable and the Trustees are satisfied that at least 2 consecutive annual Member Statements and Reports, as described in Rules 8.14 and 8.15, have not been received by the Member the Trustees shall pay the Benefit to an Eligible Fund that has been declared by the Regulator to be a fund eligible to receive such rolled-over benefits.

BENEFIT PAYABLE IN OTHER CIRCUMSTANCES

- 5.18 The Trustees may, in its absolute discretion, pay part or all of a Member's Benefit to a Member, or another person, in the circumstances provided for in the Regulations, notwithstanding the restrictions imposed by these Rules.

PRESERVATION

- 5.19 The Trustees shall ensure that any Preserved Benefit is preserved within the Fund or is transferred to an Eligible Fund in accordance with the Regulations.

COMMUTABLE AND NON-COMMUTABLE BENEFIT

- 5.20 In accordance with the Regulations or these Rules or on request by a Member being paid a Pension Benefit, the Trustees may commute all or any part of a Pension including any balance in excess of any legislated balance caps and apply the proceeds of that commutation in accordance with the Regulations.
- 5.21 When a Member is entitled to a Benefit which is subject to cashing restrictions, the Trustees shall ensure that the Benefit is not commuted except in accordance with the Regulations.

DISCHARGE OF OBLIGATIONS

- 5.22 The payment or application of any money pursuant to Rule 5 shall be a complete discharge thereof.
- 5.23 No Benefit shall be payable until the Trustees have ascertained that it may be paid in accordance with the provisions of these Rules.
- 5.24 Payment or assignment of a Benefit in good faith to a person believed by the Trustees to be entitled to receive it shall be deemed for the purposes of these Rules to be payment or assignment to a person entitled to receive such Benefit and shall be a valid discharge by the Trustees of their obligations in respect of the payment or assignment of that Benefit.
- 5.25 The Trustees when determining questions of fact may act upon such proofs or presumptions as they may deem satisfactory whether strictly legal proofs or presumptions or not.

RULE 6 ADMINISTRATION

SOLE OR PRIMARY PURPOSE

- 6.1 The sole or primary purpose of the Fund shall be the payment of Old-Age Pensions. If the sole or primary purpose of the Fund is not the payment of Old-Age Pensions to Members then the Trustee must be a Corporate Trustee.

ENTITLEMENT

- 6.2 All questions as to whether any person is entitled to a payment out of the Fund and, if so, the amount of such payment shall be determined by the Trustees whose decision shall be final.

EXPENSES, TAX AND CHARGES

- 6.3 Notwithstanding anything expressed or implied to the contrary in these Rules, the costs and expenses of the Fund shall be apportioned and deducted in a fair and reasonable manner as between all Members of the Fund and in determining what is fair and reasonable the Trustees may have regard to whether such costs and expenses were to the benefit or detriment of some or one, but not all, of the Members and:

6.3.1 the Trustees may deduct from any money which but for this Rule would be payable to or for the benefit of a Member or Dependant and may retain in the Fund, any amount which the Trustees determine is owing to the Trustees or the Fund by the Member or Dependant;

6.3.2 the Trustees shall estimate and deduct from any contribution to the Fund or debit the Fund with such amount as the Trustees shall think fit in respect of any income or other tax assessed or likely to be assessed in relation to the contribution received from the Fund;

6.3.3 the Trustees may deduct an amount equal to any tax or charges in respect of any payment out of the Fund from such payment as they think proper and the Trustees shall not be liable to any Member or Dependant in respect of any amount so deducted and the Trustees shall only be required to pay the residual amount of the payment; and

nothing in this Rule shall prejudice any other rights which the Trustees may have to deduct tax or charges from any payment out of the Fund, or to pay from the Fund any other tax or charges which such payment may incur.

- 6.4 For the purpose of Rule 6.3 the Trustees may alter, exchange and segregate current pension assets from non-current pension assets and deal with the Fund as different sub-funds, segments or portions and account for them in accordance with these Rules.

FORFEITURE OF BENEFIT

- 6.5 All benefit entitlements of a Member shall be forfeited unless the Trustees have determined otherwise within 6 months after the happening of any one of the following events:

6.5.1 the Member is or becomes insolvent or has committed or commits an act of bankruptcy;

6.5.2 the Member assigns or charges the whole or part of a Member's benefit entitlement except in accordance with the Regulations;

6.5.3 the whole or part of a Member's benefit entitlement becomes payable to or vested in another person, corporation or government or public authority;

6.5.4 the Member is unable personally to receive or enjoy any part of the Benefit; and

the Trustees' determination shall have effect from the date specified by the Trustees which may be a date before the happening of the event.

- 6.6 The Trustees may only forfeit benefits where such forfeiture is not ineffective under the Regulations or the *Bankruptcy Act 1966*.
- 6.7 Benefits forfeited under Rule 6.5 shall be applied by the Trustees as the Trustees may think fit for the benefit of any such person and the person's Dependants or any one or more of them, provided that where the person is a Member the Trustees shall not make any payment to or for the benefit of the Member or the Member's Dependants until the Member attains such age as is prescribed in the Regulations, other than for personal maintenance and support in case of hardship. Such application of the benefit shall be a discharge by the Trustees of their obligations in respect of payment.
- 6.8 Subject to the Regulations, for the purposes of Rule 6.5, if a Member is entitled to or is being paid a Benefit, the Trustees' determination may include a determination to:
- 6.8.1 pay the Member a Lump Sum Benefit; or
 - 6.8.2 cease the payment of a Pension Benefit to the Member and in lieu of such Pension Benefit pay a Lump Sum Benefit; or
 - 6.8.3 transfer the Member's Benefit to another Eligible Fund.

RIGHTS OF MEMBERS

- 6.9 No person, whether as a Member or Beneficiary or otherwise, shall have any claim, right or interest to or in any particular part of the Fund save as provided by these Rules. Any claim against the Trustees or the Fund shall be limited to the Member's interest or entitlement in the Accrued Benefit of the Member and any cost or expense associated with any such claim may be apportioned and deducted from the Member's interest or entitlement in the Fund under Rule 6.3.
- 6.10 A Member shall be bound by these Rules.
- 6.11 A Member shall not more than once a year, be entitled to receive from the Trustees, on request, a copy of the latest accounts, balance sheet, auditor's report, actuarial report, returns to a Regulator, certificates received from a Regulator and such other information as is required by the Regulations to be provided to a Member.

MEMBERS TO GIVE INFORMATION

- 6.12 A Member and every person claiming a Benefit ("claimant") shall, from time to time, give the Trustees such documents as they consider are required for the purpose of putting these Rules into effect. If any Member or claimant fails to supply all or any of such information then the Trustees may suspend the payment of any Benefits.
- 6.13 Where information or a document is not furnished within six (6) months of the first request the Benefits payable to or in respect of such Member or claimant may cease or may be transferred in part or in whole in such amounts as shall be determined by the Trustees in their absolute discretion (subject at all times to the provisions of the Regulations) to an Eligible Fund provided however in the case of the information furnished by or in respect of a Member or claimant in any statement submitted to the Trustees being fraudulently incorrect in any material particular such Member's Benefit shall be otherwise dealt with in accordance with the provisions of the Regulations.

