

Rosamerc Super Fund ('Fund')

TRUSTEE RESOLUTIONS

OF: **ROSA MERCURIO** and **FILOMENA MERCURIO**

DATED: 28 January 2020 (insert date)

TRUSTEE
QUALIFICATIONS

NOTED that each signatory to these resolutions declares they:

1. have no prior convictions for offences against or arising out of a law of the Commonwealth, a State, a Territory or a foreign country, being an offence in respect of dishonest conduct;
2. are not an insolvent under administration as defined in the *Superannuation Industry (Supervision) Act 1993* (Cth) ('SISA');
3. are not the subject of a civil penalty order that has been made under the SISA; and
4. are eligible to be a member of the Fund under the SISA.

TRUSTEE
UNDERTAKING

NOTED that each signatory to these resolutions undertakes that should their said qualifications lapse, they will take appropriate action to comply with the SISA.

VARIATION OF DEED

RESOLVED that the deed of the Fund be varied in accordance with the variation power in the deed and a deed of variation be executed accordingly.

REGULATED FUND

NOTED that the Fund is to continue as a regulated superannuation fund.

SUNDRY

RESOLVED that each signatory to these resolutions is authorised to complete all notices and forms and to generally attend to any other administrative matter for the Fund.

VARIATION
FORMALITIES

RESOLVED to provide each Member an SMSF PDS in accordance with the product disclosure requirements contained in the *Corporations Act 2001* (Cth).

SIGNED by each Trustee:


Signature of ROSA MERCURIO


Signature of FILOMENA MERCURIO

Resolution of trustees of the Rosamerc Super Fund

Acceptance by the Trustees.

We Rosa Mercurio and Filomena Mercurio as trustees of the Rosamerc Super Fund acknowledge:-

-
1. Receipt of the binding non-lapsing death benefit nomination executed by Rosa Mercurio dated 28 January 2020 which nominates that her death benefits be paid as to 100% to her daughter Filomena Mercurio in her personal capacity but if she does not survive her then to her Legal Personal Representative as to 100% thereof.
 2. The nomination is to a dependent or legal personal representative being an eligible person within the superannuation laws.
 3. The nomination has been validly executed and witnessed.
 4. The trustee resolves to accept the nomination.
-

Signed by the trustees

Rosa Mercurio..... *Rosa Mercurio*.....

Date..... *28/01/2020*.....

Filomena Mercurio..... *Filomena Mercurio*.....

Date..... *28/1/2020*.....

THE ROSAMERC SUPER FUND

Binding Death Benefit Nomination

Notice to the Trustee:- Rosa Mercurio
Filomena Mercurio

Whereas:

- A The Rosamerc Super Fund ("the Fund") was established by Deed dated 28 June 2010 and varied by Deeds dated 7 March 2011 and 28 January 2020 which varied the Governing Rules of the Fund (the Governing Rules as varied hereafter referred to as the "Fund Rules").
- B Clause 19.1 of the Fund Rules provides:
"19.1 Making a BDBN
A Member may, prior to their death, make a written direction binding the Trustee as to the payment of one or more assets or amounts ('BDBN Benefit') representing all or part of their Total interests on the death of the Member. Such a direction is referred to in these Governing Rules as a BDBN."
- C Clause 19.3 of the Fund Rules provides:
"19.3 Binding on Trustee
After the death of a Member, the Trustee is bound to comply with the directions set out in a Member's BDBN, irrespective of whether, prior to the Member's death, the Trustee had approved the BDBN or been provided with the BDBN or any notice whatsoever of the BDBN. Further, a BDBN overrides a Reversionary Pension nomination to the extent of any inconsistency. However, the Trustee may, with the written consent of the recipient, vary the form of payment from a Pension to a Lump Sum, or vice versa."
- D Clause 19.5 of the Fund Rules provides:
"19.5 Non-lapsing BDBNs
(a) Subject to any terms and conditions contained in the BDBN, a BDBN continues in full force and effect until it is revoked in accordance with rule 19.4, regardless of the time period that has elapsed since the execution date of that BDBN and despite regulation 6.17A(7) of the SISR.
(b) Despite rule 19.5(a), a Member may expressly direct that a BDBN expires after a certain time period. If the BDBN does not expressly state an expiry time period, rule 19.5(a) applies.
- E The member Rosa Mercurio wishes to make a Binding Death Benefit Nomination regarding the payment of her death benefits from the Fund in the event of her death.

R.M. 

I **ROSA MERCURIO** of 22 Jeffs Street, Campbelltown, South Australia declare as follows:

1. I am a member of The Rosamerc Super Fund ("the Fund") above described.
2. Pursuant to the *SIS Act* and the *Superannuation Industry (Supervision) Regulations 1994* and clauses of the Fund Rules for dealing with my superannuation interest, I may as a member make a Binding Nomination as to the manner in which my member's funds are to be paid in the event of my death ("my death benefits").
3. Pursuant to the above I wish to make a Binding Death Benefit Nomination as follows hereunder.
4. In the event of my death, I hereby direct the Trustee to pay one hundred percent (100%) of any death benefit payable including any insurance policy payouts which happen to be obtained by the Trustee of the Fund in respect of my membership of the Fund in consequence of my death, to my daughter **Filomena Mercurio** if she survives me by thirty (30) days absolutely.
5. If my said daughter **Filomena Mercurio** shall fail to survive me by thirty (30) days then but not otherwise I hereby direct the Trustee to pay one hundred percent (100%) of any death benefit payable including any insurance policy payouts which happen to be obtained by the Trustee of the Fund in respect of my membership of the Fund, to my Legal Personal Representative.
6. I intend that this nomination revokes any previous nomination which I may have made and is to be a Binding Non-Lapsing Nomination as provided for in clause 19.4 of the Fund Rules as varied.
7. I acknowledge that this Nomination is made in accordance with the Australian Taxation Office Commissioner's view set out in SMSFD 2008/3 and the provisions of the Fund Rules as varied that the statutory requirements in subsection 59(1A) of the *SIS Act* and regulation 6.17A of the *SIS Regulation* have no application to self-managed superannuation funds.
8. I acknowledge further that the requirements in the *Superannuation Industry (Supervision) Regulations 1994* (Cth) have been satisfied in accordance with Rule 19.2 of the fund Deed notwithstanding that the Deed does not require the Nomination to comply with the requirements in the *SIS Regulations*.
9. I acknowledge that each of the persons mentioned as a beneficiary in this Nomination is my dependant within the meaning of the *SIS Act* and the *Superannuation Industry (Supervision) Regulations 1994* and/or my legal personal representative.
10. I acknowledge that this Nomination is intended to be effective unless and until the nomination is later revoked by me and that such intention and provision is consistent with SMSFD 2008/3 and with Clause 19.5 of the Fund Rules as varied.
11. I have signed and dated this Nomination in the presence of two witnesses (who are not a nominee or beneficiary on this Binding Death Benefit Nomination) both of whom are

R.M.



over the age of eighteen (18) years, both of whom have signed and dated this Deed as witnesses hereto in my presence and in the presence of each other.

Dated the 28th day of January 2020

Rosa Mercurio
Rosa Mercurio

Declaration of witness 1:

I, Timothy Robert Denton
of 2/60 Hindmarsh Square, Adelaide SA 5000
declare that:

1. I am a person over 18 years;
2. I am not a person mentioned in this Binding Death Benefit Nomination; and
3. **ROSA MERCURIO** signed this Binding Death Benefit Nomination in my presence and in the presence of the other witness.

[Signature]
Signature of Witness 1

Date: 28/1/2020

Declaration of witness 2:

I, Anna Susan Jane Tedmanson
of 2/60 Hindmarsh Square, Adelaide SA 5000
declare that:

1. I am a person over 18 years;
2. I am not a person mentioned in this Binding Death Benefit Nomination; and
3. **ROSA MERCURIO** signed this Binding Death Benefit Nomination in my presence and in the presence of the other witness.

[Signature]
Signature of Witness 2

Date: 28/1/2020

Rosamerc Super Fund ('Fund')

TRUSTEE RESOLUTIONS

OF: ROSA MERCURIO and FILOMENA MERCURIO

DATED: 28 January 2020 (insert date)

TRUSTEE
QUALIFICATIONS

NOTED that each signatory to these resolutions declares they:

1. have no prior convictions for offences against or arising out of a law of the Commonwealth, a State, a Territory or a foreign country, being an offence in respect of dishonest conduct;
2. are not an insolvent under administration as defined in the *Superannuation Industry (Supervision) Act 1993* (Cth) ('SISA');
3. are not the subject of a civil penalty order that has been made under the SISA; and
4. are eligible to be a member of the Fund under the SISA.

TRUSTEE
UNDERTAKING

NOTED that each signatory to these resolutions undertakes that should their said qualifications lapse, they will take appropriate action to comply with the SISA.

VARIATION OF DEED

RESOLVED that the deed of the Fund be varied in accordance with the variation power in the deed and a deed of variation be executed accordingly.

REGULATED FUND

NOTED that the Fund is to continue as a regulated superannuation fund.

SUNDRY

RESOLVED that each signatory to these resolutions is authorised to complete all notices and forms and to generally attend to any other administrative matter for the Fund.

VARIATION
FORMALITIES

RESOLVED to provide each Member an SMSF PDS in accordance with the product disclosure requirements contained in the *Corporations Act 2001* (Cth).

SIGNED by each Trustee:



Signature of ROSA MERCURIO



Signature of FILOMENA MERCURIO

Resolution of trustees of the Rosamerc Super Fund

Acceptance by the Trustees.

We Rosa Mercurio and Filomena Mercurio as trustees of the Rosamerc Super Fund acknowledge:-

-
1. Receipt of the binding non-lapsing death benefit nomination executed by Rosa Mercurio dated 28 January 2020 which nominates that her death benefits be paid as to 100% to her daughter Filomena Mercurio in her personal capacity but if she does not survive her then to her Legal Personal Representative as to 100% thereof.
 2. The nomination is to a dependent or legal personal representative being an eligible person within the superannuation laws.
 3. The nomination has been validly executed and witnessed.
 4. The trustee resolves to accept the nomination.
-

Signed by the trustees

Rosa Mercurio <..... *Rosa Mercurio*

Date. *28/01/2020*

Filomena Mercurio <..... *Filomena Mercurio*

Date..... *28/1/2020*

THE ROSAMERC SUPER FUND

Binding Death Benefit Nomination

Notice to the Trustee:- Rosa Mercurio
Filomena Mercurio

Whereas:

A The Rosamerc Super Fund ("the Fund") was established by Deed dated 28 June 2010 and varied by Deeds dated 7 March 2011 and 28 January 2020 which varied the Governing Rules of the Fund (the Governing Rules as varied hereafter referred to as the "Fund Rules").

B Clause 19.1 of the Fund Rules provides:

"19.1 Making a BDBN

A Member may, prior to their death, make a written direction binding the Trustee as to the payment of one or more assets or amounts ('BDBN Benefit') representing all or part of their Total interests on the death of the Member. Such a direction is referred to in these Governing Rules as a BDBN."

C Clause 19.3 of the Fund Rules provides:

"19.3 Binding on Trustee

After the death of a Member, the Trustee is bound to comply with the directions set out in a Member's BDBN, irrespective of whether, prior to the Member's death, the Trustee had approved the BDBN or been provided with the BDBN or any notice whatsoever of the BDBN. Further, a BDBN overrides a Reversionary Pension nomination to the extent of any inconsistency. However, the Trustee may, with the written consent of the recipient, vary the form of payment from a Pension to a Lump Sum, or vice versa."


D Clause 19.5 of the Fund Rules provides:

"19.5 Non-lapsing BDBNs

(a) *Subject to any terms and conditions contained in the BDBN, a BDBN continues in full force and effect until it is revoked in accordance with rule 19.4, regardless of the time period that has elapsed since the execution date of that BDBN and despite regulation 6.17A(7) of the SISR.*

(b) *Despite rule 19.5(a), a Member may expressly direct that a BDBN expires after a certain time period. If the BDBN does not expressly state an expiry time period, rule 19.5(a) applies.*

E The member Rosa Mercurio wishes to make a Binding Death Benefit Nomination regarding the payment of her death benefits from the Fund in the event of her death.

R.M. 

I **ROSA MERCURIO** of 22 Jeffs Street, Campbelltown, South Australia declare as follows:

1. I am a member of The Rosamerc Super Fund ("the Fund") above described.
2. Pursuant to the *SIS Act* and the *Superannuation Industry (Supervision) Regulations 1994* and clauses of the Fund Rules for dealing with my superannuation interest, I may as a member make a Binding Nomination as to the manner in which my member's funds are to be paid in the event of my death ("my death benefits").
3. Pursuant to the above I wish to make a Binding Death Benefit Nomination as follows hereunder.
4. In the event of my death, I hereby direct the Trustee to pay one hundred percent (100%) of any death benefit payable including any insurance policy payouts which happen to be obtained by the Trustee of the Fund in respect of my membership of the Fund in consequence of my death, to my daughter **Filomena Mercurio** if she survives me by thirty (30) days absolutely.
5. If my said daughter **Filomena Mercurio** shall fail to survive me by thirty (30) days then but not otherwise I hereby direct the Trustee to pay one hundred percent (100%) of any death benefit payable including any insurance policy payouts which happen to be obtained by the Trustee of the Fund in respect of my membership of the Fund, to my Legal Personal Representative.
6. I intend that this nomination revokes any previous nomination which I may have made and is to be a Binding Non-Lapsing Nomination as provided for in clause 19.4 of the Fund Rules as varied.
7. I acknowledge that this Nomination is made in accordance with the Australian Taxation Office Commissioner's view set out in SMSFD 2008/3 and the provisions of the Fund Rules as varied that the statutory requirements in subsection 59(1A) of the *SIS Act* and regulation 6.17A of the *SIS Regulation* have no application to self-managed superannuation funds.
8. I acknowledge further that the requirements in the *Superannuation Industry (Supervision) Regulations 1994 (Cth)* have been satisfied in accordance with Rule 19.2 of the fund Deed notwithstanding that the Deed does not require the Nomination to comply with the requirements in the *SIS Regulations*.
9. I acknowledge that each of the persons mentioned as a beneficiary in this Nomination is my dependant within the meaning of the *SIS Act* and the *Superannuation Industry (Supervision) Regulations 1994* and/or my legal personal representative.
10. I acknowledge that this Nomination is intended to be effective unless and until the nomination is later revoked by me and that such intention and provision is consistent with SMSFD 2008/3 and with Clause 19.5 of the Fund Rules as varied.
11. I have signed and dated this Nomination in the presence of two witnesses (who are not a nominee or beneficiary on this Binding Death Benefit Nomination) both of whom are

R.M.



over the age of eighteen (18) years, both of whom have signed and dated this Deed as witnesses hereto in my presence and in the presence of each other.

