

BRAXINE SUPERANNUATION FUND (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 effected and briefly outlines 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 to ensure that it meets all of the requirements and uses the new terminology contained in the "Simpler Super" legislation enacted to give effect to the sweeping superannuation changes announced in the May 2006 Federal Budget.

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

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.

Death Benefits

The revised deed makes it clear that a pension will only be paid to a reversionary beneficiary on the death of a pensioner, if that person is eligible to be paid a benefit in the form of a pension under the Relevant Law. Under the amended legislation, death benefits received by beneficiaries who are not dependants for tax purposes (generally, adult children) cannot be taken as a pension, and must be taken as a lump sum.

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, or account-based pension on the death of a pensioner.

Members should also note that a BDBN does not permit them to require the trustee to pay any part of a death benefit 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.

You should note that amendments to tax law consequent to the Federal Government's "Simpler Super" reforms have changed the way in which death benefits are taxed. From

1 July 2007, people who qualify as a dependant under the Income Tax Assessment Act 1997 can receive a death benefit tax free, while other recipients will be taxed.

Pension Provisions

From 1 July 2007, a superannuation income stream can be provided by payment of an account-based pension or by the trustee's purchase of an annuity outside of the Fund for the member. (Until 19 September 2007, an income stream can also be provided by way of payment of an allocated pension or market-linked pension.)

Specific provisions are included in the revised trust deed dealing with non-commutable account-based pensions (commonly known as transition to retirement pensions).

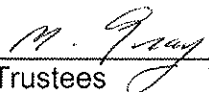
Release Authorities

The revised trust deed makes it clear that the trustee is able to debit members' accounts with amounts paid out in accordance with a Release Authority (that is, to pay an excess contributions tax).

Acceptance of Contributions

The revised deed specifies certain situations in which the trustee will be unable to accept contributions (including where a Tax File Number has not been quoted as required under the Relevant Law, or a contributions cap has been exceeded and the Relevant Law prevents the contribution which exceeds the relevant contribution cap from being accepted).

DATED 1 JULY 2008

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On behalf of the Trustees