NOTICES

- 6.14 Any notices to be given under these Rules shall be deemed to have been validly given if they were handed to the party to be served or, if posted, duly addressed to the party to be served at the last known address of such party.

POWER OF ATTORNEY

- 6.15 Each Member hereby irrevocably appoints the Trustees and each of them as the Member's attorney to execute and sign and do all such deeds, instruments and things as the Trustees may consider necessary or desirable in order to carry out and give effect to the Trust Deed or these Rules or the powers vested in the Trustees.

VARIATION OF TRUST DEED AND RULES

- 6.16 Subject to Rules 6.18, 6.19 and 6.20, the Trustees may, at any time, by deed amend, delete or replace all or any of the provisions of the Trust Deed and these Rules (including this Rule 6.16) provided that no reduction of the Accrued Benefit of a Member shall be made as a result of a variation of the Trust Deed or these Rules without the Member's consent in writing, or the consent in writing of the Regulator and the consent in writing of such other persons as is necessary to avoid prejudicing Government Approval of the Fund.
- 6.17 The provisions of section 35B of the *Trustee Act 1936* (SA) shall not apply.
- 6.18 Notwithstanding Rule 6.16, no addition, amendment, deletion or replacement of these Rules shall have the effect of invalidating, overriding or otherwise affecting:

6.18.1 a notice prepared by a Member under Rule 5.6; or

6.18.2 any agreement made under Rule 5.8;

without the express personal consent in writing of the Member who has given the notice or made the agreement and unless and until such express personal consent is given, such notice and/or agreement shall continue to apply.

6.19 Notwithstanding Rule 6.16, no amendment to the Trust Deed or these Rules introduced primarily for the purpose of securing exemption or relief from liability for taxation, stamp duty, gift duty, death duty, or any other form of taxation imposed or to be imposed or primarily for the purpose of complying with or conforming to future State or Commonwealth legislation governing or regulating the maintenance or operation of superannuation pension or like funds shall be deemed prejudicially to vary or to affect the Accrued Benefit of a Member.

6.20 Notwithstanding Rule 6.16, no amendment to the Trust Deed or Rules shall be made:

6.20.1 while an individual is a Trustee, to allow the sole or primary purpose of the Fund to be other than the provision of Old-Age Pensions;

6.20.2 while the sole or primary purpose of the Fund is other than the provision of Old-Age Pensions to allow the Trustees to be other than a Corporate Trustee;

6.20.3 which would have the effect of adding to, amending, deleting or replacing Rule 6.18 or this Rule 6.20 unless all Members personally consent in writing to such addition, amendment, deletion or replacement;

6.20.4 which would have the effect of adding to, amending, deleting or replacing Rule 2.14 if to do so resulted in the Fund failing to comply with the QROPS Requirements unless all Members personally consent in writing to such addition, amendment, deletion or replacement; or

6.20.5 without the consent in writing of the Legal Personal Representative of a deceased Member if the Death Benefit payable in respect of the deceased Member has not been paid.

LAW

6.21 The Fund or any of the provisions thereof shall be governed by and construed according to the law of the State as detailed in the Trust Deed.

SUPERANNUATION SPLITTING LAW

6.22 The Trustees shall only be obliged to comply with any request for information, agreement or order made under the Superannuation Splitting Law to the extent permitted or required by the Regulations.

6.23 The Trustees may impose a fee not exceeding the amount, if any, prescribed by the Regulations for the administrative costs associated with complying with an agreement or order made under the Superannuation Splitting Law and such fee shall be payable by such persons and in such proportions as prescribed by the Regulations. The Trustees may add interest, at a rate the Trustees determine, to any unpaid fee that the Trustees impose and may debit the interest to a benefit or interest that the relevant Member or person deemed to be a Member has in the Fund.

6.24 Nothing in these Rules shall impose a duty or obligation upon the Trustees to admit as a Member of the Fund any person being a party to an agreement or order made under the Superannuation Splitting Law who is not already a Member of the Fund and the Trustees may transfer any Benefit to which such person is entitled to an Eligible Fund in accordance with the Regulations.

6.25 Notwithstanding anything contained in these Rules, a Benefit payable to a Member or Dependant under these Rules shall be subject to any agreement or order made under the Superannuation Splitting Law applying to that Benefit.

COMPLIANCE WITH REGULATIONS

6.26 This Trust Deed shall be read and construed on the basis that the provisions of the Regulations are incorporated herein to the extent that they impose requirements on the Trustees or are required by the Regulations to be so incorporated but this Trust Deed shall not be so read or construed if to do so would constitute a breach of the power granted by Rules 6.16 to 6.20 inclusive to amend the provisions of this Trust Deed or where provisions of the Regulations may be lawfully excluded and are expressly excluded by these Rules. Where there is any inconsistency between a provision in this Trust Deed and a provision in the Regulations which is so incorporated, the latter shall prevail.

RULE 7 THE ASSETS, EXPENSES & INVESTMENTS

THE ASSETS

- 7.1 The following property and the property for the time being representing the same and the income thereof shall constitute the assets of the Fund namely;
- 7.1.1 contributions;
 - 7.1.2 any assets paid or transferred to the Fund,
 - 7.1.3 all profits, accumulations and earnings of the Fund, and
 - 7.1.4 any other money received or receivable by the Trustees for the purposes of the Fund.

ASSETS HELD BY TRUSTEES

- 7.2 The assets of the Fund shall be held by the Trustees upon trust to be applied in accordance with the provisions of these Rules.

EXPENSES OF THE FUND

- 7.3 All the expenses of operation of the Fund incurred from time to time shall be paid out of the assets of the Fund. Save as required by the Regulations, the costs and expenses of the Fund shall be distributed in a fair and reasonable manner as between all Members of the Fund and in determining what is fair and reasonable the Trustees may have regard to whether such costs and expenses were to the benefit or detriment of some or one, but not all, of the Members.

INVESTMENTS IN NAME OF NOMINEE

- 7.4 Subject to the requirements of the Regulations, any investments may be held in such names including the name of a nominee (whether an individual or a corporation as the Trustees shall from time to time determine).

LOANS TO MEMBERS

- 7.5 The Trustees shall not make loans, or use the resources of the Fund to give any other financial assistance, to Members or to Related Parties except to the extent permitted in the Regulations or unless the Fund was established before 16 December 1985 and either the rules or deed governing the Fund contained provisions allowing the Trustees to make loans to Members or the Trustees lent money to Members and that lending was not expressly prohibited by the rules or deed governing the Fund.

ACQUIRING ASSETS FROM MEMBERS

- 7.6 The Trustees will not acquire assets from a Member or from a relative of a Member if such acquisition would contravene the Regulations and prejudice Government Approval of the Fund.

IN-HOUSE ASSETS

- 7.7 The Trustees shall not invest in any In-house Assets as defined in the Regulations unless such investment can be made without prejudicing Government Approval of the Fund.