Dated the 28th day of January 2020

Rosa Mercurio
Rosa Mercurio

Declaration of witness 1:

I, Timothy Robert Denton
of 2/60 Hindmarsh Square, Adelaide SA 5000
declare that:

1. I am a person over 18 years;
2. I am not a person mentioned in this Binding Death Benefit Nomination; and
3. **ROSA MERCURIO** signed this Binding Death Benefit Nomination in my presence and in the presence of the other witness.

[Signature]
Signature of Witness 1

Date: 28/1/2020

Declaration of witness 2:

I, Anna Susan Jane Tedmanson
of 2/60 Hindmarsh Square, Adelaide SA 5000
declare that:

1. I am a person over 18 years;
2. I am not a person mentioned in this Binding Death Benefit Nomination; and
3. **ROSA MERCURIO** signed this Binding Death Benefit Nomination in my presence and in the presence of the other witness.

[Signature]
Signature of Witness 2

Date: 28/1/2020

Resolution of trustees of the Rosamerc Super Fund

Acceptance by the Trustees.

We Rosa Mercurio and Filomena Mercurio as trustees of the Rosamerc Super Fund acknowledge:-

-
1. Receipt of the binding non-lapsing death benefit nomination executed by Rosa Mercurio dated 28 January 2020 which nominates that her death benefits be paid as to 100% to her daughter Filomena Mercurio in her personal capacity but if she does not survive her then to her Legal Personal Representative as to 100% thereof.
 2. The nomination is to a dependent or legal personal representative being an eligible person within the superannuation laws.
 3. The nomination has been validly executed and witnessed.
 4. The trustee resolves to accept the nomination.
-

Signed by the trustees

Rosa Mercurio..... *Rosa Mercurio*

Date..... *28/01/2020*

Filomena Mercurio..... *Filomena Mercurio*

Date..... *28/1/2020*

THE ROSAMERC SUPER FUND

Binding Death Benefit Nomination

Notice to the Trustee:- Rosa Mercurio
Filomena Mercurio

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2. Pursuant to the *SIS Act* and the *Superannuation Industry (Supervision) Regulations 1994* and clauses of the Fund Rules for dealing with my superannuation interest, I may as a member make a Binding Nomination as to the manner in which my member's funds are to be paid in the event of my death ("my death benefits").
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6. I intend that this nomination revokes any previous nomination which I may have made and is to be a Binding Non-Lapsing Nomination as provided for in clause 19.4 of the Fund Rules as varied.
7. I acknowledge that this Nomination is made in accordance with the Australian Taxation Office Commissioner's view set out in SMSFD 2008/3 and the provisions of the Fund Rules as varied that the statutory requirements in subsection 59(1A) of the *SIS Act* and regulation 6.17A of the *SIS Regulation* have no application to self-managed superannuation funds.
8. I acknowledge further that the requirements in the *Superannuation Industry (Supervision) Regulations 1994 (Cth)* have been satisfied in accordance with Rule 19.2 of the fund Deed notwithstanding that the Deed does not require the Nomination to comply with the requirements in the *SIS Regulations*.
9. I acknowledge that each of the persons mentioned as a beneficiary in this Nomination is my dependant within the meaning of the *SIS Act* and the *Superannuation Industry (Supervision) Regulations 1994* and/or my legal personal representative.
10. I acknowledge that this Nomination is intended to be effective unless and until the nomination is later revoked by me and that such intention and provision is consistent with SMSFD 2008/3 and with Clause 19.5 of the Fund Rules as varied.
11. I have signed and dated this Nomination in the presence of two witnesses (who are not a nominee or beneficiary on this Binding Death Benefit Nomination) both of whom are

R.M.



over the age of eighteen (18) years, both of whom have signed and dated this Deed as witnesses hereto in my presence and in the presence of each other.

Dated the 28th day of January 2020

Rosa Mercurio
Rosa Mercurio

Declaration of witness 1:

I, Timothy Robert Denton
of 2/60 Hindmarsh Square, Adelaide SA 5000
declare that:

1. I am a person over 18 years;
2. I am not a person mentioned in this Binding Death Benefit Nomination; and
3. **ROSA MERCURIO** signed this Binding Death Benefit Nomination in my presence and in the presence of the other witness.

[Signature]
Signature of Witness 1
Date: 28/1/2020

Declaration of witness 2:

I, Anna Susan Jane Tedmans
of 2/60 Hindmarsh Square, Adelaide SA 5000
declare that:

1. I am a person over 18 years;
2. I am not a person mentioned in this Binding Death Benefit Nomination; and
3. **ROSA MERCURIO** signed this Binding Death Benefit Nomination in my presence and in the presence of the other witness.

[Signature]
Signature of Witness 2
Date: 28/1/2020

Trustee declaration

To be completed by new trustees and directors of corporate trustees of self-managed super funds.

- ! Read this declaration in conjunction with *Key messages for self-managed super fund trustees* at ato.gov.au/smsfessentials



Who should complete this declaration?

You must complete this declaration if you become a trustee or director of a corporate trustee (trustee) of:

- a new self-managed super fund (SMSF)
- an existing SMSF.

You must sign this declaration within 21 days of becoming a trustee or director of a corporate trustee of an SMSF.

A separate declaration is required to be completed and signed by each and every new trustee.

You must also complete the declaration if you:

- have been directed to do so by us
- are a legal personal representative who has been appointed as trustee on behalf of a:
 - member who is under a legal disability (usually a member under 18 years old)
 - member for whom you hold an enduring power of attorney
 - deceased member.

Information you need to read

Make sure you read *Key messages for self-managed super fund trustees* at ato.gov.au/smsfessentials. It highlights some of the key points from the declaration and some important messages.

Before completing this declaration

Before you complete and sign this declaration, make sure you:

- read each section
- understand all the information it contains.

- ▶ If you have any difficulties completing this declaration or you do not fully understand the information it contains:
 - speak to a professional adviser
 - visit ato.gov.au/smsf
 - phone us on **13 10 20**.

When completing this declaration

When you complete this declaration, remember to:

- insert the full name of the fund at the beginning
- sign and date it
- ensure it is signed and dated by a witness (anyone 18 years old or over).

What should you do with the declaration?

You must keep your completed declaration for at least 10 years and make it available to us if we request it.

We recommend that you keep a copy of your completed declaration and refer to it and the information in *Key messages for self-managed super fund trustees* when making important decisions, such as those relating to choosing investments, accepting contributions and paying benefits.

- ! Do not send your completed declaration to us.

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Published by

Australian Taxation Office
Canberra
August 2014

JS 32597



I understand that as an individual trustee or director of the corporate trustee of

Fund name

Rosamerc Super Fund

I am responsible for ensuring that the fund complies with the *Superannuation Industry (Supervision) Act 1993 (SISA)* and other relevant legislation. The Commissioner of Taxation (the Commissioner) has the authority and responsibility for administering the legislation and enforcing the fund's compliance with the law.

I must keep myself informed of changes to the legislation relevant to the operation of my fund and ensure the trust deed is kept up to date in accordance with the law and the needs of the members.

If I do not comply with the legislation, the Commissioner may take the following actions:

- impose administrative penalties on me
- give me a written direction to rectify any contraventions or undertake a course of education
- enter into agreements with me to rectify any contraventions of the legislation
- disqualify me from being a trustee or director of a corporate trustee of any superannuation fund in the future
- remove the fund's complying status, which may result in significant adverse tax consequences for the fund
- prosecute me under the law, which may result in fines or imprisonment.

Sole purpose

I understand it is my responsibility to ensure the fund is only maintained for the purpose of providing benefits to the members upon their retirement (or attainment of a certain age) or their beneficiaries if a member dies. I understand that I should regularly evaluate whether the fund continues to be the appropriate vehicle to meet this purpose.

Trustee duties

I understand that by law I must at all times:

- act honestly in all matters concerning the fund
- exercise skill, care and diligence in managing the fund
- act in the best interests of all the members of the fund
- ensure that members only access their super benefits if they have met a legitimate condition of release
- refrain from entering into transactions that circumvent restrictions on the payment of benefits
- ensure that my money and other assets are kept separate from the money and other assets of the fund
- take appropriate action to protect the fund's assets (for example, have sufficient evidence of the ownership of fund assets)
- refrain from entering into any contract or do anything that would prevent me from, or hinder me in, properly performing or exercising my functions or powers as a trustee or director of the corporate trustee of the fund
- allow all members of the fund to have access to information and documents as required, including details about
 - the financial situation of the fund
 - the investments of the fund
 - the members' benefit entitlements.

I also understand that by law I must prepare, implement and regularly review an investment strategy having regard to all the circumstances of the fund, which include, but are not limited to:

- the risks associated with the fund's investments
- the likely return from investments, taking into account the fund's objectives and expected cash flow requirements
- investment diversity and the fund's exposure to risk due to inadequate diversification
- the liquidity of the fund's investments having regard to the fund's expected cash flow requirements in discharging its existing and prospective liabilities (including benefit payments)
- whether the trustees of the fund should hold insurance cover for one or more members of the fund.

Accepting contributions and paying benefits

I understand that I can only accept contributions and pay benefits (income streams or lump sums) to members or their beneficiaries when the conditions specified in the law and the fund trust deed have been met.

Investment restrictions

I understand that, as a trustee or director of the corporate trustee of the fund, subject to certain limited exceptions specified in the law, I am prohibited from:

- lending money of the fund to, or providing financial assistance to, a member of the fund or a member's relative (financial assistance means any assistance that improves the financial position of a person directly or indirectly, including the provision of credit)

- acquiring assets (other than business real property, listed securities, certain in-house assets and acquisitions made under mergers allowed by special determinations or acquisitions as a result of a breakdown of a relationship) for the fund from members or other related parties of the fund
- borrowing money (or maintaining an existing borrowing) on behalf of the fund except in certain limited circumstances (while limited recourse borrowing arrangements are permitted, they can be complex and particular conditions must be met to ensure that legal requirements are not breached)
- having more than 5% of the market value of the fund's total assets at the end of the income year as in-house assets (these are loans to, or investments in, related parties of the fund – including trusts – or assets subject to a lease or lease arrangement between the trustee and a member, relative or other related party)
- entering into investments that are not made or maintained on an arm's length (commercial) basis (this ensures the purchase or sale price of the fund's assets and any earnings from those assets reflects their market value).

Administration

I understand that the trustees of the fund must:

- keep and retain for at least 10 years
 - minutes of all trustee meetings at which matters affecting the fund were considered (this includes investment decisions and decisions to appoint members and trustees)
 - records of all changes of trustees, including directors of the corporate trustee
 - each trustee's consent to be appointed as a trustee of the fund or a director of the corporate trustee
 - all trustee declarations
 - copies of all reports given to members
- ensure that the following are prepared and retained for at least five years
 - an annual statement of the financial position of the fund
 - an annual operating statement
 - copies of all annual returns lodged
 - accounts and statements that accurately record and explain the transactions and financial position of the fund
- appoint an approved SMSF auditor each year, no later than 45 days before the due date for lodgment of the fund's annual return and provide documents to the auditor as requested
- lodge the fund's annual return, completed in its entirety, by the due date
- notify the ATO within 28 days of any changes to the
 - membership of the fund, or trustees or directors of the corporate trustee
 - name of the fund
 - contact person and their contact details
 - postal address, registered address or address for service of notices for the fund
- notify the ATO in writing within 28 days if the fund becomes an Australian Prudential Regulation Authority (APRA) regulated fund.

DECLARATION

By signing this declaration I acknowledge that I understand my duties and responsibilities as a trustee or director of the corporate trustee of the self-managed superannuation fund named on this declaration (or if the fund's name changes, that name). I understand that:

- *I must ensure this document is retained for at least 10 years or while I remain a trustee or director of the corporate trustee (whichever is longer) and, if I fail to do this, penalties may apply.*
- *I may have to make this document available for inspection by a member of staff of the ATO and, if I fail to do this, penalties may apply.*
- *I do not have access to the government's financial assistance program that is available to trustees of APRA regulated funds in the case of financial loss due to fraudulent conduct or theft.*

Trustee's or director's name

Rosa Mercurio

Trustee's or director's signature

Rosa Mercurio

Date
 Day: 28 / Month: 06 / Year: 2010

Witness' name (witness must be 18 years old or over)

Antonietta Nesci

Witness' signature

Antonietta Nesci

Date
 Day: 28 / Month: 06 / Year: 2010

Trustee declaration

To be completed by new trustees and directors of corporate trustees of self-managed super funds.

! Read this declaration in conjunction with *Key messages for self-managed super fund trustees* at ato.gov.au/smsfessentials



Who should complete this declaration?

You must complete this declaration if you become a trustee or director of a corporate trustee (trustee) of:

- a new self-managed super fund (SMSF)
- an existing SMSF.

You must sign this declaration within 21 days of becoming a trustee or director of a corporate trustee of an SMSF.

A separate declaration is required to be completed and signed by each and every new trustee.

You must also complete the declaration if you:

- have been directed to do so by us
- are a legal personal representative who has been appointed as trustee on behalf of a:
 - member who is under a legal disability (usually a member under 18 years old)
 - member for whom you hold an enduring power of attorney
 - deceased member.

Information you need to read

Make sure you read *Key messages for self-managed super fund trustees* at ato.gov.au/smsfessentials. It highlights some of the key points from the declaration and some important messages.

Before completing this declaration

Before you complete and sign this declaration, make sure you:

- read each section
- understand all the information it contains.

- ▶ If you have any difficulties completing this declaration or you do not fully understand the information it contains:
 - speak to a professional adviser
 - visit ato.gov.au/smsf
 - phone us on **13 10 20**.

When completing this declaration

When you complete this declaration, remember to:

- insert the full name of the fund at the beginning
- sign and date it
- ensure it is signed and dated by a witness (anyone 18 years old or over).

What should you do with the declaration?

You must keep your completed declaration for at least 10 years and make it available to us if we request it.

We recommend that you keep a copy of your completed declaration and refer to it and the information in *Key messages for self-managed super fund trustees* when making important decisions, such as those relating to choosing investments, accepting contributions and paying benefits.

- ! Do not send your completed declaration to us.

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Published by

Australian Taxation Office
Canberra
August 2014

JS 32597



Self-managed super fund trustee declaration

I understand that as an individual trustee or director of the corporate trustee of

Fund name

Rosamerc Super Fund

I am responsible for ensuring that the fund complies with the *Superannuation Industry (Supervision) Act 1993* (SISA) and other relevant legislation. The Commissioner of Taxation (the Commissioner) has the authority and responsibility for administering the legislation and enforcing the fund's compliance with the law.

I must keep myself informed of changes to the legislation relevant to the operation of my fund and ensure the trust deed is kept up to date in accordance with the law and the needs of the members.