INVESTMENTS

- 7.8 Subject to the provisions of the Regulations and Rules 7.5, 7.6 and 7.7 and provided investments are made on an arm's-length basis, all money received by the Trustees but not required to meet current payments may in the absolute discretion of the Trustees either be or remain on deposit or be reinvested either directly or indirectly in any manner in which the Trustees, if they were personally entitled to such assets, could invest without prejudicing Government Approval of the Fund. Without restricting the generality of the foregoing, money may be invested:
- 7.8.1 in any one or more of the modes of investment considered by law to be prudent or authorised by law for the investment of trust funds;
 - 7.8.2 on deposit with or on loan to any bank, company or business whether secured or unsecured and at such rate of interest and upon such terms as the Trustees think fit;
 - 7.8.3 on the purchase or acquisition of or at interest upon the security of such real or personal property of whatsoever nature and wheresoever situate;
 - 7.8.4 in the shares, notes, options, debentures or other securities of any company or the securities of any government, semi-governmental body or public authority;
 - 7.8.5 in options, hedging contracts, futures contracts, derivatives and other financial instruments or contracts;

- 7.8.6 in a limited recourse borrowing arrangement or in an instalment warrant arrangement that satisfies the requirements of the Regulations;
 - 7.8.7 in units of any common fund property trust or unit trust;
 - 7.8.8 in any policies of life insurance or annuities;
 - 7.8.9 in digital currency, cryptocurrency and such other similar or like digital assets; and
 - 7.8.10 any other investment which the Trustees consider to be appropriate and which is acceptable to the Regulator.
- 7.9 The Trustees shall have full power to vary, replace and otherwise deal with such investments as fully and effectively and with the same unrestricted powers in all respects as if the Trustees were the absolute and beneficial owners.
- 7.10 Any State Trust Law which imposes any obligations on the Trustees concerning the exercise of the powers of investment granted under these Rules or the performance of those investments are excluded unless the applicable State Trust Law cannot lawfully be so excluded.

ASSETS SPECIFIC TO A MEMBER

- 7.11 The Trustees, with the agreement of the Member concerned, may invest in or acquire certain identifiable investments or assets for the benefit of any Member and to make a specific investment for the benefit of any Member providing that such investment complies with the investment strategy of the Trustees and shall hold such assets for the specific benefit of the Member concerned and which shall be recorded in the Member's account.
- 7.12 Notwithstanding anything contained in these Rules, any asset held for the specific benefit of a Member shall be segregated from other assets of the Fund and shall not be transferred out of the Member's account and no other person shall obtain an interest in the asset unless:
- 7.12.1 the asset is being transferred to the Member as payment of a Benefit in specie to the Member;
 - 7.12.2 the asset is being sold and the proceeds are to be paid to the Member as payment of a Benefit; or
 - 7.12.3 the transfer of the asset does not affect any duty exemption or nominal assessment of duty obtained under the laws of any State or Territory to the transfer of the asset to the Fund when the asset was first acquired by the Trustees.

RESERVE ACCOUNTS

- 7.13 The Trustees may establish and maintain the following Reserve Accounts:
- 7.13.1 a Taxation Reserve (in which is recorded any unpaid or expected taxation liabilities);
 - 7.13.2 an Expense Reserve;
 - 7.13.3 an Investment Reserve;
 - 7.13.4 a Contributions Reserve;
 - 7.13.5 a Miscellaneous Reserve;
 - 7.13.6 an Accumulation Reserve;
 - 7.13.7 a Pension Reserve;
 - 7.13.8 such Reserves or liability accounts as may assist the Trustees to identify the value of assets that may be exchanged or segregated as either current pension assets, non-current pension assets or that are dealt with as a different sub-fund, segment or partition; and
 - 7.13.9 such other Reserves and accounts as the Trustees consider appropriate from time to time;
- and the Trustees may transfer any amount from the income of the Fund including contributions for any Member to any one or more of the Reserves and vice versa and between the Reserves so established as they consider appropriate and which is acceptable to the Regulators.

PENSION RESERVE

- 7.14 Based on the advice of an actuary, the Trustees may credit a Pension Reserve with:
- 7.14.1 contributions for a Member to fund a Complying Pension including any contributions which exceed the Member's maximum contribution limit in a Financial Year as determined by the Regulations;
 - 7.14.2 transfers from an Eligible Fund under Rule 2.7;
 - 7.14.3 allocations of income and profit of the Fund pursuant to paragraphs 1 and 2 of Schedule 1;
 - 7.14.4 allocations made from time to time by the Trustees from the Accumulation Reserve;
 - 7.14.5 proceeds of policies of insurance effected to provide benefits on the death or disablement of the Member;
 - 7.14.6 transfers from the Member's Accrued Benefit or any of the Reserves where the Trustees determine that an anticipated Member's Complying Pension requires further funding; and
 - 7.14.7 such other amounts as the Trustees may determine be properly credited to a Pension Reserve in respect of a Member;

and shall debit a Pension Reserve with:

- 7.14.8 amounts paid by way of Benefits in respect of a Member;
- 7.14.9 transfers to a Member's Accrued Benefit or any of the Reserve Accounts where the Trustees determine that an anticipated Member's Complying Pension is over-funded;
- 7.14.10 amounts debited to pay premiums on policies of insurance effected to provide benefits to Members;
- 7.14.11 amounts debited to pay any tax and other expenses, or amounts to provide for them;
- 7.14.12 any part of an amount transferred to an Eligible Fund in respect of the Member pursuant to Rule 2.8 or Rule 2.10 which the Trustees have determined shall be debited to Pension Reserve; and
- 7.14.13 any other amount which shall be debited for the purposes of these Rules;

provided that the transfer, payment or provision is in accordance with the Regulations and the amounts credited are not a minimum benefit.

ACCUMULATION RESERVE

- 7.15 The Trustees may credit an Accumulation Reserve with:
- 7.15.1 transfers of any balance remaining of any Member's Accrued Benefit after all benefit entitlements have been paid to a Member or is otherwise satisfied in full;
 - 7.15.2 transfers from a Member's Accrued Benefit where the Trustees consider that it is in the interests of the Member to do so;
 - 7.15.3 allocations of income and profit of the Fund pursuant to paragraphs 1 and 2 of Schedule 1;
 - 7.15.4 transfers from a Pension Reserve where the Trustees determine that an anticipated Member's Complying Pension is over-funded;
 - 7.15.5 the value of any Benefit covered by Rules 5.9, 5.10 and 5.11;
 - 7.15.6 the value of any Benefit covered by Rule 6.5; and
 - 7.15.7 such other amounts as the Trustees may determine be properly credited to the Accumulation Reserve in respect of a Member;

and shall debit an Accumulation Reserve with:

- 7.15.8 transfers to a Member's Accrued Benefit as determined by the Trustees from time to time;
- 7.15.9 transfers to a Pension Reserve where the Trustees determine that an anticipated Member's Complying Pension requires further funding
- 7.15.10 amounts debited to pay any tax and other expenses, or amounts to provide for them;
- 7.15.11 any part of an amount transferred to an Eligible Fund in respect of the Member pursuant to Rule 2.8 or Rule 2.10 which the Trustees have determined shall be debited to an Accumulation Reserve; and
- 7.15.12 any other amount which shall be debited for the purposes of these Rules;

provided that the transfer, payment or provision is in accordance with the Regulations and actuarial advice.

RULE 8 RECORDS, ACCOUNTS & REPORTS

RECORDS

- 8.1 The Trustees shall keep or cause to be kept:
- 8.1.1 such accounting records as correctly record and explain the transactions and financial position of the Fund, including a complete record of the income and expenditure of the Fund, personal details of the Members of the Fund including a record of their benefit entitlements, details of any orders or agreements made under the Superannuation Splitting Law and all other matters essential for the working of the Fund; and
 - 8.1.2 all such records in writing in the English language in Australia for the period specified in the Regulations.

ACCOUNTS

- 8.2 The Trustees shall at the end of each Financial Year prepare a statement of financial position of the Fund and an operating statement for the Fund or alternatively such accounts and statements as are provided for in the Regulations.

AUDIT

- 8.3 The Trustees shall appoint an Auditor to the Fund in accordance with the Regulations to audit the accounts and records of the Fund and obtain from such Auditor such certificates, reports and other documents in such manner and form and at such time as required by the Regulations.

ACTUARIAL REVIEW

- 8.4 The Trustees shall when required by the Regulations or when the Trustees determine appoint an actuary to make such enquiries and investigations as they may determine and to report in writing to the Trustees.

ANNUAL RETURNS

- 8.5 The Trustees shall prepare and give to the Regulator such returns, certificates, statements and other documents and information in such manner and form and at such time as required by the Regulations.

REPORTS ON SIGNIFICANT EVENTS

- 8.6 The Trustees shall give Members information and details concerning any significant event that the Trustees reasonably believe a Member would reasonably need to understand the nature, purpose and effect of the event. The Trustees shall give the necessary information to the Member before or as soon as practicable after the occurrence of the significant event but, in any case, no later than three months after the occurrence of the event.

- 8.7 Significant events requiring the Trustees to notify the Members include:

- 8.7.1 any change to these Rules which adversely affects a Member's Benefit in any way;
- 8.7.2 a change to a Member's category of membership;
- 8.7.3 a transfer of a Member's Benefit to another fund;
- 8.7.4 the receipt by the Trustees of a notice of non-compliance.

- 8.8 In the event of the receipt of a notice of non-compliance the Trustees shall give to every Member:

- 8.8.1 a statement of the circumstances that gave rise to the notice;
- 8.8.2 a statement of the effect of the notice on the Fund and its taxation position;
- 8.8.3 details of the action to be taken to return the Fund to complying status; and
- 8.8.4 any information that the Regulator directs to be given to the Members.

- 8.9 The Trustees shall give to the Regulator notice of changes to the Fund that the Trustees must give to the Regulator in accordance with the Regulations in such form and in such manner as specified in the Regulations.

RECEIVING OF INFORMATION ON REQUEST

- 8.10 The Trustees shall make available to any Member and any person entitled, who makes a written request to the Trustees, any information or copies of any documents that the Member and any person entitled could reasonably require to understand the Member's benefit entitlements under the Fund, the main features of the Fund, the investment performance of the Fund and any other matter referred to in the Regulations. If not prohibited by the

Regulations, the Trustees may charge a fee for the provision of information requested by a Member and any other person.

- 8.11 The Trustees shall specifically make available copies of these Rules, the audited accounts, the auditor's report, and advice to the extent they are relevant to the financial condition of the Fund and the person's entitlements and the latest Member Fund Report.
- 8.12 The Trustees shall not make available to a Member any information that is confidential to the Fund, other Members of the Fund and other persons provided that the Regulations allow the Trustees to keep such information confidential.
- 8.13 Where the Trustees would otherwise be required to provide a Product Disclosure Statement under the requirements of the *Corporations Act 2001* the Trustees shall provide access to any Member, or any person applying to become a Member, to any information that a Product Disclosure Statement would otherwise be required to contain.

MEMBER BENEFIT STATEMENTS

- 8.14 As soon as practicable, after the end of each Financial Year, the Trustees shall give each Member a written statement detailing such information as the Trustees reasonably believe a Member reasonably needs to understand the Member's benefit entitlements in the Fund and such information as is required by the Regulations.

MEMBER FUND REPORT

- 8.15 As soon as practicable after the end of each Financial Year, the Trustees shall give each Member a written report on the financial affairs of the Fund showing such details as the Trustees reasonably believe a Member would reasonably need to understand the management, the financial condition and the investment performance of the Fund and such information as is required by the Regulations.

MEMBER LEAVING STATEMENT

- 8.16 The Trustees shall give a person, as soon as practicable after becoming aware that the person has ceased to be a Member of the Fund, a statement detailing such information as the Trustees reasonably believe the person reasonably needs to understand the Member's benefit entitlements from the Fund and such information as is required by the Regulations.

RULE 9 TRUSTEES

TRUSTEES STRUCTURE

- 9.1 The Trustee of the Fund may be a Corporate Trustee or one or more individuals but must be a Corporate Trustee if the Sole or Primary purpose of the Fund is other than the provision of Old-Age Pensions.

APPOINTMENT AND REMOVAL OF TRUSTEES

- 9.2 The Trustees and the Members shall take such action as they consider necessary and appropriate to ensure that the Trustees are constituted in a manner which complies with the Regulations including action relating to constitution or governing rules of a Corporate Trustee, the filling of vacancies in accordance with Rule 9.7 and Rule 9.8 and the eligibility, appointment, replacement, representation, removal and composition of Trustees and the board of directors of a Corporate Trustee.
- 9.3 A person shall only be appointed as a Trustee or a director of a Corporate Trustee if that person consents in writing to the appointment. Each Trustee or a director of a Corporate Trustee shall complete such other declarations, forms or notices regarding appointment as required under the Regulations. Each written consent, declaration, form or notice shall be retained by the Trustees for 10 years or such other period required by the Regulations.
- 9.4 The Members may at any time by written notice and in accordance with the Regulations and in accordance with the other provisions of these Rules remove from office any Trustee other than a Trustee appointed by the court or the Regulator and may at any time by deed appoint a new or additional Trustee provided always a Legal Personal Representative appointed as Trustee by reason of Rule 5.11.4 or Rule 9.8.1 shall not be removed until the Fund has paid the Death Benefit of the deceased Member in respect of whom the Legal Personal Representative has been appointed as Trustee. The appointment, removal or replacement of a Trustee shall be by written agreement of at least two thirds of the Members except where there are only two Members in which case unanimous agreement is required. Where there is a deadlock each individual Member's vote shall be weighted in relation to the value of the Member's interest or entitlement in the Fund. A Trustee who retires or ceases to hold office shall be replaced by the Members in the manner set out in this Rule 9.4.
- 9.5 Any requirement under State Trust Law that:

- 9.5.1 an appointment of a Trustee, new Trustee, replacement Trustee or additional Trustee must be registered for that appointment to be effective is expressly excluded; and
- 9.5.2 the Fund must not have less than two Trustees or places a limit on the number of Trustees that may be appointed and is capable of being expressly excluded by these Fund Rules is expressly excluded provided always that the Fund complies with the Regulations.