If I do not comply with the legislation, the Commissioner may take the following actions:

- impose administrative penalties on me
- give me a written direction to rectify any contraventions or undertake a course of education
- enter into agreements with me to rectify any contraventions of the legislation
- disqualify me from being a trustee or director of a corporate trustee of any superannuation fund in the future
- remove the fund's complying status, which may result in significant adverse tax consequences for the fund
- prosecute me under the law, which may result in fines or imprisonment.

Sole purpose

I understand it is my responsibility to ensure the fund is only maintained for the purpose of providing benefits to the members upon their retirement (or attainment of a certain age) or their beneficiaries if a member dies. I understand that I should regularly evaluate whether the fund continues to be the appropriate vehicle to meet this purpose.

Trustee duties

I understand that by law I must at all times:

- act honestly in all matters concerning the fund
- exercise skill, care and diligence in managing the fund
- act in the best interests of all the members of the fund
- ensure that members only access their super benefits if they have met a legitimate condition of release
- refrain from entering into transactions that circumvent restrictions on the payment of benefits
- ensure that my money and other assets are kept separate from the money and other assets of the fund
- take appropriate action to protect the fund's assets (for example, have sufficient evidence of the ownership of fund assets)
- refrain from entering into any contract or do anything that would prevent me from, or hinder me in, properly performing or exercising my functions or powers as a trustee or director of the corporate trustee of the fund
- allow all members of the fund to have access to information and documents as required, including details about
 - the financial situation of the fund
 - the investments of the fund
 - the members' benefit entitlements.

I also understand that by law I must prepare, implement and regularly review an investment strategy having regard to all the circumstances of the fund, which include, but are not limited to:

- the risks associated with the fund's investments
- the likely return from investments, taking into account the fund's objectives and expected cash flow requirements
- investment diversity and the fund's exposure to risk due to inadequate diversification
- the liquidity of the fund's investments having regard to the fund's expected cash flow requirements in discharging its existing and prospective liabilities (including benefit payments)
- whether the trustees of the fund should hold insurance cover for one or more members of the fund.

Accepting contributions and paying benefits

I understand that I can only accept contributions and pay benefits (income streams or lump sums) to members or their beneficiaries when the conditions specified in the law and the fund trust deed have been met.

Investment restrictions

I understand that, as a trustee or director of the corporate trustee of the fund, subject to certain limited exceptions specified in the law, I am prohibited from:

- lending money of the fund to, or providing financial assistance to, a member of the fund or a member's relative (financial assistance means any assistance that improves the financial position of a person directly or indirectly, including the provision of credit)

- acquiring assets (other than business real property, listed securities, certain in-house assets and acquisitions made under mergers allowed by special determinations or acquisitions as a result of a breakdown of a relationship) for the fund from members or other related parties of the fund
- borrowing money (or maintaining an existing borrowing) on behalf of the fund except in certain limited circumstances (while limited recourse borrowing arrangements are permitted, they can be complex and particular conditions must be met to ensure that legal requirements are not breached)
- having more than 5% of the market value of the fund's total assets at the end of the income year as in-house assets (these are loans to, or investments in, related parties of the fund – including trusts – or assets subject to a lease or lease arrangement between the trustee and a member, relative or other related party)
- entering into investments that are not made or maintained on an arm's length (commercial) basis (this ensures the purchase or sale price of the fund's assets and any earnings from those assets reflects their market value).

Administration

I understand that the trustees of the fund must:

- keep and retain for at least 10 years
 - minutes of all trustee meetings at which matters affecting the fund were considered (this includes investment decisions and decisions to appoint members and trustees)
 - records of all changes of trustees, including directors of the corporate trustee
 - each trustee's consent to be appointed as a trustee of the fund or a director of the corporate trustee
 - all trustee declarations
 - copies of all reports given to members
- ensure that the following are prepared and retained for at least five years
 - an annual statement of the financial position of the fund
 - an annual operating statement
 - copies of all annual returns lodged
 - accounts and statements that accurately record and explain the transactions and financial position of the fund
- appoint an approved SMSF auditor each year, no later than 45 days before the due date for lodgment of the fund's annual return and provide documents to the auditor as requested
- lodge the fund's annual return, completed in its entirety, by the due date
- notify the ATO within 28 days of any changes to the
 - membership of the fund, or trustees or directors of the corporate trustee
 - name of the fund
 - contact person and their contact details
 - postal address, registered address or address for service of notices for the fund
- notify the ATO in writing within 28 days if the fund becomes an Australian Prudential Regulation Authority (APRA) regulated fund.

DECLARATION

By signing this declaration I acknowledge that I understand my duties and responsibilities as a trustee or director of the corporate trustee of the self-managed superannuation fund named on this declaration (or if the fund's name changes, that name). I understand that:

- *I must ensure this document is retained for at least 10 years or while I remain a trustee or director of the corporate trustee (whichever is longer) and, if I fail to do this, penalties may apply.*
- *I may have to make this document available for inspection by a member of staff of the ATO and, if I fail to do this, penalties may apply.*
- *I do not have access to the government's financial assistance program that is available to trustees of APRA regulated funds in the case of financial loss due to fraudulent conduct or theft.*

Trustee's or director's name

Filomena Mercurio

Trustee's or director's signature

Filomena Mercurio

Date

Day: 28 / Month: 06 / Year: 2010

Witness' name (witness must be 18 years old or over)

Antonietta Nesi

Witness' signature

Antonietta Nesi

Date

Day: 28 / Month: 06 / Year: 2010

**ROSAMERC SUPER FUND
APPLICATION FOR MEMBERSHIP**

TO: The Trustee of Rosamerc Super Fund

I, Rosa Mercurio of 22 Jeffs Street Campbelltown SA 5074 hereby apply for Membership of **ROSAMERC SUPER FUND** being a Fund constituted by a Deed dated the 28 day of June 2020 as Trustee. I confirm that I have reviewed the Fund's Deed and if admitted to such Membership I agree to abide by the terms of such Deed (or Deed as amended in future).

DATED this 28 day of June 2010

SIGNED by
Rosa Mercurio

Rosa Mercurio

**ROSAMERC SUPER FUND
APPLICATION FOR MEMBERSHIP**

TO: The Trustee of Rosamerc Super Fund

I, Filomena Mercurio of 22 Jeffs Street Campbelltown SA 5074 hereby apply for Membership of **ROSAMERC SUPER FUND** being a Fund constituted by a Deed dated the 28 day of June 2020 as Trustee. I confirm that I have reviewed the Fund's Deed and if admitted to such Membership I agree to abide by the terms of such Deed (or Deed as amended in future).

DATED this 28 day of June 2010

SIGNED by
Filomena Mercurio



Superannuation Individual Tax File Number Notification via Fund Trustee or Employer

This form may only be used to pass on your tax file number to your superannuation fund.
(please print neatly in BLOCK LETTERS with a black or blue pen only).

Fund Name: Rosamerc Super Fund

Fund Address: 22 Jeffs Street Campbelltown SA 5074

Fund Telephone No:

Employer Name:
(if applicable)

Telephone No:

Your Surname / Family Name: MERCURIO

Given Names: ROSA

Date of Birth: 11/01/1943

Membership Number
(if known)

Sex: Male Female

I agree to provide my Tax File Number:

Yes No

My Tax File Number

5 6 4 8 9 0 4 3 6

Signature Rosa Mercurio

Date: 28 June 2010

Collection of tax file numbers is authorised by tax laws, the *Superannuation Industry (Supervision) Act 1993* and the *Privacy Act 1988*. Changes to the tax file number law require trustees to ask you to provide your tax file number to your superannuation fund. By completing this form and providing it to your fund will allow your fund trustee to use your tax file number for the purposes contained in the *Superannuation Industry (Supervision) Act 1993* and for the purpose of paying eligible termination payments.

The purposes currently authorised include:

- taxing eligible termination payments at concessional rates;
- finding and amalgamating your superannuation benefits where insufficient information is available;
- passing your tax file number to the Australian Taxation Office whereby you receive a benefit or have unclaimed superannuation money after reaching the aged pension age; and
- allowing the trustee of your superannuation fund to provide your tax file number to a superannuation fund receiving any benefits you may transfer. Your trustee won't pass your tax file number to any other fund if you tell the trustee in writing that you don't want them to pass it on.

You are not required to provide your tax file number. Declining to quote your tax file number is not an offence. However, if you do not give your superannuation fund your tax file number, either now or later:

- you may pay more tax on your superannuation benefits than you have to (you will get this back at the end of the financial year in your income tax assessment); and
- it may be more difficult to find your superannuation benefits if you change address without notifying your fund or to amalgamate any multiple superannuation accounts.

The lawful purposes for which your tax file number can be used and the consequences of not quoting your tax file number may change in future, as a result of legislative change.

For more information, please contact your fund or the ATO Superannuation Helpline (13 10 20).

Superannuation Individual Tax File Number Notification via Fund Trustee or Employer

IMPORTANT NOTES TO TRUSTEES AND EMPLOYERS

- In the interests of your members / employees, you should make this form available to them.
- Please ensure that the member / employee is aware of your address and telephone number (see the space provided on the front of this form).
- The member's / employee's tax file number must be kept private and secure.

SPECIFIC NOTES FOR TRUSTEES

- **If a member provides you with his or her tax file number for superannuation purposes (eg. on this form), you must accept it and record it with member's details.**
- Unauthorised use of the tax file number may incur a penalty of 100 penalty units (currently \$10,000) and/or 2 years imprisonment.

SPECIFIC NOTES FOR EMPLOYERS

- **If an employee provides you with his or her tax file number for superannuation purposes (eg. on this form), you are required to pass it on with or before the next superannuation contribution you make for that employee unless you receive it within 14 days (eg. 2 days) before that contribution in which case you have 14 days from receiving it to pass it on to the employee's superannuation fund.**
- Employers who do not meet the above requirement may be subject to a penalty of up to 10 penalty units (currently \$1,000).
- You may only disclose the tax file number quoted on this form to the employee's superannuation fund. It is against the law to disclose the tax file number quoted on this form to any other fund or person.

Superannuation Individual Tax File Number Notification via Fund Trustee or Employer

This form may only be used to pass on your tax file number to your superannuation fund.
(please print neatly in BLOCK LETTERS with a black or blue pen only).

Fund Name: Rosamerc Super Fund

Fund Address: 22 Jeffs Street Campbelltown SA 5074

Fund Telephone No:

Employer Name:
(if applicable)

Telephone No:

Your Surname / Family Name: MERCURIO

Given Names: FILOMENA

Date of Birth: 14/01/1963

Membership Number
(if known)

Sex: Male Female

I agree to provide my Tax File Number:

Yes No

My Tax File Number

5 8 8 6 7 2 9 3 4

Signature *Rosa Mercurio*

Date: 28 June 2010

Collection of tax file numbers is authorised by tax laws, the *Superannuation Industry (Supervision) Act 1993* and the *Privacy Act 1988*. Changes to the tax file number law require trustees to ask you to provide your tax file number to your superannuation fund. By completing this form and providing it to your fund will allow your fund trustee to use your tax file number for the purposes contained in the *Superannuation Industry (Supervision) Act 1993* and for the purpose of paying eligible termination payments.

The purposes currently authorised include:

- taxing eligible termination payments at concessional rates;
- finding and amalgamating your superannuation benefits where insufficient information is available;
- passing your tax file number to the Australian Taxation Office whereby you receive a benefit or have unclaimed superannuation money after reaching the aged pension age; and
- allowing the trustee of your superannuation fund to provide your tax file number to a superannuation fund receiving any benefits you may transfer. Your trustee won't pass your tax file number to any other fund if you tell the trustee in writing that you don't want them to pass it on.

You are not required to provide your tax file number. Declining to quote your tax file number is not an offence. However, if you do not give your superannuation fund your tax file number, either now or later:

- you may pay more tax on your superannuation benefits than you have to (you will get this back at the end of the financial year in your income tax assessment); and
- it may be more difficult to find your superannuation benefits if you change address without notifying your fund or to amalgamate any multiple superannuation accounts.

The lawful purposes for which your tax file number can be used and the consequences of not quoting your tax file number may change in future, as a result of legislative change.

For more information, please contact your fund or the ATO Superannuation Helpline (13 10 20).

Superannuation Individual Tax File Number Notification via Fund Trustee or Employer

IMPORTANT NOTES TO TRUSTEES AND EMPLOYERS

- In the interests of your members / employees, you should make this form available to them.
- Please ensure that the member / employee is aware of your address and telephone number (see the space provided on the front of this form).
- The member's / employee's tax file number must be kept private and secure.

SPECIFIC NOTES FOR TRUSTEES

- **If a member provides you with his or her tax file number for superannuation purposes (eg. on this form), you must accept it and record it with member's details.**
- Unauthorised use of the tax file number may incur a penalty of 100 penalty units (currently \$10,000) and/or 2 years imprisonment.

SPECIFIC NOTES FOR EMPLOYERS

- **If an employee provides you with his or her tax file number for superannuation purposes (eg. on this form), you are required to pass it on with or before the next superannuation contribution you make for that employee unless you receive it within 14 days (eg. 2 days) before that contribution in which case you have 14 days from receiving it to pass it on to the employee's superannuation fund.**
- Employers who do not meet the above requirement may be subject to a penalty of up to 10 penalty units (currently \$1,000).
- You may only disclose the tax file number quoted on this form to the employee's superannuation fund. It is against the law to disclose the tax file number quoted on this form to any other fund or person.

**Rosamerc Super Fund
Declaration of Trustees
On 28 June 2010**

Consent and Declaration of the Trustees


The Trustees hereby:

1. Declare that we are not disqualified from acting as trustees of a superannuation fund under the Superannuation Industry (Supervision) Act 1993
2. Consent to act as Trustees of the Rosamerc Super Fund ("Fund")
3. Agree to execute the Trust Deed and to administer the Fund in accordance with the terms and conditions set out in the Trust Deed.
4. Undertake to notify any other Trustee and the Australian Taxation Office in writing if any one of us is for any reason disqualified from continuing to act as a trustee.

Signed as a true record.

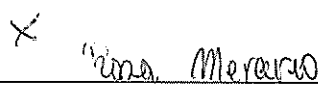


Rosa Mercurio



Filomena Mercurio

Product Disclosure Statement ('PDS')

Fund Name:	Rosamerc Super Fund	Date PDS given to Member:	23/1/2020
PDS Reference No:	SMSF2019-20a		
Trustee Name:	ROSA MERCURIO and FILOMENA MERCURIO		
Trustee Address:	c/- 22 Jeffs Street, Campbelltown, South Australia 5074		
Signature on behalf of Trustee*:			
Member Name:	ROSA MERCURIO	Member No:	1
Member Address:	22 Jeffs Street, Campbelltown, South Australia 5074		
Member Signature upon Receipt of PDS:			

*If the Trustee wishes to give any additional or non-standard information to members other than the information in this PDS, the Trustee must provide this in writing to each Member before or at the time of providing this PDS to each member. Otherwise, the Trustee considers that only the information in this PDS is relevant. The Fund's deed has been or will be varied to ensure the Fund continues to comply with the *Superannuation Industry (Supervision) Act 1993* (Cth) and the *Superannuation Industry (Supervision) Regulations 1994* (Cth). Compliance with this legislation is required to enable the Fund to retain its concessional tax status. Members' accrued entitlements will not be adversely affected by the variation.

SMSF PDS

SMSF PDS — TABLE OF CONTENTS

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ANNEXURE: TEMPLATE BINDING DEATH BENEFIT NOMINATION

IMPORTANT INFORMATION

This PDS has been prepared to provide a summary of significant information that you should consider. It is general information only and does not take into account your personal situation or needs.

More detailed information is available in the SMSF Memo, which builds on this PDS. The SMSF Memo also contains additional information relevant to trustees. It is strongly recommended that you read the SMSF Memo in conjunction with this PDS.

Changes are constantly being made to the superannuation rules and requirements. Numerous reform measures are discussed in the DBA Lawyers SMSF Memo. These materials are no substitute for expert advice given in view of your particular circumstances. Nevertheless, it is recommended that you closely consider them and obtain advice tailored to your circumstances.

To simplify your review, a list of abbreviations appears at the end of this PDS. A list of key rates, figures and thresholds (such as contribution caps, etc) is located at the end of the SMSF Memo.

This PDS is a general guide only in respect of the main features of an SMSF and does not constitute financial product or any other advice. Trustees have an ongoing obligation to ensure this document is kept up to date with relevant information. As superannuation and taxation laws are subject to continual change, expert advice should be obtained wherever in doubt. Unless an ongoing retainer is entered into, there is no obligation on DBA Lawyers to notify our client in respect of any change that may be required to their circumstances or documents. Except to the extent required by law, DBA Lawyers disclaims all and any liability arising in any manner that does not relate to the documentation prepared on our specific instructions. Date of PDS: 1 July 2019
© DBA SMSF2019-20a

1. About SMSFs

SMSFs are generally only for you, your spouse and a maximum of two other members (provided each member satisfies certain tests). The two other members are generally family members.

In order to qualify as an SMSF, broadly each member of the fund must also be a trustee of the fund (or a director of the fund's corporate trustee) and vice versa. Further, trustees (including directors of corporate trustees) and members must generally not be remunerated for services they provide in respect of an SMSF. The above is subject to some exceptions.

2. How super works

2.1. What is super?

Superannuation is a means of saving for retirement and is, in part, compulsory. For instance, your employer may be required to make superannuation contributions on your behalf in line with the superannuation guarantee rules.

Superannuation is a long-term investment. Strict rules exist regarding when it can be accessed. Generally, you can only access your super if you retire or attain age 60 (however, if you were born on or before 30 June 1964, the relevant age, known as preservation age, will be lower than 60 for you).

Despite this restricted access, tax concessions and other government benefits generally make superannuation an attractive way to invest.

2.2. Methods of contributing

There are various methods of contributing to superannuation. These include:

- voluntary contributions;
- superannuation guarantee payments;
- salary sacrificing arrangements;
- the government co-contribution scheme;
- making contributions from the sale of small business assets in line with div 152 of the *Income Tax Assessment Act 1997* (Cth);
- First Home Super Saver contributions;
- downsizer contributions;
- structured settlement contributions;
- contributions splitting;
- eligible spouse contributions; and
- the Low Income Superannuation Tax Offset (LISTO) (a government contribution whereby eligible low income earners may receive a payment to their superannuation fund).

2.3. Choice of fund

Most employers must give their employees a choice as to which superannuation fund their superannuation guarantee contributions are to be paid into. The fund that an employee chooses may be an SMSF, provided the employee gives their employer certain written information (including the details of their SMSF and how the employer can contribute to it). The ATO has issued a standard choice form for this purpose (NAT 13080). Further information on the choice of fund requirements can be found on the ATO website at www.ato.gov.au.

2.4. Limits on contributions

There are limits or caps on the amount that can be contributed to superannuation on your behalf. Limits also exist on when a superannuation contribution can be accepted by a trustee. Broadly, these limits depend on the 'type' of contribution, your total superannuation balance and your age. Exceeding the allowable limits can result in significant tax liabilities.

3. Benefits of investing with an SMSF

The main advantage of having an SMSF is that it provides trustees (and therefore SMSF members) with control over their investments. More particularly, trustees have the ability to customise the structure, asset allocation and investments of their SMSF to suit their needs and objectives during the different stages of their lives.

Despite the above, running an SMSF also brings added responsibility and risk. For instance, trustees are responsible for all relevant administrative and compliance tasks, whereas commercial funds take care of these requirements for you. Further, SMSFs are more limited in the extent that they can diversify their investments and obtain economies of scale. Superannuation law also imposes a number of strict limitations on the type of investments a trustee can make and any contravention of these laws can incur serious penalties.

SMSFs are primarily for those people who wish to be in control of their financial affairs and who are capable of taking an active role in the management of their fund. People who are not willing to take an active interest in their own financial affairs should consider the possible advantages of leaving their superannuation affairs to professionally managed public offer funds.

4. Risks of super

4.1. Investment risk

An SMSF is an investment vehicle and the trustee is responsible for maintaining the fund's investments in accordance with an appropriate investment strategy.

When formulating an investment strategy, the trustee should consider the risk profile of the members. Investments are not all alike and different investment strategies may carry different levels of risk. For instance, in many cases, assets with the highest long-term returns may also carry the highest level of short-term risk. That being said, *all* investments carry risk and even a 'low-risk' investment strategy will not necessarily guarantee a positive return.

The specific risks associated with a particular SMSF will ultimately depend on the investment strategy that the trustee adopts. However, as a general rule, the following is true:

- the value of investments will vary;
- the level of returns will vary and future returns may differ from past returns;
- returns are not guaranteed and you may lose some of your money;
- superannuation laws might change in the future and this could impact fund investments;
- the amount of your future superannuation savings (including contributions and returns) may not be enough to adequately provide for your retirement; and
- the level of risk you face will vary depending on a range of factors (including age, investment timeframes, where other parts of your wealth are invested and risk tolerance).

4.2. Compliance risk

Severe penalties can apply for any contravention of superannuation law. All persons who become a trustee (or a director of a corporate trustee) must sign a trustee declaration acknowledging their trustee duties (in the relevant form published by the ATO) within 21 days of becoming a trustee or director.

Broadly, contraventions can expose an SMSF to 45% tax on its total assets, apart from NCCs. The ATO has discretion to waive this tax if there are genuine mitigating circumstances. In addition, a range of civil and criminal penalties can be imposed depending on the nature and severity of the contravention. Various monetary penalties, education directions and rectification directions can also be applied by the ATO in response to contraventions.

The existence of substantial penalties that can apply to contraventions and the complexity of superannuation law raises the following critical questions. Are you prepared to accept the responsibility that goes with operating an SMSF properly? Will you make sure you are sufficiently familiar with the regulatory regime? Will you seek advice whenever you are in doubt?

Put another way, would you fly a hot-air balloon without having an experienced instructor on board and without receiving special training? Like hot-air balloons, SMSFs can be dangerous. Accordingly, trustees should make sure they act prudently and become familiar with the main rules and seek advice whenever there is any doubt.

5. How your money is invested

The trustee is responsible for investing the assets of the SMSF. Naturally, the normal course is that as a member, you will also be a trustee or a director of the corporate trustee. Any investments the trustee makes should be pursuant to a properly considered investment strategy. This investment strategy should be reviewed on a regular basis and, if necessary, revised. Further, it is a superannuation law requirement that trustees consider insurance for their members as part of the fund's investment strategy. Insurance does not necessarily have to be obtained.

Generally, unless the trustee is experienced with investments, investment or financial advice should be obtained to ensure members' superannuation interests are prudently invested.

In determining how to invest, the trustee should consider the likely investment return, the risk associated with the investment and the investment timeframe.

Superannuation law also imposes a number of strict limitations on the type of investments an SMSF can make and any contravention of these laws can incur serious penalties. For example, unless a specific exception applies, a trustee is broadly prohibited from acquiring assets from a related party, is limited in the level of in-house assets (broadly investments in related entities) it may invest in and is also generally prohibited from borrowing. Expert advice should be obtained if there is any doubt.

You may request that the trustee makes and holds particular investments on your behalf, or on behalf of a class of members.

6. Fees and costs

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the SMSF trustee or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.moneysmart.gov.au) has a superannuation investment fee calculator to help you check out different fee options.

Likely establishment and administration costs should be considered to ensure the benefit of establishing an SMSF is worthwhile. You should consult your financial adviser to determine the costs of administering the fund.

Many commercial funds and industry funds charge ongoing management fees and possibly additional fees, such as entry and exit fees. These must be considered in view of the costs of setting up, running and, if relevant, winding up an SMSF.

Even if an SMSF is cheaper to set up and operate, the potential income and growth to be gained from the investment strategies of a public offer fund as compared to an SMSF should be considered. That is, will a public offer fund outperform an SMSF?

7. How super is taxed

7.1. Contributions

(a) Contributions generally

Three types of contributions broadly exist: CCs, NCCs and downsizer contributions. Generally, CCs include contributions made by an employer on behalf of an employee and contributions made by members who have claimed a personal deduction. CCs are included in the assessable income of a superannuation fund. NCCs, on the other hand, are typically those contributions made from after-tax income and are not included in the assessable income of a superannuation fund. Downsizer contributions are eligible contributions made by members aged 65 years or over in respect of the disposal of their main residence (subject to certain criteria).

Warning — contributions made in excess of your contribution caps can give rise to significant issues! Refer below.

Warning — it is critical to ensure that your tax file number is provided to the trustee, as extra tax can be imposed otherwise. Moreover, the fund cannot accept any member contributions unless a TFN is provided.

(b) Concessional contributions

CCs will only be taxed concessionally on receipt by a superannuation fund to the extent that they are within your CC cap. In this case, they will effectively be taxed at 15% as they are included in the fund's assessable income in the FY of receipt. Note that you only have one CC cap, regardless of how many employers or superannuation funds you may have.

CCs made in excess of the CC cap are included in your assessable income and taxed at your marginal tax rate. An additional interest charge also applies. Also, a maximum 15% tax offset applies in your personal tax return.

(c) Non-concessional contributions

To the extent that NCCs are within your NCC cap for the FY, they will not be subject to any contributions tax as they are not included in a fund's assessable income. If you exceed your NCC cap, this will mean you are faced with a choice as to how the excess is taxed. The first option is electing to release the excess as well as 85% of any associated earnings amount from your superannuation fund(s). The full associated earnings amount will be included in your personal assessable income and taxed at your marginal rate. A maximum tax offset equal to 15% of your associated earnings will be applied. The offset conceptually recognises tax paid by your superannuation fund. You will receive a release authority with the assessment, which you must give to your superannuation fund(s) to withdraw money to pay the tax. The second option is choosing not to release the excess and therefore paying excess NCC tax on the excess amount. The excess NCC tax rate is 45% plus levies.

(d) Downsizer contributions

Broadly, downsizer contributions are not included in a fund's assessable income and therefore are not subject to any contributions tax. Downsizer contributions are neither a CC nor NCC and, accordingly, they do not count towards your contributions caps. There is a maximum of up to \$300,000 total downsizer contributions a member can make. Where a downsizer contribution does not satisfy the relevant criteria, it will either be allocated as an NCC (if within the member's NCC cap) or refunded to the member. Downsizer contributions do not count towards a member's total superannuation balance in the FY the contribution is made.

(e) Managing excess contributions

As outlined above, contributions made in excess of your contribution caps can incur significant tax. It is important that you are aware of the caps and the amounts being contributed to the fund. It is strongly recommended that you keep an ongoing record of each and every contribution made, before making any further contributions. This will assist in determining whether any excess contributions will arise in respect of any FY.

Where you have exceeded your CC cap, you may elect to have up to 85% of the excess amount released from the fund. This also reduces the amount of your NCCs (and if the full 85% is released, NCCs will not be impacted by the excess CCs).

If in doubt, you should contact your adviser and seek assistance before making a contribution. If you suspect that you might have exceeded your cap or incorrectly contributed an amount to your fund, you should contact your adviser immediately. If you and your adviser act quickly, there may be avenues available to minimise any adverse impact.

(f) Extra 15% contributions tax for high income earners (div 293 tax)

People who earn more than \$250,000 in an FY pay an extra 15% tax on their CCs to the extent their CCs exceed their adjusted income thresholds. If this applies, it essentially means these CCs will be taxed at a maximum rate of 30% instead of the usual 15%.

7.2. Investment earnings

Broadly, superannuation investment earnings are taxed at 15%. However, typically no tax is payable on investment earnings that arise from assets that are being used to support a pension. Generally a \$1.6 million limit (known as the transfer balance cap) applies to the amount of assets that can commence a pension that are eligible for a tax exemption.

7.3. Member benefits upon withdrawal

(a) Preservation age

Your preservation age affects the tax treatment of certain benefits. Your preservation age is 60 unless you were born on or before 30 June 1964, in which case your preservation age can be as low as 55.

(b) Lump sums

That part of a lump sum consisting of the tax free component is received by you as non-assessable non-exempt income (ie, 'tax free'). The taxable component (consisting of the element taxed) of a lump sum is taxed as follows:

Age of recipient	Tax treatment
Younger than preservation age	The amount is subject to tax at 20% plus levies.
Over preservation age but less than age 60	Low rate cap amount is received income tax free and the balance is subject to tax at 15% plus levies. You only have one lifetime cumulative low rate cap in relation to your taxable component.
60 or over	The amount is income tax free.

(c) Pensions

Broadly, if you are under 60 and in receipt of a pension, the pension is taxed as ordinary income. However, a 15% tax offset applies to the assessable amount (ie, the taxable component) of the pension payments if you have attained preservation age. In addition, the amount of the pension representing the tax free component will be received tax free. Once you are 60 years or over, pension payments are income tax free and are not included in your income tax return.

The tax treatment of pensions is summarised as follows:

Age of pensioner	Tax treatment
Preservation age or over, but under 60	Pension payment less the tax free component is subject to tax at the member's marginal tax rate plus levies less a 15% offset.
60 or over	Pension payments are generally received income tax free.

(d) Death benefits

The amount of tax payable on a payment from a superannuation fund after you die depends on whether the beneficiary who receives the payment is a dependant for tax purposes and what form the payment takes (ie, lump sum or pension).

8. Complaints and cooling-off

You should discuss any query or complaint you may have in the first instance with the trustee. If the trustee is unable to resolve a dispute, legal advice should be sought.

Generally, no 'cooling-off' regime applies to an SMSF (except where you elect to convert your benefits from the accumulation phase to the pension phase). Thus, there is no easy way to cease

to be a member and have contributions to the SMSF returned. Once a contribution is made, it is preserved in the superannuation system and you can generally only obtain access to such monies when you meet a relevant condition of release.