RETIREMENT OF TRUSTEES

- 9.6 A Trustee ceases to hold that office when:
 - 9.6.1 being an individual Trustee, the person dies or becomes bankrupt or legally incompetent;
 - 9.6.2 the Trustee resigns by notice in writing to the Members and the other Trustees, if any;
 - 9.6.3 the Trustee is removed by the Members pursuant to Rule 9.4;
 - 9.6.4 the Trustee is suspended or removed by the Regulator pursuant to the Regulations;
 - 9.6.5 being a company, the Trustee is placed into receivership or liquidation whether compulsory or voluntary;
 - 9.6.6 the Trustee is a disqualified person pursuant to the Regulations;
 - 9.6.7 the Fund would fail to satisfy the definition of self managed superannuation fund under the Regulations by reason of the Trustee continuing in that role;
 - 9.6.8 subject to the Regulations, complying status of the Fund would be jeopardised or altered unless the Trustee ceased to act in that role; or
 - 9.6.9 the Trustee is removed by the procedure for the removal of Trustees set out in these Rules or the Regulations.

VACANCY

- 9.7 Any vacancy in the office of Trustee or the board of directors of a Corporate Trustee shall be filled within such period as and when required by the Regulations but until and unless the vacancy is filled, the continuing Trustees or the board of directors may exercise any of the powers, authorities and discretions conferred on the Trustees under these Rules unless the requirements of Rule 5.11.4 apply provided that where there is at least one Trustee or one director of a Corporate Trustee there shall be no obligation to fill any vacancy unless required by the Regulations or these Rules.
- 9.8 Notwithstanding anything contained in Rule 9.7 and noting the requirements of Rule 5.11.4:
 - 9.8.1 if Trustees are individuals, where a Member dies and the Trustees are required to exercise a discretion regarding a Death Benefit to be paid in respect of that deceased Member, the Legal Personal Representative of the deceased Member shall be appointed Trustee;
 - 9.8.2 where a Trustee being an individual is under a legal disability, the Legal Personal Representative of the Trustee shall to the extent permitted by the Regulations replace that Trustee;
 - 9.8.3 notwithstanding Rules 9.8.1 & 9.8.2, if there is more than one Legal Personal Representative of the Trustee, the continuing Trustees shall determine which of the Legal Personal Representatives shall be appointed as Trustees provided always the continuing Trustees shall appoint at least one Legal Personal Representative of the Member or Trustee, as the case may be, who has died or is under a legal disability;
 - 9.8.4 A Corporate Trustee shall ensure that the constitution or governing rules of the Corporate Trustee do not prohibit the Legal Personal Representative of a director of the Corporate Trustee who dies or is under a legal disability from replacing that director as a director of the Corporate Trustee; and
 - 9.8.5 this Rule 9.8 shall not apply:
 - 9.8.5.1 to any individual Trustee or a director of a Corporate Trustee who dies or is under a legal disability who is not also a Member of the Fund;
 - 9.8.5.2 where a continuing individual Trustee or a director of a Corporate Trustee is the sole Legal Personal Representative of an individual Trustee or a director of the Corporate Trustee who dies or is under a legal disability;
 - 9.8.5.3 where a Legal Personal Representative does not consent to appointment as a Trustee or a director of a Corporate Trustee.

TRANSFER OF ASSETS

- 9.9 Upon a change of Trustees, the estate and property of the Fund shall vest in the new Trustees and/or continuing Trustees (as the case may be) and the retiring Trustee shall execute all transfers, deeds or other documents necessary to transfer the estate and property of the Fund into the name of the new Trustees and/or continuing Trustees (as the case may be).

COVENANTS GIVEN BY THE TRUSTEES

- 9.10 The Trustees give the following covenants:
- 9.10.1 to act honestly in all matters concerning the Fund;
 - 9.10.2 to exercise, in relation to all matters affecting the Fund, the same degree of care, skill and diligence as an ordinary prudent person would exercise in dealing with property of another for whom the person felt morally bound to provide;
 - 9.10.3 to ensure that the Trustee's duties and powers are performed and exercised in the best interests of the beneficiaries;
 - 9.10.4 to keep the money and other assets of the Fund separate from any money and assets, respectively:
 - 9.10.4.1 that are held by the Trustees personally; or
 - 9.10.4.2 that are money or assets, as the case may be, of an Employer or an associate of an Employer;
 - 9.10.5 not to enter into any contract, or do anything else, that would prevent the Trustees from, or hinder the Trustees in, properly performing or exercising the Trustee's functions and powers;
 - 9.10.6 to formulate and give effect to an investment strategy that has regard to the whole of the circumstances of the Fund including, but not limited to, the following:
 - 9.10.6.1 the risk involved in making, holding and realising, and the likely return from the Fund's investments having regard to its objectives and its expected cash flow requirements;
 - 9.10.6.2 the composition of the Fund's investments as a whole including the extent to which the investments are diverse or involve the Fund in being exposed to risks from inadequate diversification;
 - 9.10.6.3 the liquidity of the Fund's investments having regard to its expected cash flow requirements;
 - 9.10.6.4 the ability of the Fund to discharge its existing and prospective liabilities;
 - 9.10.6.5 whether the Trustees of the Fund should hold a contract of insurance that provides insurance cover for one or more Members of the Fund;
 - 9.10.7 if there are any Reserve Accounts of the Fund - to formulate and to give effect to a strategy for their prudential management, consistent with the Fund's investment strategy and its capacity to discharge its liabilities (whether actual or contingent) as and when they fall due;
 - 9.10.8 to allow a Member access to any prescribed information or any prescribed documents;

and where the Trustee is a Corporate Trustee, each director of the Corporate Trustee covenants to exercise a reasonable degree of care and diligence for the purposes of ensuring that the Corporate Trustee carries out the covenants referred to in this Rule 9.10.