9. Additional information

Unless the trustee advises you that different information should apply, the information below is relevant to you.

The costs of being a member of the SMSF may include (but are not limited to) accounting, investment advice, transaction and ongoing administration costs. The nature and level of costs will depend on, among other things, the level of turnover of investments in the fund, the number of transactions and the complexity of the fund's transactions.

Usually, fund expenses will be allocated at least annually on a proportionate basis among members' accounts. However, the trustee does have power to allocate expenses and tax on a different basis (eg, if the trustee allows the members to choose different investment portfolios, there can be selective allocations of earnings, expenses and tax based on these portfolios).

The trustee should not charge any commissions or fees while the trustee acts as trustee for an SMSF. However, depending on the investments chosen, the fund's expenses might include commissions and similar fees (eg, if the fund was to invest in a managed investment trust or public offer fund). You will be advised by the trustee of any commission or other similar payments that may impact on the amount of your interest. The trustee does not charge a fee merely in respect of your interest and there are no entry and exit fees.

The investment strategy of the fund is or will be detailed in a trustee resolution unless otherwise provided for.

Unless otherwise decided by the trustee, labour standards and environmental, social or ethical considerations are not taken into account in selecting, retaining or realising investments.

Please contact the trustee at the address shown on the front cover of this PDS if you require any further information.

10. Abbreviations

Abbreviation	Meaning
ATO	Australian Taxation Office
CC	concessional contribution
FY	financial year
NCC	non-concessional contribution
PDS	product disclosure statement
SMSF	self managed superannuation fund
TFN	tax file number

BINDING DEATH BENEFIT NOMINATION (use only with DBA Lawyers' governing rules)

This Binding Death Benefit Nomination ('BDBN'), when completed, will bind the trustee as to how to pay your death benefit. Please read the SMSF Memo before completing this BDBN.

We strongly recommend that you contact your adviser and your lawyer before completing this BDBN. If this document is inappropriately or incorrectly completed, significant negative implications can arise.

SUPERANNUATION FUND DETAILS

Name: ('Fund')

TRUSTEE DETAILS

Name: ('Trustee')

Address:

MEMBER DETAILS

Name: ('Member')

Address:

BINDING DEATH BENEFIT NOMINATION DETAILS

I, the Member, revoke and terminate all of my prior BDBNs, death benefit agreements and binding and non-binding directions or instructions relating to death benefits made in relation to my membership in the Fund and declare this to be my last BDBN. This BDBN is binding on the Trustee. **I DIRECT, BIND and COMPEL** the Trustee, or any other company or natural person(s) that is the trustee of the Fund at or after the date of my death, to pay any and all benefits that may be payable in respect of my membership of the Fund ('My Benefit') on my death as follows:

(Please complete this box. The directions in this box are referred to as the First Tier Directions)

To my Dependants named below	Share of My Benefit (specify %)
AND:	
My Legal Personal Representative ('LPR') (ie, my estate).	
TOTAL:	100%

AND:
(BDBN continues next page)

Signature of Member

Signature of Witness 1

Signature of Witness 2

BINDING DEATH BENEFIT NOMINATION (continued)

SECOND TIER DIRECTIONS

To the extent that the First Tier Directions do not deal with 100% of My Benefit (including by reason of any of the Dependants named above predeceasing me), I **DIRECT, BIND and COMPEL** the Trustee to follow the direction below in relation to that part of My Benefit that is not dealt with by the First Tier Directions ('Residual Benefit'):

*(Please tick **one** of the boxes below — if no box is ticked or more than one box is ticked, option 3 applies)*

Option 1:

pay the Residual Benefit as follows:

To my Dependants named below	Share of Residual Benefit (specify %)
My LPR	
TOTAL:	100%

Option 2:

pay the Residual Benefit to my LPR

Option 3:

treat the Residual Benefit **at its discretion**, in accordance with the Fund's governing rules while taking into consideration whom I wish to benefit as expressed in this document

Automatically reversionary pension(s) to spouse — OPTIONAL — please tick box below, if desired

In relation to this BDBN, to the extent that my Spouse will benefit under this BDBN, I **DIRECT, BIND and COMPEL** the Trustee that, in relation to each Account-Based Pension and Transition to Retirement Income Stream that I am receiving just before my death ('Income Stream'), the Income Stream automatically reverts upon my death to my Spouse as an Automatically Reversionary Pension (to the extent allowable under the Standards). This BDBN forms part of the governing rules of the Income Stream to the extent required for the Income Stream to be an Automatically Reversionary Pension.

To the extent that the directions in this BDBN do not deal with 100% of My Benefit, I direct the Trustee to treat that part of My Benefit at its discretion, in accordance with the Fund's governing rules while taking into consideration whom I wish to benefit as expressed in this document. The terms in this BDBN have the same meanings as the terms in the Fund's governing rules at the date of making this BDBN. This BDBN is non-lapsing and lasts indefinitely unless revoked.

Signature of Member

Signature of Witness 1

Signature of Witness 2

BINDING DEATH BENEFIT NOMINATION (continued)

EXECUTION

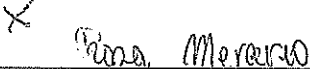
I have signed this BDBN this day of 20.....

<p>Signed by the MEMBER in the presence of us) both being present at the same time who at the) Member's request and in the Member's) presence and in the presence of each other) have signed as witnesses:)</p> <i>Signature of Member</i>
---	-------------------------------------

WITNESS 1	WITNESS 2
<p>I declare that I:</p> <ul style="list-style-type: none">• am over 18 years of age;• do not benefit under this BDBN;• am not an LPR of the Member; and• was present when the Member signed this BDBN. <p>Signature:</p> <p>Full Name:</p> <p>Home Address:</p> <p>Occupation:</p>	<p>I declare that I:</p> <ul style="list-style-type: none">• am over 18 years of age;• do not benefit under this BDBN;• am not an LPR of the Member; and• was present when the Member signed this BDBN. <p>Signature:</p> <p>Full Name:</p> <p>Home Address:</p> <p>Occupation:</p>

<p><i>(OPTIONAL — Failure to execute the below does not affect the validity of this BDBN. However, under your prior BDBN or similar arrangement, you may have to provide this document to the trustee to revoke the prior BDBN or similar arrangement. You should seek advice if unsure.)</i></p>	
<p>Signed on behalf of the TRUSTEE as) confirmation and acceptance of this BDBN and) any revocation of any prior BDBN or binding) nomination, agreement or arrangement:</p> <i>Signature of any trustee or director of the trustee</i>

Product Disclosure Statement ('PDS')

Fund Name:	Rosamerc Super Fund	Date PDS given to Member:	28/1/2020
PDS Reference No:	SMSF2019-20a		
Trustee Name:	ROSA MERCURIO and FILOMENA MERCURIO		
Trustee Address:	c/- 22 Jeffs Street, Campbelltown, South Australia 5074		
Signature on behalf of Trustee*:			
Member Name:	ROSA MERCURIO	Member No:	1
Member Address:	22 Jeffs Street, Campbelltown, South Australia 5074		
Member Signature upon Receipt of PDS:			

*If the Trustee wishes to give any additional or non-standard information to members other than the information in this PDS, the Trustee must provide this in writing to each Member before or at the time of providing this PDS to each member. Otherwise, the Trustee considers that only the information in this PDS is relevant. The Fund's deed has been or will be varied to ensure the Fund continues to comply with the *Superannuation Industry (Supervision) Act 1993 (Cth)* and the *Superannuation Industry (Supervision) Regulations 1994 (Cth)*. Compliance with this legislation is required to enable the Fund to retain its concessional tax status. Members' accrued entitlements will not be adversely affected by the variation.

SMSF PDS

SMSF PDS — TABLE OF CONTENTS

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ANNEXURE: TEMPLATE BINDING DEATH BENEFIT NOMINATION

IMPORTANT INFORMATION

This PDS has been prepared to provide a summary of significant information that you should consider. It is general information only and does not take into account your personal situation or needs.

More detailed information is available in the SMSF Memo, which builds on this PDS. The SMSF Memo also contains additional information relevant to trustees. It is strongly recommended that you read the SMSF Memo in conjunction with this PDS.

Changes are constantly being made to the superannuation rules and requirements. Numerous reform measures are discussed in the DBA Lawyers SMSF Memo. These materials are no substitute for expert advice given in view of your particular circumstances. Nevertheless, it is recommended that you closely consider them and obtain advice tailored to your circumstances.

To simplify your review, a list of abbreviations appears at the end of this PDS. A list of key rates, figures and thresholds (such as contribution caps, etc) is located at the end of the SMSF Memo.

This PDS is a general guide only in respect of the main features of an SMSF and does not constitute financial product or any other advice. Trustees have an ongoing obligation to ensure this document is kept up to date with relevant information. As superannuation and taxation laws are subject to continual change, expert advice should be obtained wherever in doubt. Unless an ongoing retainer is entered into, there is no obligation on DBA Lawyers to notify our client in respect of any change that may be required to their circumstances or documents. Except to the extent required by law, DBA Lawyers disclaims all and any liability arising in any manner that does not relate to the documentation prepared on our specific instructions. Date of PDS: 1 July 2019
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1. About SMSFs

SMSFs are generally only for you, your spouse and a maximum of two other members (provided each member satisfies certain tests). The two other members are generally family members.

In order to qualify as an SMSF, broadly each member of the fund must also be a trustee of the fund (or a director of the fund's corporate trustee) and vice versa. Further, trustees (including directors of corporate trustees) and members must generally not be remunerated for services they provide in respect of an SMSF. The above is subject to some exceptions.

2. How super works

2.1. What is super?

Superannuation is a means of saving for retirement and is, in part, compulsory. For instance, your employer may be required to make superannuation contributions on your behalf in line with the superannuation guarantee rules.

Superannuation is a long-term investment. Strict rules exist regarding when it can be accessed. Generally, you can only access your super if you retire or attain age 60 (however, if you were born on or before 30 June 1964, the relevant age, known as preservation age, will be lower than 60 for you).

Despite this restricted access, tax concessions and other government benefits generally make superannuation an attractive way to invest.

2.2. Methods of contributing

There are various methods of contributing to superannuation. These include:

- voluntary contributions;
- superannuation guarantee payments;
- salary sacrificing arrangements;
- the government co-contribution scheme;
- making contributions from the sale of small business assets in line with div 152 of the *Income Tax Assessment Act 1997* (Cth);
- First Home Super Saver contributions;
- downsizer contributions;
- structured settlement contributions;
- contributions splitting;
- eligible spouse contributions; and
- the Low Income Superannuation Tax Offset (LISTO) (a government contribution whereby eligible low income earners may receive a payment to their superannuation fund).

2.3. Choice of fund

Most employers must give their employees a choice as to which superannuation fund their superannuation guarantee contributions are to be paid into. The fund that an employee chooses may be an SMSF, provided the employee gives their employer certain written information (including the details of their SMSF and how the employer can contribute to it). The ATO has issued a standard choice form for this purpose (NAT 13080). Further information on the choice of fund requirements can be found on the ATO website at www.ato.gov.au.

2.4. Limits on contributions

There are limits or caps on the amount that can be contributed to superannuation on your behalf. Limits also exist on when a superannuation contribution can be accepted by a trustee. Broadly, these limits depend on the 'type' of contribution, your total superannuation balance and your age. Exceeding the allowable limits can result in significant tax liabilities.

3. Benefits of investing with an SMSF

The main advantage of having an SMSF is that it provides trustees (and therefore SMSF members) with control over their investments. More particularly, trustees have the ability to customise the structure, asset allocation and investments of their SMSF to suit their needs and objectives during the different stages of their lives.

Despite the above, running an SMSF also brings added responsibility and risk. For instance, trustees are responsible for all relevant administrative and compliance tasks, whereas commercial funds take care of these requirements for you. Further, SMSFs are more limited in the extent that they can diversify their investments and obtain economies of scale. Superannuation law also imposes a number of strict limitations on the type of investments a trustee can make and any contravention of these laws can incur serious penalties.

SMSFs are primarily for those people who wish to be in control of their financial affairs and who are capable of taking an active role in the management of their fund. People who are not willing to take an active interest in their own financial affairs should consider the possible advantages of leaving their superannuation affairs to professionally managed public offer funds.

4. Risks of super

4.1. Investment risk

An SMSF is an investment vehicle and the trustee is responsible for maintaining the fund's investments in accordance with an appropriate investment strategy.

When formulating an investment strategy, the trustee should consider the risk profile of the members. Investments are not all alike and different investment strategies may carry different levels of risk. For instance, in many cases, assets with the highest long-term returns may also carry the highest level of short-term risk. That being said, *all* investments carry risk and even a 'low-risk' investment strategy will not necessarily guarantee a positive return.

The specific risks associated with a particular SMSF will ultimately depend on the investment strategy that the trustee adopts. However, as a general rule, the following is true:

- the value of investments will vary;
- the level of returns will vary and future returns may differ from past returns;
- returns are not guaranteed and you may lose some of your money;
- superannuation laws might change in the future and this could impact fund investments;
- the amount of your future superannuation savings (including contributions and returns) may not be enough to adequately provide for your retirement; and
- the level of risk you face will vary depending on a range of factors (including age, investment timeframes, where other parts of your wealth are invested and risk tolerance).

4.2. Compliance risk

Severe penalties can apply for any contravention of superannuation law. All persons who become a trustee (or a director of a corporate trustee) must sign a trustee declaration acknowledging their trustee duties (in the relevant form published by the ATO) within 21 days of becoming a trustee or director.

Broadly, contraventions can expose an SMSF to 45% tax on its total assets, apart from NCCs. The ATO has discretion to waive this tax if there are genuine mitigating circumstances. In addition, a range of civil and criminal penalties can be imposed depending on the nature and severity of the contravention. Various monetary penalties, education directions and rectification directions can also be applied by the ATO in response to contraventions.

The existence of substantial penalties that can apply to contraventions and the complexity of superannuation law raises the following critical questions. Are you prepared to accept the responsibility that goes with operating an SMSF properly? Will you make sure you are sufficiently familiar with the regulatory regime? Will you seek advice whenever you are in doubt?

Put another way, would you fly a hot-air balloon without having an experienced instructor on board and without receiving special training? Like hot-air balloons, SMSFs can be dangerous. Accordingly, trustees should make sure they act prudently and become familiar with the main rules and seek advice whenever there is any doubt.

5. How your money is invested

The trustee is responsible for investing the assets of the SMSF. Naturally, the normal course is that as a member, you will also be a trustee or a director of the corporate trustee. Any investments the trustee makes should be pursuant to a properly considered investment strategy. This investment strategy should be reviewed on a regular basis and, if necessary, revised. Further, it is a superannuation law requirement that trustees consider insurance for their members as part of the fund's investment strategy. Insurance does not necessarily have to be obtained.