POWERS OF TRUSTEES

- 9.11 Without prejudice to the powers vested in the Trustees by law, the Trust Deed and these Rules or otherwise, so as to administer the Fund and to exercise the powers, authorities and discretions conferred on the Trustees, the Trustees have all the powers in relation to the assets of the Fund that the Trustees would have if the Trustees were the legal and beneficial owner of those assets and the Trustees shall have (without limiting or to be construed as limiting the powers of the Trustees) the following powers, that is to say, power:
- 9.11.1 to purchase, take on lease or licence, develop, construct, hold, improve, sell, transfer, convey, surrender, licence, lease or otherwise deal with real or personal property and, without limiting the generality of this sub-rule, to develop any commercial or retail premises and hold or sell, convey, surrender, lease or licence such premises on such terms and conditions as they shall think fit;
 - 9.11.2 to appoint and at their discretion remove or suspend any auditor, actuary, investment managers, investment advisers, custodian, managers, secretaries, clerks, agents and other servants, appoint them for permanent, temporary or special services as they from time to time think fit, determine their

- powers and duties and fix their salaries or emoluments and require security in such instances and to such amount as they may think fit and any person so employed shall be deemed for the purposes of these Rules to be employed by the Trustees;
- 9.11.3 to institute, conduct, defend, compound or abandon any legal proceedings by or against the Fund or its officers or otherwise concerning the affairs of the Fund and also to compound and allow time for payments or satisfaction of any debts due and of any claims or demands by or against the Fund;
 - 9.11.4 to refer any claims or demands by or against the Fund to arbitration and observe and perform the awards;
 - 9.11.5 to make and give receipts, releases and other discharges for money payable to the Fund and for the claims and demands of the Fund;
 - 9.11.6 to open and operate bank accounts by cheque and by electronic means in the manner determined by Rule 9.11.7 and permit cheques and other negotiable instruments to be signed jointly or severally in the manner determined by Rule 9.11.7 and to retain on current or deposit account at any bank such money as it considers proper and to make regulations for the operation of such bank accounts;
 - 9.11.7 to determine who shall be entitled to sign on the Fund's behalf, receipts, acceptances, endorsements, releases, cheques, negotiable instruments, agreements, writings, contracts or documents of any kind whatsoever;
 - 9.11.8 to pay benefits out of the Fund to persons entitled;
 - 9.11.9 to decide as and when the need shall arise who are Dependants for the purposes of these Rules;
 - 9.11.10 in case of mental or physical ill-health, or incapacity of a person entitled to benefits to pay or apply such benefits or any part thereof at their discretion to or for the benefit of such person and the Dependants of such person or any of them as the case may be without being responsible for seeing the application of payments under this sub-clause or payments made in the exercise of any other powers vested in the Trustees by the Trust Deed and these Rules;
 - 9.11.11 to borrow or raise any financial accommodation including by drawing, endorsing, accepting or otherwise dealing in any bill of exchange, promissory note or other negotiable instrument for the purposes permitted by the Regulations (including for the purpose of investing in a limited recourse borrowing arrangement or an instalment warrant arrangement as permitted by Rule 7.8.6 of these Rules) and secure the borrowing or financial accommodation in such a manner and upon such terms and conditions and at such rate of interest as the Trustees determine and in particular, by assigning, pledging, charging or mortgaging all or any of the assets of the Fund;
 - 9.11.12 to invest in their name or under their control in any one or more of the investments authorised by these Rules with power at their absolute discretion either to retain the investment in that form or to sell or convert into money any of those investments for cash or on terms (so as to allow a purchaser any time for payment of the whole or part of the purchase price with or without interest and with or without security) and power at their absolute discretion from time to time to vary or transpose any investments into others authorised by these Rules;
 - 9.11.13 to grant or take any put or call option for the purchase of any real or personal property, whether the sale occurring on exercise of such option will be at a profit or not;
 - 9.11.14 to deal with the assets of the Fund whether the result of such dealing will be at a profit or not;
 - 9.11.15 to elect that the Fund become a Regulated Superannuation Fund;
 - 9.11.16 to act on a direction given by a Court or the Regulator;
 - 9.11.17 to comply with the covenants of Trustees imposed by the *Superannuation Industry (Supervision) Act* 1993;
 - 9.11.18 to delegate in writing the exercise of all or any of the powers or discretionary authorities hereby conferred on the Trustees and to execute any powers of attorney or other instruments necessary to effect such a delegation;
 - 9.11.19 to provide indemnities to or on behalf of any person the Trustees see fit;
 - 9.11.20 to appoint a custodian to hold assets of the Fund on such terms and conditions as the Trustees deem fit including the power to execute any deed creating a bare trust or such other form of trust permitted by the Regulations to give effect to the power to invest in a limited recourse borrowing arrangement or an instalment warrant arrangement as permitted by Rule 7.8.6;

- 9.11.21 to effect mortgage protection insurance or like insurances to cover the payment of borrowings by the Fund;
- 9.11.22 to effect life insurance policies for the purposes of providing benefits for Members including insurance policies over the life of a Member for the benefit of other Members;
- 9.11.23 to enter into agreements with Members about the payment of insurance policy premiums and the allocation of insurance policy proceeds for any insurance policy not being an Individual Policy;
- 9.11.24 to operate a business either alone or with any other person or entity;
- 9.11.25 to act upon the advice of any legal practitioner, any medical practitioner, accountant, actuary, superannuation consultant or any investment or financial adviser or any other professional person without being liable to any Members or their Dependents or their Legal Personal Representative in respect of any act done by the Trustees in accordance with such advice; and
- 9.11.26 to do those things permitted or required by the Regulations.

DUTIES OF TRUSTEES

- 9.12 The Trustees must:
 - 9.12.1 ensure that any agreement made with an investment manager under which money of the Fund is placed in the control of the investment manager, is in writing and contains provisions which comply with the Regulations, including adequate provision to enable the Trustees to obtain information concerning the making of, and return on, the investments and to assess the capability of the investment manager;
 - 9.12.2 keep and retain for at least 10 years minutes of all meetings of the Trustees at which matters affecting the Fund were considered;
 - 9.12.3 keep and retain records of all changes to these Rules governing the operation and administration of the Fund and changes of Trustees and, in the case of a Corporate Trustee, directors of the Corporate Trustee;
 - 9.12.4 keep and retain for at least 10 years copies of reports given in the same form to all Members of the Fund;
 - 9.12.5 within the time, if any, specified in the Regulations give written notice to the Regulator of any event or change having a significant adverse effect on the financial position of the Fund or any other event or change specified by the Regulations requiring written notice be given to the Regulator; and
 - 9.12.6 establish a procedure for the appointment and removal of member representatives to the board of directors of a Corporate Trustee, if the Trustee of the Fund is a company and it is necessary for Government Approval of the Fund.

INDEMNITY TO TRUSTEES

- 9.13 The Trustees and each person thereof in the case of a group of persons shall, unless prohibited by any law or court of competent jurisdiction, be indemnified out of the Fund against all liabilities incurred by them through any act or omission in the exercise of the powers, duties and discretions under the Trust Deed and these Rules or in the bona fide intended or purported exercise of their duties under the Trust Deed and these Rules and shall, unless prohibited by the Regulations have a lien on the Fund for such indemnity. The Trustees shall not be liable for any act or default done or omitted to be done in the exercise of their powers, duties and discretions or for any loss or expenses incurred by the Fund through the insufficiency or deficiency of any security in or upon which any of the money of the Fund shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any money or securities shall be deposited or for any other loss, damage or misfortune whatsoever except where the Trustees fail to act honestly in a matter concerning the Fund, where the Trustees intentionally or recklessly fail to exercise, in relation to a matter affecting the Fund, the degree of care and diligence that the Trustees were required to exercise or where the Trustees are liable for monetary penalty under a civil penalty order.
- 9.14 For the purposes of the Trust Deed and these Rules the Trustees shall be entitled to regard a discretion, instruction or other written authorisation signed by a Member as a valid discretion, instruction or other written authorisation of the Member.