Generally, unless the trustee is experienced with investments, investment or financial advice should be obtained to ensure members' superannuation interests are prudently invested.

In determining how to invest, the trustee should consider the likely investment return, the risk associated with the investment and the investment timeframe.

Superannuation law also imposes a number of strict limitations on the type of investments an SMSF can make and any contravention of these laws can incur serious penalties. For example, unless a specific exception applies, a trustee is broadly prohibited from acquiring assets from a related party, is limited in the level of in-house assets (broadly investments in related entities) it may invest in and is also generally prohibited from borrowing. Expert advice should be obtained if there is any doubt.

You may request that the trustee makes and holds particular investments on your behalf, or on behalf of a class of members.

6. Fees and costs

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the SMSF trustee or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.moneysmart.gov.au) has a superannuation investment fee calculator to help you check out different fee options.

Likely establishment and administration costs should be considered to ensure the benefit of establishing an SMSF is worthwhile. You should consult your financial adviser to determine the costs of administering the fund.

Many commercial funds and industry funds charge ongoing management fees and possibly additional fees, such as entry and exit fees. These must be considered in view of the costs of setting up, running and, if relevant, winding up an SMSF.

Even if an SMSF is cheaper to set up and operate, the potential income and growth to be gained from the investment strategies of a public offer fund as compared to an SMSF should be considered. That is, will a public offer fund outperform an SMSF?

7. How super is taxed

7.1. Contributions

(a) Contributions generally

Three types of contributions broadly exist: CCs, NCCs and downsizer contributions. Generally, CCs include contributions made by an employer on behalf of an employee and contributions made by members who have claimed a personal deduction. CCs are included in the assessable income of a superannuation fund. NCCs, on the other hand, are typically those contributions made from after-tax income and are not included in the assessable income of a superannuation fund. Downsizer contributions are eligible contributions made by members aged 65 years or over in respect of the disposal of their main residence (subject to certain criteria).

Warning — contributions made in excess of your contribution caps can give rise to significant issues! Refer below.

Warning — it is critical to ensure that your tax file number is provided to the trustee, as extra tax can be imposed otherwise. Moreover, the fund cannot accept any member contributions unless a TFN is provided.

(b) Concessional contributions

CCs will only be taxed concessionally on receipt by a superannuation fund to the extent that they are within your CC cap. In this case, they will effectively be taxed at 15% as they are included in the fund's assessable income in the FY of receipt. Note that you only have one CC cap, regardless of how many employers or superannuation funds you may have.

CCs made in excess of the CC cap are included in your assessable income and taxed at your marginal tax rate. An additional interest charge also applies. Also, a maximum 15% tax offset applies in your personal tax return.

(c) Non-concessional contributions

To the extent that NCCs are within your NCC cap for the FY, they will not be subject to any contributions tax as they are not included in a fund's assessable income. If you exceed your NCC cap, this will mean you are faced with a choice as to how the excess is taxed. The first option is electing to release the excess as well as 85% of any associated earnings amount from your superannuation fund(s). The full associated earnings amount will be included in your personal assessable income and taxed at your marginal rate. A maximum tax offset equal to 15% of your associated earnings will be applied. The offset conceptually recognises tax paid by your superannuation fund. You will receive a release authority with the assessment, which you must give to your superannuation fund(s) to withdraw money to pay the tax. The second option is choosing not to release the excess and therefore paying excess NCC tax on the excess amount. The excess NCC tax rate is 45% plus levies.

(d) Downsizer contributions

Broadly, downsizer contributions are not included in a fund's assessable income and therefore are not subject to any contributions tax. Downsizer contributions are neither a CC nor NCC and, accordingly, they do not count towards your contributions caps. There is a maximum of up to \$300,000 total downsizer contributions a member can make. Where a downsizer contribution does not satisfy the relevant criteria, it will either be allocated as an NCC (if within the member's NCC cap) or refunded to the member. Downsizer contributions do not count towards a member's total superannuation balance in the FY the contribution is made.

(e) Managing excess contributions

As outlined above, contributions made in excess of your contribution caps can incur significant tax. It is important that you are aware of the caps and the amounts being contributed to the fund. It is strongly recommended that you keep an ongoing record of each and every contribution made, before making any further contributions. This will assist in determining whether any excess contributions will arise in respect of any FY.

Where you have exceeded your CC cap, you may elect to have up to 85% of the excess amount released from the fund. This also reduces the amount of your NCCs (and if the full 85% is released, NCCs will not be impacted by the excess CCs).

If in doubt, you should contact your adviser and seek assistance before making a contribution. If you suspect that you might have exceeded your cap or incorrectly contributed an amount to your fund, you should contact your adviser immediately. If you and your adviser act quickly, there may be avenues available to minimise any adverse impact.

(f) Extra 15% contributions tax for high income earners (div 293 tax)

People who earn more than \$250,000 in an FY pay an extra 15% tax on their CCs to the extent their CCs exceed their adjusted income thresholds. If this applies, it essentially means these CCs will be taxed at a maximum rate of 30% instead of the usual 15%.

7.2. Investment earnings

Broadly, superannuation investment earnings are taxed at 15%. However, typically no tax is payable on investment earnings that arise from assets that are being used to support a pension. Generally a \$1.6 million limit (known as the transfer balance cap) applies to the amount of assets that can commence a pension that are eligible for a tax exemption.

7.3. Member benefits upon withdrawal

(a) Preservation age

Your preservation age affects the tax treatment of certain benefits. Your preservation age is 60 unless you were born on or before 30 June 1964, in which case your preservation age can be as low as 55.

(b) Lump sums

That part of a lump sum consisting of the tax free component is received by you as non-assessable non-exempt income (ie, 'tax free'). The taxable component (consisting of the element taxed) of a lump sum is taxed as follows:

Age of recipient	Tax treatment
Younger than preservation age	The amount is subject to tax at 20% plus levies.
Over preservation age but less than age 60	Low rate cap amount is received income tax free and the balance is subject to tax at 15% plus levies. You only have one lifetime cumulative low rate cap in relation to your taxable component.
60 or over	The amount is income tax free.

(c) Pensions

Broadly, if you are under 60 and in receipt of a pension, the pension is taxed as ordinary income. However, a 15% tax offset applies to the assessable amount (ie, the taxable component) of the pension payments if you have attained preservation age. In addition, the amount of the pension representing the tax free component will be received tax free. Once you are 60 years or over, pension payments are income tax free and are not included in your income tax return.

The tax treatment of pensions is summarised as follows:

Age of pensioner	Tax treatment
Preservation age or over, but under 60	Pension payment less the tax free component is subject to tax at the member's marginal tax rate plus levies less a 15% offset.
60 or over	Pension payments are generally received income tax free.

(d) Death benefits

The amount of tax payable on a payment from a superannuation fund after you die depends on whether the beneficiary who receives the payment is a dependant for tax purposes and what form the payment takes (ie, lump sum or pension).

8. Complaints and cooling-off

You should discuss any query or complaint you may have in the first instance with the trustee. If the trustee is unable to resolve a dispute, legal advice should be sought.

Generally, no 'cooling-off' regime applies to an SMSF (except where you elect to convert your benefits from the accumulation phase to the pension phase). Thus, there is no easy way to cease

to be a member and have contributions to the SMSF returned. Once a contribution is made, it is preserved in the superannuation system and you can generally only obtain access to such monies when you meet a relevant condition of release.

9. Additional information

Unless the trustee advises you that different information should apply, the information below is relevant to you.

The costs of being a member of the SMSF may include (but are not limited to) accounting, investment advice, transaction and ongoing administration costs. The nature and level of costs will depend on, among other things, the level of turnover of investments in the fund, the number of transactions and the complexity of the fund's transactions.

Usually, fund expenses will be allocated at least annually on a proportionate basis among members' accounts. However, the trustee does have power to allocate expenses and tax on a different basis (eg, if the trustee allows the members to choose different investment portfolios, there can be selective allocations of earnings, expenses and tax based on these portfolios).

The trustee should not charge any commissions or fees while the trustee acts as trustee for an SMSF. However, depending on the investments chosen, the fund's expenses might include commissions and similar fees (eg, if the fund was to invest in a managed investment trust or public offer fund). You will be advised by the trustee of any commission or other similar payments that may impact on the amount of your interest. The trustee does not charge a fee merely in respect of your interest and there are no entry and exit fees.

The investment strategy of the fund is or will be detailed in a trustee resolution unless otherwise provided for.

Unless otherwise decided by the trustee, labour standards and environmental, social or ethical considerations are not taken into account in selecting, retaining or realising investments.

Please contact the trustee at the address shown on the front cover of this PDS if you require any further information.

10. Abbreviations

Abbreviation	Meaning
ATO	Australian Taxation Office
CC	concessional contribution
FY	financial year
NCC	non-concessional contribution
PDS	product disclosure statement
SMSF	self managed superannuation fund
TFN	tax file number

BINDING DEATH BENEFIT NOMINATION (use only with DBA Lawyers' governing rules)

This Binding Death Benefit Nomination ('BDBN'), when completed, will bind the trustee as to how to pay your death benefit. Please read the SMSF Memo before completing this BDBN.

We strongly recommend that you contact your adviser and your lawyer before completing this BDBN. If this document is inappropriately or incorrectly completed, significant negative implications can arise.

SUPERANNUATION FUND DETAILS

Name: ('Fund')

TRUSTEE DETAILS

Name: ('Trustee')

Address:

MEMBER DETAILS

Name: ('Member')

Address:

BINDING DEATH BENEFIT NOMINATION DETAILS

I, the Member, revoke and terminate all of my prior BDBNs, death benefit agreements and binding and non-binding directions or instructions relating to death benefits made in relation to my membership in the Fund and declare this to be my last BDBN. This BDBN is binding on the Trustee. I **DIRECT, BIND and COMPEL** the Trustee, or any other company or natural person(s) that is the trustee of the Fund at or after the date of my death, to pay any and all benefits that may be payable in respect of my membership of the Fund ('My Benefit') on my death as follows:

(Please complete this box. The directions in this box are referred to as the First Tier Directions)

To my Dependants named below	Share of My Benefit (specify %)
AND:	
My Legal Personal Representative ('LPR') (ie, my estate).	
TOTAL:	100%

AND:
(BDBN continues next page)

Signature of Member

Signature of Witness 1

Signature of Witness 2

BINDING DEATH BENEFIT NOMINATION (continued)

SECOND TIER DIRECTIONS

To the extent that the First Tier Directions do not deal with 100% of My Benefit (including by reason of any of the Dependants named above predeceasing me), I **DIRECT, BIND and COMPEL** the Trustee to follow the direction below in relation to that part of My Benefit that is not dealt with by the First Tier Directions ('Residual Benefit'):

*(Please tick **one** of the boxes below — if no box is ticked or more than one box is ticked, option 3 applies)*

Option 1:

pay the Residual Benefit as follows:

To my Dependants named below	Share of Residual Benefit (specify %)
My LPR	
TOTAL:	100%

Option 2:

pay the Residual Benefit to my LPR

Option 3:

treat the Residual Benefit at **its discretion**, in accordance with the Fund's governing rules while taking into consideration whom I wish to benefit as expressed in this document

Automatically reversionary pension(s) to spouse — OPTIONAL — please tick box below, if desired

In relation to this BDBN, to the extent that my Spouse will benefit under this BDBN, I **DIRECT, BIND and COMPEL** the Trustee that, in relation to each Account-Based Pension and Transition to Retirement Income Stream that I am receiving just before my death ('Income Stream'), the Income Stream automatically reverts upon my death to my Spouse as an Automatically Reversionary Pension (to the extent allowable under the Standards). This BDBN forms part of the governing rules of the Income Stream to the extent required for the Income Stream to be an Automatically Reversionary Pension.

To the extent that the directions in this BDBN do not deal with 100% of My Benefit, I direct the Trustee to treat that part of My Benefit at its discretion, in accordance with the Fund's governing rules while taking into consideration whom I wish to benefit as expressed in this document. The terms in this BDBN have the same meanings as the terms in the Fund's governing rules at the date of making this BDBN. This BDBN is non-lapsing and lasts indefinitely unless revoked.

Signature of Member

Signature of Witness 1

Signature of Witness 2

BINDING DEATH BENEFIT NOMINATION (continued)

EXECUTION

I have signed this BDBN this day of 20.....

Signed by the MEMBER in the presence of us) both being present at the same time who at the) Member's request and in the Member's) presence and in the presence of each other) have signed as witnesses: .) <i>Signature of Member</i>
--	-------------------------------------

WITNESS 1	WITNESS 2
I declare that I: <ul style="list-style-type: none">• am over 18 years of age;• do not benefit under this BDBN;• am not an LPR of the Member; and• was present when the Member signed this BDBN.	I declare that I: <ul style="list-style-type: none">• am over 18 years of age;• do not benefit under this BDBN;• am not an LPR of the Member; and• was present when the Member signed this BDBN.
Signature:	Signature:
Full Name:	Full Name:
Home Address:	Home Address:
.....
Occupation:	Occupation:

<i>(OPTIONAL — Failure to execute the below does not affect the validity of this BDBN. However, under your prior BDBN or similar arrangement, you may have to provide this document to the trustee to revoke the prior BDBN or similar arrangement. You should seek advice if unsure.)</i>	
Signed on behalf of the TRUSTEE as) confirmation and acceptance of this BDBN and) any revocation of any prior BDBN or binding) nomination, agreement or arrangement: <i>Signature of any trustee or director of the trustee</i>

DEATH BENEFIT AGREEMENT – ROSAMERC SUPER FUND (FUND)

1. This Agreement, executed as a Deed, is between the Fund's trustee listed below and the Fund's member listed below.
2. This Agreement is an addition to the "Superannuation Trust Deed for a Self-Managed Fund" for the fund (Deed). It has effect in the way described in Part H of that Deed. This Agreement is not a binding death benefit notice given in accordance with regulations 6.17A of the *Superannuation Industry (Supervision) Regulations*. Therefore:
 - 2.1 it continues in force until amended or terminated; and
 - 2.2 it does not end after three (3) years as binding death benefit notices are required to do by the law.
3. On execution, this Agreement forms part of the Deed.
4. The member directs the trustee that, on the member's death, the persons named in the following table are to receive the proportion specified in the table of any benefit that is payable:

Person	Relationship to Member	Proportion of death benefit
Filomena Mercurio	Daughter	100%
But if she shall die before the member, then but not otherwise to my Legal Personal Representative	Legal Personal Representative	100%
Total (which must total to 100%)		100%

5. The trustee consents to acting on this direction as evidenced by its executing this Agreement.
6. If compliance with superannuation law prevents any part of the benefit being paid to the named person, then that part of the benefit will be dealt with under Part H of the Deed.
7. The parties agree that:-
 - 7.1 ~~the member~~ may terminate this Agreement by serving a notice terminating the Agreement on the trustee; and
 - 7.2 this Agreement may be replaced by the trustee and the member executing a later death benefit agreement at which this Agreement terminates.

Rosa Mercurio

Filomena Mercurio

8. The Trustees are:-

8.1 Trustee 1 name: **ROSA MERCURIO**.....

Trustee 1 address: 22 Jeffs Street, Campbelltown.....

South Australia, 5069.....

8.2 Trustee 2 name: **FILOMENA MERCURIO**.....

Trustee 2 address: 41 Wells Street, Stepney.....

South Australia, 5074.....

9. The member is:-

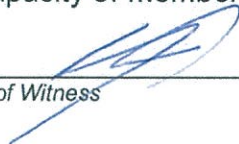
9.1 Member's name: **ROSA MERCURIO**.....

Member's address: 22 Jeffs Street, Campbelltown,.....

South Australia, 5074.....

Executed by the parties as a Deed.


Signed sealed and delivered by **ROSA MERCURIO**
in the capacity of member in the presence of:



Signature of Witness

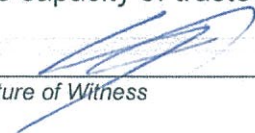


Signature of Rosa Mercurio



Name of Witness (please print)


Signed sealed and delivered by **ROSA MERCURIO**
in the capacity of trustee in the presence of:



Signature of Witness



Signature of Rosa Mercurio



Name of Witness (please print)

Signed sealed and delivered by **FILOMENA MERCURIO**
in the capacity of trustee in the presence of:



Signature of Witness



Signature of Filomena Mercurio



Name of Witness (please print)

First Notice: The types of death benefit arrangements and the order in which they take effect

The Fund's Deed allows three types of death benefit payment arrangements. They, and in the order in which they take effect, are as follows:-

- the above form of ***death benefit agreement*** – which binds the trustee, and which does not expire, see Part H of the Deed;
- * ***binding death benefit notices*** – which bind the trustee, but which expires after three (3) years or earlier if replaced or revoked; and
- ***non-binding nomination forms*** – which do not bind the trustee, but which do not expire until replaced or revoked.

Death benefit agreements take priority over binding death benefit notices and non-binding nomination forms.

What you need to consider

When you, as a member, are considering signing a binding death benefit notice or a non-binding nomination form it is important to consider that:

- a death benefit agreement *takes priority* over any binding death benefit notice or any non-binding nomination form;
- * to the extent permitted by superannuation law, the trustee must pay or apply the relevant benefit in accordance with the death benefit agreement. Therefore, if you sign a binding death benefit notice or a non-binding nomination form, then they will have no effect on any earlier or later death benefit agreement that you sign; and
- if any part of a death benefit agreement is invalid, then the trustee (as required by the Fund's Deed) will pay or apply the "invalid" part of the death benefit in accordance with any binding death benefit notice, or by reference to any non-binding nomination form, you have signed.

Second Notice: Consider consistency with pension terms

- * Consider how any death benefit nomination or death benefit agreement interacts with the arrangements for payment of a pension to a reversionary beneficiary. The terms of the pension, and the terms of the death benefit nomination or death benefit agreement should be consistent. If the member wants a reversionary pension to be paid to someone different than the person nominated in a death benefit nomination or death benefit agreement, then careful drafting is required, and the parties should seek professional advice.

Rosamerc Super Fund ('Fund')

TRUSTEE RESOLUTIONS

OF: ROSA MERCURIO and FILOMENA MERCURIO

DATED: 28 January 2020 (insert date)

**TRUSTEE
QUALIFICATIONS**

NOTED that each signatory to these resolutions declares they:

1. have no prior convictions for offences against or arising out of a law of the Commonwealth, a State, a Territory or a foreign country, being an offence in respect of dishonest conduct;
2. are not an insolvent under administration as defined in the *Superannuation Industry (Supervision) Act 1993* (Cth) ('SISA');
3. are not the subject of a civil penalty order that has been made under the SISA; and
4. are eligible to be a member of the Fund under the SISA.

**TRUSTEE
UNDERTAKING**

NOTED that each signatory to these resolutions undertakes that should their said qualifications lapse, they will take appropriate action to comply with the SISA.

VARIATION OF DEED

RESOLVED that the deed of the Fund be varied in accordance with the variation power in the deed and a deed of variation be executed accordingly.

REGULATED FUND

NOTED that the Fund is to continue as a regulated superannuation fund.

SUNDRY

RESOLVED that each signatory to these resolutions is authorised to complete all notices and forms and to generally attend to any other administrative matter for the Fund.

**VARIATION
FORMALITIES**

RESOLVED to provide each Member an SMSF PDS in accordance with the product disclosure requirements contained in the *Corporations Act 2001* (Cth).

SIGNED by each Trustee:


Signature of ROSA MERCURIO


Signature of FILOMENA MERCURIO

Resolution of trustees of the Rosamerc Super Fund

Acceptance by the Trustees.

We Rosa Mercurio and Filomena Mercurio as trustees of the Rosamerc Super Fund acknowledge:-

-
1. Receipt of the binding non-lapsing death benefit nomination executed by Rosa Mercurio dated 28 January 2020 which nominates that her death benefits be paid as to 100% to her daughter Filomena Mercurio in her personal capacity but if she does not survive her then to her Legal Personal Representative as to 100% thereof.
 2. The nomination is to a dependent or legal personal representative being an eligible person within the superannuation laws.
 3. The nomination has been validly executed and witnessed.
 4. The trustee resolves to accept the nomination.
-

Signed by the trustees

Rosa Mercurio..... *Rosa Mercurio*

Date..... *28/1/2020*

Filomena Mercurio..... *Filomena Mercurio*

Date..... *28/1/2020*

THE ROSAMERC SUPER FUND

Binding Death Benefit Nomination

Notice to the Trustee:- Rosa Mercurio
Filomena Mercurio

Whereas:

- A The Rosamerc Super Fund ("the Fund") was established by Deed dated 28 June 2010 and varied by Deeds dated 7 March 2011 and 28 January 2020 which varied the Governing Rules of the Fund (the Governing Rules as varied hereafter referred to as the "Fund Rules").
- B Clause 19.1 of the Fund Rules provides:
"19.1 Making a BDBN
A Member may, prior to their death, make a written direction binding the Trustee as to the payment of one or more assets or amounts ('BDBN Benefit') representing all or part of their Total interests on the death of the Member. Such a direction is referred to in these Governing Rules as a BDBN."
- C Clause 19.3 of the Fund Rules provides:
"19.3 Binding on Trustee
After the death of a Member, the Trustee is bound to comply with the directions set out in a Member's BDBN, irrespective of whether, prior to the Member's death, the Trustee had approved the BDBN or been provided with the BDBN or any notice whatsoever of the BDBN. Further, a BDBN overrides a Reversionary Pension nomination to the extent of any inconsistency. However, the Trustee may, with the written consent of the recipient, vary the form of payment from a Pension to a Lump Sum, or vice versa."
- D Clause 19.5 of the Fund Rules provides:
"19.5 Non-lapsing BDBNs
(a) *Subject to any terms and conditions contained in the BDBN, a BDBN continues in full force and effect until it is revoked in accordance with rule 19.4, regardless of the time period that has elapsed since the execution date of that BDBN and despite regulation 6.17A(7) of the SISR.*
(b) *Despite rule 19.5(a), a Member may expressly direct that a BDBN expires after a certain time period. If the BDBN does not expressly state an expiry time period, rule 19.5(a) applies.*
- E The member Rosa Mercurio wishes to make a Binding Death Benefit Nomination regarding the payment of her death benefits from the Fund in the event of her death.

Rm. 

I **ROSA MERCURIO** of 22 Jeffs Street, Campbelltown, South Australia declare as follows:

1. I am a member of The Rosamerc Super Fund ("the Fund") above described.
2. Pursuant to the *SIS Act* and the *Superannuation Industry (Supervision) Regulations 1994* and clauses of the Fund Rules for dealing with my superannuation interest, I may as a member make a Binding Nomination as to the manner in which my member's funds are to be paid in the event of my death ("my death benefits").
3. Pursuant to the above I wish to make a Binding Death Benefit Nomination as follows hereunder.
4. In the event of my death, I hereby direct the Trustee to pay one hundred percent (100%) of any death benefit payable including any insurance policy payouts which happen to be obtained by the Trustee of the Fund in respect of my membership of the Fund in consequence of my death, to my daughter **Filomena Mercurio** if she survives me by thirty (30) days absolutely.
5. If my said daughter **Filomena Mercurio** shall fail to survive me by thirty (30) days then but not otherwise I hereby direct the Trustee to pay one hundred percent (100%) of any death benefit payable including any insurance policy payouts which happen to be obtained by the Trustee of the Fund in respect of my membership of the Fund, to my Legal Personal Representative.
6. I intend that this nomination revokes any previous nomination which I may have made and is to be a Binding Non-Lapsing Nomination as provided for in clause 19.4 of the Fund Rules as varied.
7. I acknowledge that this Nomination is made in accordance with the Australian Taxation Office Commissioner's view set out in SMSFD 2008/3 and the provisions of the Fund Rules as varied that the statutory requirements in subsection 59(1A) of the *SIS Act* and regulation 6.17A of the *SIS Regulation* have no application to self-managed superannuation funds.
8. I acknowledge further that the requirements in the *Superannuation Industry (Supervision) Regulations 1994* (Cth) have been satisfied in accordance with Rule 19.2 of the fund Deed notwithstanding that the Deed does not require the Nomination to comply with the requirements in the *SIS Regulations*.
9. I acknowledge that each of the persons mentioned as a beneficiary in this Nomination is my dependant within the meaning of the *SIS Act* and the *Superannuation Industry (Supervision) Regulations 1994* and/or my legal personal representative.
10. I acknowledge that this Nomination is intended to be effective unless and until the nomination is later revoked by me and that such intention and provision is consistent with SMSFD 2008/3 and with Clause 19.5 of the Fund Rules as varied.
11. I have signed and dated this Nomination in the presence of two witnesses (who are not a nominee or beneficiary on this Binding Death Benefit Nomination) both of whom are

R.M.



over the age of eighteen (18) years, both of whom have signed and dated this Deed as witnesses hereto in my presence and in the presence of each other.

Dated the 28th day of January 2020

Rosa Mercurio
Rosa Mercurio

Declaration of witness 1:

I, Timothy Robert Denton
of 2/60 Hindmarsh Square, Adelaide SA 5000
declare that:

1. I am a person over 18 years;
2. I am not a person mentioned in this Binding Death Benefit Nomination; and
3. **ROSA MERCURIO** signed this Binding Death Benefit Nomination in my presence and in the presence of the other witness.

[Signature]
Signature of Witness 1
Date: 28/1/2020

Declaration of witness 2:

I, Anna Susan Jane Tedmanson
of 2/60 Hindmarsh Square, Adelaide SA 5000
declare that:

1. I am a person over 18 years;
2. I am not a person mentioned in this Binding Death Benefit Nomination; and
3. **ROSA MERCURIO** signed this Binding Death Benefit Nomination in my presence and in the presence of the other witness.

[Signature]
Signature of Witness 2
Date: 28/1/2020

DEATH BENEFIT AGREEMENT – ROSAMERC SUPER FUND (FUND)

1. This Agreement, executed as a Deed, is between the Fund's trustee listed below and the Fund's member listed below.
2. This Agreement is an addition to the "Superannuation Trust Deed for a Self-Managed Fund" for the fund (**Deed**). It has effect in the way described in Part H of that Deed. This Agreement is not a binding death benefit notice given in accordance with regulations 6.17A of the *Superannuation Industry (Supervision) Regulations*. Therefore:
 - 2.1 it continues in force until amended or terminated; and
 - 2.2 it does not end after three (3) years as binding death benefit notices are required to do by the law.
3. On execution, this Agreement forms part of the Deed.
4. The member directs the trustee that, on the member's death, the persons named in the following table are to receive the proportion specified in the table of any benefit that is payable:

Person	Relationship to Member	Proportion of death benefit
Filomena Mercurio	Daughter	100%
But if she shall die before the member, then but not otherwise to my Legal Personal Representative	Legal Personal Representative	100%
Total (which must total to 100%)		100%

5. The trustee consents to acting on this direction as evidenced by its executing this Agreement.
6. If compliance with superannuation law prevents any part of the benefit being paid to the named person, then that part of the benefit will be dealt with under Part H of the Deed.
7. The parties agree that:-
 - 7.1 ~~the member~~ may terminate this Agreement by serving a notice terminating the Agreement on the trustee; and
 - 7.2 this Agreement may be replaced by the trustee and the member executing a later death benefit agreement at which this Agreement terminates.

Rosa Mercurio

Filomena Mercurio

8. The Trustees are:-

8.1 Trustee 1 name: **ROSA MERCURIO**.....

Trustee 1 address: 22 Jeffs Street, Campbelltown.....

South Australia, 5069.....

8.2 Trustee 2 name: **FILOMENA MERCURIO**.....

Trustee 2 address: 41 Wells Street, Stepney.....

South Australia, 5074.....

9. The member is:-

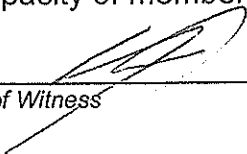
9.1 Member's name: **ROSA MERCURIO**.....

Member's address: 22 Jeffs Street, Campbelltown,.....

South Australia, 5074.....

Executed by the parties as a Deed.

Signed sealed and delivered by **ROSA MERCURIO**
in the capacity of member in the presence of:



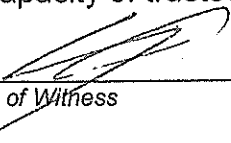
Signature of Witness



Signature of Rosa Mercurio

Timothy Robert Denlan
Name of Witness (please print)

Signed sealed and delivered by **ROSA MERCURIO**
in the capacity of trustee in the presence of:




Signature of Witness



Signature of Rosa Mercurio

Timothy Robert Denlan
Name of Witness (please print)

Signed sealed and delivered by **FILOMENA MERCURIO**
in the capacity of trustee in the presence of:



Signature of Witness



Signature of Filomena Mercurio

Mark Gorrie.
Name of Witness (please print)

First Notice: The types of death benefit arrangements and the order in which they take effect

The Fund's Deed allows three types of death benefit payment arrangements. They, and in the order in which they take effect, are as follows:-

- the above form of **death benefit agreement** – which binds the trustee, and which does not expire, see Part H of the Deed;
- ✱ **binding death benefit notices** – which bind the trustee, but which expires after three (3) years or earlier if replaced or revoked; and
- **non-binding nomination forms** – which do not bind the trustee, but which do not expire until replaced or revoked.

Death benefit agreements take priority over binding death benefit notices and non-binding nomination forms.