DISCRETIONS

- 9.15 Save as expressly provided in these Rules and under the Regulations, the Trustees shall have an absolute and uncontrolled discretion in the exercise of the powers, authorities and discretions vested in them by the Trust Deed and these Rules and may exercise or enforce all or any of those powers, authorities and discretions from time to time or may refrain from exercising all or any of those powers, authorities and discretions from time to time or at all.
- 9.16 The Trustees or any director, employee, delegate, agent or other officer of the Trustees may be involved in the exercise of all powers, authorities and discretions conferred on the Trustees notwithstanding that they may have a conflict of interest or duty.
- 9.17 The Trustees may exercise or concur in exercising all of the powers and discretions contained in the Trust Deed and Rules or otherwise conferred by law notwithstanding that the Trustees or any person being an individual Trustee of the Fund or any person being a director or shareholder of a Corporate Trustee of the Fund or any person being a relative of a Trustee or any person being a relative of a director or shareholder of a Corporate Trustee of the Fund has or may have a direct personal interest (whether as trustee of any other trust or settlement or in his personal capacity or as a director or shareholder or as a relative of a Trustee or relative of a director or shareholder of a Corporate Trustee of the Fund or member or partner of any company or partnership or as a unit holder in any unit trust or beneficiary of any discretionary trust or otherwise howsoever) in the mode or result of exercising such power or discretion or may benefit either directly or indirectly as a result of the exercise of any such power or discretion and notwithstanding that the Trustee may be a sole Trustee.

DELEGATION

- 9.18 The Trustees may delegate any of their powers, authorities and discretions vested in them (including the power of delegation) to any person in such manner and upon such terms and conditions as they think fit if the delegation is in accordance with the Regulations and may vary or revoke any delegation in such manner and terms as they see fit. The Trustees may exercise any power, authority or discretion in conjunction with or to the temporary or permanent exclusion of a delegate.

MANNER OF EXERCISE BY TRUSTEES OF DISCRETIONS, POWERS, ETC.

- 9.19 Where the Trustees consist of more than one person they:
- 9.19.1 may meet together in person, by telephone and/or by video conference facilities for the dispatch of business;
 - 9.19.2 may adjourn and otherwise regulate their meetings as they think fit;
 - 9.19.3 may determine the quorum necessary for the transaction of business;
 - 9.19.4 shall appoint a chairman for the time being, from time to time or of each meeting, and
 - 9.19.5 shall, subject to Rule 9.25, act unanimously but if the Trustees are unable to reach a decision unanimously then decisions will be made by poll where each individual Trustee's vote shall be weighted in relation to the value of their interest or entitlement in the Fund and all such decisions of the Trustees shall be binding on all Trustees provided always that in making any decision the Trustees have regard to the covenants or obligations imposed on the Trustees under the Regulations and the covenants given by the Trustees under Rule 9.10.
- 9.20 Where the Trustees consist of more than one person, a resolution in writing, signed by all the Trustees for the time being, shall be as valid and effectual as if it had been passed unanimously at a meeting of the Trustees duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more Trustees.
- 9.21 Notwithstanding Rules 9.19 and 9.20, where more than one Legal Personal Representative or parent or guardian of a Member has been appointed as a Trustee in place of that Member, those Legal Personal Representatives or parents or guardians as Trustees shall have one joint vote for the purposes of any meeting and resolution but this restriction shall not apply if the Legal Personal Representatives or parents or guardians as Trustees are the only Trustees of the Fund.
- 9.22 Where a Trustee is a Trustee of the Fund in a personal capacity to comply with the Regulations and is also a Trustee in a representative capacity as the Legal Personal Representative or parent or guardian of a Member, that Trustee shall have a deliberative vote for the purposes of any meeting and resolution as Trustee in their personal capacity and a deliberative vote in their representative capacity.
- 9.23 Any minutes or resolutions so entered that purport to be signed as provided in Rules 9.19 and 9.20 shall be evidence of the proceedings or of the exercise of the discretion, authority or power to which it relates, as the case may be. When minutes or resolutions have been so entered and signed, then, until the contrary is proved:

- 9.23.1 the meeting (if any) shall be deemed to have been duly held and convened;
 - 9.23.2 all proceedings had at any such meeting shall be deemed to have been duly had;
 - 9.23.3 all determinations or decisions made at any meeting shall be deemed to be valid; and
 - 9.23.4 where the minute or resolution does not relate to a meeting, the discretion, authority or power to which the minute or resolution relates shall be deemed to have been duly exercised.
- 9.24 A Corporate Trustee may, subject to Rule 9.25, exercise or concur in exercising any discretion or power conferred on the Trustees by the Trust Deed to which these Rules are an annexure or by these Rules by a resolution of its directors or governing body in accordance with the constitution or memorandum and articles of association or other rules for the internal management of a company which is a Corporate Trustee and may delegate the rights and powers conferred on it by the Trust Deed to which these Rules are an annexure or by these Rules.
- 9.25 All minutes and resolutions of the Trustees concerning decisions made under Rule 5.11 to pay a Death Benefit in respect of a deceased Member require the prior written consent of the Legal Personal Representative of the deceased Member.

TRUSTEE REMUNERATION

- 9.26 The Trustees shall only be entitled to remuneration permitted by the Regulations.

RULE 10 WINDING UP

TERMINATION OF FUND

- 10.1 If it shall, at any time, appear to the Trustees, for such reasons as they shall think fit, appropriate so to do or if required by the Regulations then the Fund shall be terminated and the Trustees shall determine a termination date.
- 10.2 Upon the termination of the Fund in accordance with Rule 10.1, no further contributions shall be accepted by the Trustees other than any arrears of contributions already due, which shall be called in immediately.
- 10.3 Subject to any requirement of the Regulations including any requirements relating to the preservation of Benefits, as from the termination date, the assets of the Fund shall, after provision is made for all expenses and liabilities of the Fund, be held in trust and applied in the following priority:
- 10.3.1 in payment of benefits which on or before the termination date have become payable to Members or Dependants or Legal Personal Representatives of deceased Members but not paid;
 - 10.3.2 in payment or transfer of a Member's Accrued Benefit (but not including any amount that has not vested unless the Trustees determine that such amount shall vest) or entitlements to the Pension Reserve in accordance with these Rules;
 - 10.3.3 in payment of any surplus to Members, former Members, Dependants of Members and former Members, or Legal Personal Representatives of Members, former Members or Dependants in proportions the Trustees in their discretion determine is appropriate.
- 10.4 Where a Member dies before receiving a Benefit to which the Member has become entitled pursuant to Rule 10.3 such Benefit shall be paid in accordance with Rule 5.9, 5.10 and 5.11.

RULE 11 SAVING PROVISIONS

- 11.1 If a provision of the Trust Deed or these Rules would otherwise be wholly or partly invalid because it:
- 11.1.1 subjects the Trustees to direction by another person; or
 - 11.1.2 permits a person to exercise a discretion without the consent of the Trustees,
- then the Trustees' consent is required for the giving of the direction or exercise of the discretion.

RULE 12 INCORPORATION OF REGULATIONS

- 12.1 The Rules include and incorporate the Regulations to the extent that Regulations impose covenants or obligations on the Trustees and these Rules shall be read on the basis that:-
- 12.1.1 where there is any inconsistency between a provision in these Rules and a provision under the Regulations, the Regulations shall prevail to the extent of the inconsistency and these Rules shall be read down to the extent of the inconsistency;

- 12.1.2 where there is any doubt arising as to the effect of the Regulations or whether there is an inconsistency between the Regulations and a provision of these Rules, the decision of the Trustees shall be final;
- 12.1.3 if the Regulations no longer require any such covenant or obligation to be included then that covenant or obligation ceases to be included;
- 12.1.4 the Trustees are not taken to be in contravention of these Rules or in breach of trust if the Trustees do or omit to do anything which is in contravention of such covenant or obligation if the contravention is waived by the Regulator;

provided that these Rules shall not be so read and no such provision of the Regulations shall be incorporated if to do so would constitute a breach of the power granted in Rule 6 to amend all or any of the provisions of these Rules or if express provision is made in these Rules excluding provisions of the Regulations and the Trustees are permitted by law to do so.

- 12.2 This Rule is paramount and it shall prevail over any inconsistent Rule herein.

SCHEDULE 1

- 1 The Accumulated Contributions in respect of each Member shall be determined at the end of each Financial Year as follows:
 - 1.1 To the Accumulated Contributions in respect of the Member at the beginning of the Financial Year there shall be added:
 - 1.1.1 contributions made in respect of the Member during the Financial Year; and
 - 1.1.2 the proceeds of any Individual Policies in respect of the Member of the kind referred to in paragraph 1.1.6 below;
 - 1.1.3 the income derived from any assets held in respect of the Member in accordance with Rule 7.11 and which are deemed by the Trustees to have been secured with money debited to the Member's Accumulated Contributions as referred to in paragraph 1.1.7 below;
 - 1.1.4 Splittable Contributions transferred or allocated to a Member which the Trustees have determined shall be credited to the Member's Accumulated Contributions; and
 - 1.1.5 amounts credited to the Member out of the Reserve Accounts;and there shall be subtracted:
 - 1.1.6 premiums paid during the Financial Year under any Individual Policy in respect of the Member which the Trustees have determined shall be funded out of Member contributions, and
 - 1.1.7 amounts paid during the Financial Year to secure assets specific to the Member in accordance with Rule 7.11 and which the Trustees have determined shall be funded out of the Member's Accumulated Contributions; and
 - 1.1.8 Benefits paid in respect of the Member during the Financial Year;
 - 1.1.9 Splittable Contributions transferred or allocated from the Member to another Member or an Eligible Fund which the Trustees have determined shall be debited to the Member's Accumulated Contributions;
 - 1.1.10 any amounts by way of tax and expenses which are or may become payable and which the Trustees consider proper to be deducted from the Member's Accumulated Contributions; and
 - 1.1.11 any other amounts that the Trustees are required to deduct in accordance with the Regulations.
 - 1.2 The profit for the Financial Year shall be determined by deducting from the net assets of the Fund (which may include the proceeds of insurance policies not being Individual Policies and surpluses resulting from a revaluation of assets), as shown in the balance sheet at the end of the Financial Year, the total value of any Individual Policies, the total value of any assets held in respect of specific Members in accordance with Rule 7.11, the total of the amounts determined under paragraph 1.1 above for all Members, any amount in the Reserve Accounts and such other amounts credited to Members in accordance with paragraph 2.3 below.
 - 1.3 The profit for the Financial Year shall, after deducting any amount that the Trustees determine to allocate to the Reserve Accounts, be allocated to each Member's Accumulated Contributions in one of the following ways, as the Trustees shall determine:
 - 1.3.1 in proportion to the Member's Accumulated Contributions as at the beginning of the Financial Year;
 - 1.3.2 in proportion to the amount determined under paragraph 1.1; or
 - 1.3.3 in proportion to the amount determined under paragraph 1.1 above but with allowance being made, on such basis as the Trustees may determine, for the time during the Financial Year at which each item required to be added or subtracted under paragraph 1.1 was received or paid.
- 2 The Accrued Benefit in respect of a Member shall be determined as follows:
 - 2.1 The Member's Accumulated Contributions at the beginning of the Financial Year shall be increased and decreased in the manner indicated in paragraph 1.1 above.

- 2.2 To the amount determined under paragraph 2.1 above, shall be added an amount representing a share of the profit for the Financial Year to date. This share will be determined by the Trustees and will be calculated as a proportion of the profit allocated to the Member's Accumulated Contributions at the end of the previous Financial Year in accordance with paragraph 1.3 above but with such allowance as the Trustees think fit having regard to:
- 2.2.1 the growth in the Member's Accumulated Contributions;
 - 2.2.2 the property held on behalf of a Member and the income earned from that property;
 - 2.2.3 the balance of any Reserve Accounts;
 - 2.2.4 the length of time since the beginning of the Financial Year;
 - 2.2.5 length of membership;
 - 2.2.6 investment strategies;
 - 2.2.7 any actuarial advice;
 - 2.2.8 the exchange and segregation of any Fund assets set aside to meet current pension liabilities or for other Fund purposes and the extent to which profit is attributable to those assets; and
 - 2.2.9 any particularly adverse or favourable circumstances known to the Trustees.
- 2.3 To the amount determined under paragraphs 2.1 and 2.2 above, provided they have not already been added to or deducted from the Member's Accumulated Contributions under the provisions of paragraph 2.1 above, as the case may be:
- 2.3.1 shall be added:
 - 2.3.1.1 the value of any Individual Policy or Assets held in respect of the Member in accordance with Rule 7.11;
 - 2.3.1.2 any part of an amount transferred from an Eligible Fund in respect of the Member pursuant to Rule 2.7 which the Trustees have determined shall be credited to the Member's Accrued Benefit;
 - 2.3.1.3 any other amount which shall be credited for the purposes of these Rules or required by the Regulations;
 - 2.3.1 shall be subtracted:
 - 2.3.2.1 any part of an amount transferred to an Eligible Fund in respect of the Member pursuant to Rule 2.8 or Rule 2.10 which the Trustees have determined shall be debited to the Member's Accrued Benefit;
 - 2.3.2.2 any other amount which shall be debited for the purposes of these Rules or required by the Regulations.
- 2.4 In determining the share of profit from property under paragraph 2.2.2 above, attributing profit to assets set aside to meet current pension liabilities of the Fund or for other purposes of the Fund for the purposes of paragraph 2.2.8 above or identifying value to be credited to reserves or liability accounts established in accordance with Rule 7.13.8, the Trustees may determine that any debit, credit or adjustment to an Accrued Benefit, Reserve Account or account that impacts on a Member's Accrued Benefit, Reserve Accounts or accounts, expenses or financial position of the Fund is to be included or excluded as the case may be at the discretion of the Trustees from such determination, attribution or identification and the Trustees shall not be bound to either explain or give reasons unless required by the Regulations.