What you need to consider

When you, as a member, are considering signing a binding death benefit notice or a non-binding nomination form it is important to consider that:

- a death benefit agreement *takes priority* over any binding death benefit notice or any non-binding nomination form;
- ✱ to the extent permitted by superannuation law, the trustee must pay or apply the relevant benefit in accordance with the death benefit agreement. Therefore, if you sign a binding death benefit notice or a non-binding nomination form, then they will have no effect on any earlier or later death benefit agreement that you sign; and
- if any part of a death benefit agreement is invalid, then the trustee (as required by the Fund's Deed) will pay or apply the "invalid" part of the death benefit in accordance with any binding death benefit notice, or by reference to any non-binding nomination form, you have signed.

Second Notice: Consider consistency with pension terms

- ✱ Consider how any death benefit nomination or death benefit agreement interacts with the arrangements for payment of a pension to a reversionary beneficiary. The terms of the pension, and the terms of the death benefit nomination or death benefit agreement should be consistent. If the member wants a reversionary pension to be paid to someone different than the person nominated in a death benefit nomination or death benefit agreement, then careful drafting is required, and the parties should seek professional advice.

Rosamerc Super Fund

SMSF Limited Recourse Borrowing document pack — Related Party Lender

Prepared for **Rosa Mercurio**
Matter name **Rosamerc Super Fund**
Prepared by **Romeo Vella**
Date downloaded **21 March, 2011 2:46 PM**

What to do next

Before you print your document

You must press "CTRL + A" then "F9" to repaginate the table of contents once you have opened this document. If you forget to do this, you may see errors in the Table of Contents when you print, and there will be important omissions in the clauses of the document itself.

Read the Establishment Kit and understand the Pack – and its limitations

The Establishment Kit attached to this document sets out how:

- to use this SMSF Limited Recourse Borrowing Pack (**Pack**), for the Rosamerc Super Fund document package (for SMSF borrowing from a Related Party lender); and
- how to establish the limited recourse borrowing it contemplates.

The Establishment Kit is prepared and provided by Maddocks.

As the Establishment Kit explains, you must:

- 1 Be aware of how this Pack works;
- 2 Be aware of the consequences of establishing the limited recourse borrowing using this Pack;
- 3 Ensure that the Pack will help you achieve your objectives; and
- 4 Be aware of what else you need to do in addition to purchasing this Pack.

This Kit, to accompany your documents, has been prepared by the law firm Maddocks (not Cleardocs). The legal information and commentary in this Kit, and the master documents on which your documents are based, are general only. Cleardocs does not endorse the legal information and commentary, and the master documents and it disclaims responsibility for them. Your documents affect your legal rights and liabilities. You must consult a lawyer about their suitability and legal issues, and consult other professional advisers about other issues, including tax and financial issues.

To use this Pack for SMSF limited recourse borrowing, the Fund must obtain legal advice

As the Establishment Kit explains, you must arrange for the fund to obtain legal advice, and accounting and financial advice, before using this Pack.

Questions or further information about this Pack (not about your SMSF limited recourse borrowing)

If you have any questions, you can call Cleardocs on 1300 307 343.

Cleardocs will answer all your administrative queries. These include, queries about our service, our website, registering as a user, payment or feedback.

Maddocks will answer all your questions about the nature, content, use, consequences, drafting and effectiveness of our documents.

All the legal information contained in this document and the Establishment Kit is provided by our lawyers at Maddocks.

Establishment Kit: Declaration of Custody Trust for the Rosamerc Super Fund SMSF Limited Recourse Borrowing Pack for borrowing from a Related Party lender

This Establishment Kit is prepared and provided by Maddocks.

Introduction: Summary

In summary, you must:

- 1 Read this Establishment Kit;
- 2 Understand the documents in the Pack; and
- 3 Obtain legal advice before using this Pack, including in relation to how to establish the limited recourse borrowing contemplated by the Pack.

Understand the documents in the Limited Recourse Borrowing Pack – and understand the Pack's limitations

- 1 **Self Managed Super Funds only** The Cleardocs SMSF Limited Recourse Borrowing Pack (**Pack**) is suitable only for a regulated self managed superannuation fund, or SMSF. It is not suitable for any other type of superannuation fund.
- 2 **The Limited Recourse Loan Arrangement** Basically, the fund is borrowing money to purchase or help purchase a certain asset. If the fund defaults on its obligations to the lender to repay that loan, then the lender will have rights against the asset purchased with the loan money (including to sell the asset and keep the proceeds). However, if the asset is of insufficient value to satisfy all of the fund's liabilities to the lender, then the lender has no other rights against the fund or its assets.
- 3 **The Cleardocs SMSF Limited Recourse Borrowing Pack** The Pack comprises the following main documents to enable a SMSF to borrow money in accordance with Part 7 of the Superannuation Industry (Supervision) Act 1993 (**SIS Act**). The documents contemplated by the Pack operate, in simple terms, as follows:
 - 3.1 **Loan Agreement** Under the Loan Agreement the fund borrows money from the lender named in that document. This document describes the amount of the loan monies, the asset to be purchased with the loan monies, the interest payable on the loan and the required repayments. It also requires the fund to arrange for a **mortgage or charge** to be provided to the lender.
 - 3.2 **Mortgage** As security for the loan from the lender, the fund must ensure that a mortgage is granted to the lender to secure the repayment of the loan from the lender. The mortgage is a mortgage over the land and is granted by the custodian.

The fund must obtain this form of mortgage from its lawyer, who will need to provide it as part of the conveyancing services referred to below under the 'Obtain Legal Advice' section.

3.3 **Declaration of Custody Trust** Section 67A of the SIS Act requires that the asset purchased with the loan monies must be held by a custodian pursuant to a simple trust arrangement (which is a different trust from the SMSF itself). This trust arrangement is established by the Declaration of Custody Trust. The Custody Trust commences when the custodian named in the Declaration of Custody Trust takes title to the asset purchased with the loan money.

4 **The limitations of this Pack** This Pack evidences a limited recourse borrowing arrangement as contemplated by Part 7 of the SIS Act. However, it does not provide the transaction documents required for the fund to acquire the asset which will be purchased with the loan monies. These additional documents are required to formalise the transfer of title to the asset from the vendor to the fund.

The fund must obtain these documents from its lawyer, who will need to provide these documents as part of the legal services referred to below under the 'Obtain Legal Advice' section.

5 **The limited recourse borrowing arrangement must comply with all other requirements of Superannuation Law** The Pack provides documents which satisfy the requirements of Part 7 of the SIS Act for evidencing a limited recourse borrowing arrangement. However, the limited recourse borrowing arrangement must comply with all other requirements of superannuation law. These include, but are not limited to:

5.1 **Requirements relating to the loan monies** Section 67A provides that the loan money borrowed by the fund from the lender may only be used:

- 5.1.1 for the acquisition of a single acquirable asset;
- 5.1.2 for expenses incurred in connection with the borrowing or acquisition, or in maintaining or repairing the acquirable asset for example: conveyancing fees, taxes such as stamp duty, brokerage, loan establishment costs (but not expenses incurred in improving the acquirable asset); and
- 5.1.3 to refinance a borrowing (including any accrued interest on a borrowing) under a section 67A limited recourse borrowing arrangement

The concept of a "single acquirable asset" also relates to a collection of assets in the same way they apply to a single asset if:

- the assets in the collection have the same market value as each other; or
- the assets in the collection are identical to each other.

5.2 **Requirements relating to the vendor** Superannuation law must not prohibit the fund from purchasing the asset from the vendor. For instance, section 66 of the SIS Act prohibits many acquisitions of assets from a 'related party' of the fund.

5.3 Requirements relating to the asset Superannuation law must not prohibit the fund from purchasing the asset.

For instance, section 62 of the SIS Act requires that the fund be maintained in accordance with the sole purpose test: the purchase and ownership of certain assets may contravene the sole purpose test if, for instance, the assets are not assets of the type that have the purpose of providing benefits for fund members in retirement.

Another example is section 71 of the SIS Act, and related provisions, which limit a fund to investing no more than 5% of its assets in in-house assets. Consequently, the investment in the asset must not result in the fund breaching this rule.

5.4 Requirements relating to investing prudently and strategically By purchasing the asset, the fund must be investing prudently and strategically. section 52 of the SIS Act requires the trustee (and its directors, if any) to exercise the care, skill and diligence of an ordinary prudent person, and to formulate an investment strategy for the fund. Consequently, by purchasing the asset the trustees, or the trustee and its directors, must act prudently and in accordance with the fund's investment strategy. The investment strategy itself may need to be reviewed or amended prior to purchasing the asset.

5.5 Requirements relating to Investing at arm's length By purchasing the asset, the fund must be investing either at arm's length or in a manner which ensures the other party to the transaction enjoys terms and conditions which are no more favourable to them than one would expect if the parties were dealing at arm's length. These requirements are contained in section 109 of the SIS Act and can apply to all aspects of the limited recourse borrowing arrangement including the terms on which the fund purchases the asset, or the terms on which the fund obtains the loan.

The Fund must obtain legal advice

- 1 There are two primary reasons why the fund must obtain legal advice:
 - 1.1 **The limitations of this Pack** As explained above, this Pack does not include the transaction documents required for the fund to acquire the asset which will be purchased with the loan money. These additional documents are required to formalise the transfer of title to the asset from the vendor to the fund. A lawyer can provide these documents.
 - 1.2 **SMSF Compliance with Superannuation Law** Although this Pack provides documents which will satisfy the requirements of Part 7 of the SIS Act, the limited recourse borrowing arrangement must otherwise be in compliance with all the requirements of superannuation law. A lawyer can advise on these matters.
- 2 Options for obtaining legal advice:

- 2.1 As the land is located in South Australia, you will have to contact a lawyer in that State or Territory to undertake the conveyancing necessary to transfer the land to the fund.
- 2.2 The fund may also wish to seek advice from this lawyer concerning the fund's compliance with superannuation law.

The fund may require other advice

- 1 **The fund may need tax and financial advice** In addition to legal advice, the fund may require taxation and, or alternatively, financial advice. The fund may require advice concerning the taxation implications of the purchase of the asset, including any stamp duty which may be payable on the transfer of the asset to the fund, or concerning the fund's investment strategy.
- 2 For these reasons the fund may require taxation advice from its lawyer or accountant, or financial advice from its accountant or financial planner.

Next Steps

You will need to arrange for the following documents to be signed:

- Minutes; and
- Declaration of Custody Trust; and
- Loan Agreement

If a company needs to execute any of the documents, then the documents can be executed by:

- using the company's seal; or
- being signed by any of:
 - any 2 directors;
 - a director and the company secretary; or
 - if the company has only 1 director, that director.

The documents will include execution clauses which are determined according to your answers to certain questions on the Cleardocs site.

If you are uncertain about the requirements for executing legal documents, then please see our FAQ on this on www.cleardocs.com. Follow the links to 'Resources', then 'Frequently asked legal questions', then 'signing and witnessing documents'. If the FAQ does not resolve your queries, then call the Cleardocs helpline on 1300 307 343 and Cleardocs will put you in touch with a lawyer from Maddocks.

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Rosamerc Super Fund

Deed of Variation of Superannuation Trust Deed

Prepared for **Rosa Mercurio**
Matter name **Rosamerc Super Fund**
Prepared by **Romeo Vella**
Date downloaded **21 March, 2011 2:51 PM**

What to do next

Before you print your document

You must press "CTRL + A" then "F9" to repaginate the table of contents once you have opened this document. If you forget to do this, you may see errors in the Table of Contents when you print, and there will be important omissions in the clauses of the document itself.

Arrange for the documents to be signed

You need:

- to arrange for the Deed of Variation and the Minutes to be signed by all parties listed;
- to arrange for the Notice to Members to be given to each of the members of the Fund. This 'Notice to Members' is to be in the form of a copy of the Deed of Variation and a copy of the new terms of SMSF Trust Deed. You should draw each Member's attention (perhaps in a meeting or in your covering letter) to the Product Disclosure Statement in Schedule 6 of those new terms; and
- to attach the new terms of the SMSF Trust Deed (that Cleardocs emailed to you with this document) to the back of the Deed of Variation (after the signing clauses). The document you need to attach there is headed:

'Schedule A

The new terms for the Superannuation Trust Deed for the
Rosamerc Super Fund

as updated by a Deed of Variation dated 07 March 2011'

The new terms of the SMSF Trust Deed in the Schedule do not need to be signed. The only documents that need to be signed are the Deed of Variation itself, and the Minutes.

Company signing If a company needs to execute the Deed of Variation (either as the trustee or a party consenting to the variation), then the Deed of Variation can be executed by:



- using the company's seal; or
- being signed by any of:
 - any 2 directors;
 - a director and the company secretary; or
 - if the company has only 1 director, that director.

The documents will include execution clauses which are determined according to your answers to certain questions on the Cleardocs site.

More information? If you are uncertain about the requirements for executing legal documents, then please see our FAQ on this on www.cleardocs.com. Follow the links to 'Resources', then 'Frequently asked legal questions', then 'signing and witnessing documents'. If the FAQ does not resolve your queries, then call the Cleardocs helpline on 1300 307 343 and Cleardocs will put you in touch with a lawyer from Maddocks.

Arrange for stamping, if necessary

You need to consider whether the Deed of Variation needs to be stamped. This will be required in some states or territories. Set out below is a summary of stamping requirements assuming that all that happens is that the deed is amended, without any change to the structure of the fund or any particular transactions taking place.



State/Territory	Duty payable on variation of deed?	Revenue office contact details
Victoria	No duty	State Revenue Office GPO Box 1641N Melbourne VIC 3001 Ph: 13 21 61
Queensland	No duty	Office of State Revenue GPO Box 2593 Brisbane QLD 4001 Ph: 1300 300 734
New South Wales	No duty	Office of State Revenue GPO Box 4042 Sydney NSW 2001 Ph: (02) 9689 6200
Tasmania	\$20	State Revenue Office GPO Box 1374 Hobart TAS 7001 Ph: 1800 001 388
South Australia	\$10	Revenue SA GPO Box 1353 Adelaide SA 5001 Ph: 1800 637 778
Western Australia	No duty	Office of State Revenue GPO Box T1600 Perth WA 6845 Ph: (08) 9262 1400
ACT	\$20	ACT Revenue Office GPO Box 293 Civic Square ACT 2608 Ph: (02) 6207 0028
Northern Territory	\$20 plus \$5 per counterpart	Territory Revenue Management GPO Box 154 Darwin NT 0801 Ph: 1300 305 353

Questions or further information

If you have any questions, you can call Cleardocs on 1300 307 343.

Cleardocs will answer all your administrative queries. These include, queries about our service, our website, registering as a user, payment or feedback.

Maddocks will answer all your questions about the nature, content, use, consequences, drafting and effectiveness of our documents.

All the legal information contained in this document is provided by our lawyers at Maddocks.

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