

CHILL N CHOOK SMSF (FUND)

APPLICATION FOR MEMBERSHIP


TO: THE TRUSTEE OF THE FUND

AGREEMENT AND UNDERTAKING

I, the undersigned person, being eligible for Membership, hereby apply for admission to Membership of the Fund. I agree and undertake that:

- (a) If I am an Employee of any other Member, I am also a Relative of the other Member(s);
- (b) I am not disqualified under the Relevant Law from holding the office of a Trustee or as a Director of the Trustee;
- (c) I will be bound by the Trust Deed governing the Fund as it is or may be varied from time to time;
- (d) I will, on request, make full disclosure in writing of any information required by the Trustee in respect of my medical condition or my Membership of the Fund including any circumstance which may have the effect that:
 - (i) I may become an Employee of any other Member or Members where I will not also be a Relative of the other Member(s); or
 - (ii) I may become Disqualified under the Relevant Law from holding the office of a Trustee or as a Director of the Trustee;
- (e) I understand the terms and conditions of the Trust Deed including my obligations as a Trustee and I agree to sign and deliver to the Australian Taxation Office such form or declaration in connection with my accepting the office of a Trustee or as a Director of the Trustee as may be required under the Relevant Law within such period as the Relevant Law requires;
- (f) I understand the terms and conditions of the Deed concerning Benefits payable;
- (g) I understand that I am not legally obliged to provide my Tax File Number (TFN) to the Trustee but if I do not provide my TFN, concessional contributions will be taxed at the highest marginal tax rate plus the Medicare levy and the Fund will not be able to accept non-concessional contributions.
- (h) My TFN is 199 186 186
- (i) I agree to act as a Trustee for the Fund or to act as a Director of the Trustee.

Name:	Michelle Chilton
Address:	8 Wentworth Court Marrara NT 812
Date of Birth:	7 January 1976


Signature of Member

Date 06 / 11 / 2012
(Please ensure that you date this part of the form)

CHILL N CHOOK SMSF (FUND)

PRODUCT DISCLOSURE STATEMENT

Under Part 7.9 of the Corporations Act 2001

Dear Michelle Chilton

MEMBERSHIP OF THE FUND

1. Trust Deed

You have become a member of the Fund which is governed by a trust deed, the provisions of which are available for inspection at any time from the office of the trustee.

The Fund is established as a complying and self managed superannuation fund (SMSF), the income of which is eligible to be taxed at a concessional rate, within the meaning of sections 17A and 42A of the Superannuation Industry (Supervision) Act 1993 (SIS Act). The trust deed for the Fund sets out all the terms and conditions upon which the trustee administers the Fund and in the event of any question of interpretation arising, the provisions of the trust deed will prevail. As a SMSF, the Fund cannot have more than four members.

For the current year of income and subsequent years, the Fund will be operated as a regulated superannuation fund in accordance with the requirements for SMSFs under the SIS Act and the Superannuation Industry (Supervision) Regulations 1994 (SIS Regulations).

2. Contributions

Both you and your employer are entitled to make contributions to the Fund.

When contributions are made, they will be credited to your member accumulation account. The Fund is conducted as an allocated accumulation fund which means that the total amount of your accumulation account will ultimately form the basis of your benefit entitlement in the Fund.

You can contribute to the Fund and have employer contributions made in respect of you up to age 65, whether or not you are working. Employer contributions that are required under certain industrial instruments can be made in respect of you at any age. If you are aged 75 or over, the only contributions that can be made in respect of you are employer contributions required under such industrial instruments.

If you are aged 65 to age 75, you can contribute, and have employer contributions made in respect of you, provided you work for at least 40 hours in a consecutive 30 day period during the financial year.

2.1 Contribution Limits

Tax deductions are available for all superannuation contributions made by employers in respect of their employees, and by self-employed persons. However, there is a limit on the amount of contributions which can receive concessional tax treatment on their receipt by the Fund. These are known as "concessional contributions", and a limit of

\$25,000 per year (indexed annually to average weekly ordinary time earnings, and rounded down to the nearest multiple of \$5,000) applies in respect of them. This is increased to \$50,000 per year (not indexed) for persons aged 50 or over in the relevant year, up to the 2011-2012 financial year).

There is also a limit on the amount of personal superannuation contributions that can be made from after-tax income (these are known as undeducted contributions or non-concessional contributions, and are not taxed on their receipt by the Fund). The annual non-concessional cap will be six times the concessional contributions cap. In the 2011-12 financial year, non-concessional contributions are limited to \$150,000 per year. However, persons aged under 65 can bring forward two years of contributions so as to contribute up to \$450,000 in a single year, but will be unable to make such contributions again until those "brought forward years" have expired. Note that you cannot carry forward any unused portion of the allowable non-concessional contribution amount from one year to the next.

A CGT- exempt component on the sale of a small business is not included in the cap on non-concessional contributions.

The Fund cannot accept contributions which exceed the non-concessional contributions cap, and cannot accept non-concessional contributions from a Member unless the trustee has the Member's tax file number.

2.2 Spouse Contributions, Contribution Splits and Contributions by Other Persons

The trust deed permits the spouse of a member and any other persons with the member's consent, and with the consent of the trustee, to make contributions to the Fund on behalf of the member.

A member, or the spouse of a member, may also split eligible contributions either within the Fund or by a transfer into or from the Fund. Note, however, that undeducted (non-concessional) contributions cannot be split.

3. Accrual and Payment of Benefits

Your benefit entitlement in the Fund will accrue on an accumulation basis and be represented by the total amount held in your accumulation account as at one of the benefit entitlement events referred to below.

All amounts held in your account must be treated as vested in you as minimum benefits, no matter when those amounts were contributed.

Your accumulation account at any such date will be made up of all contributions and rollover payments credited to your accumulation account together with income on those amounts less your share of all expenses and taxation referable to your entitlement in the Fund. The risk to members of the accumulation basis of accrual is that the investment performance of Fund assets may be less than other investments or be negative and that the benefits payable do not guarantee the return of any amount contributed or any rate of return.

You do not have to withdraw your benefit entitlement from the Fund at any particular age, regardless of whether or not you are still working.

Benefits you receive from the Fund when you are aged 60 or over will be tax-free. Concessional rates of tax will apply if you receive payments from the Fund under age 60.

Benefits are payable as follows:

3.1 Retirement at or after Normal Retirement Age (normally age 65)

A member is entitled to a benefit of an amount equal to the member's accumulation account. A member may apply to the trustee to receive the whole or part of their benefit by way of lump sum or income stream or a combination of both.

3.2 Total and Permanent Disablement

The benefits payable on total and permanent disablement are a lump sum payment or income stream of the total of the member's accumulation account.

3.3 Temporary Total Disablement

If the trustee has taken out a policy of insurance and you qualify as being disabled within the meaning of that policy, then you will be entitled to the amount payable under that policy as an income benefit.

3.4 Early Retirement from Employment

The benefits payable on retirement after at least age 55 and in circumstances other than as a result of retirement at or after normal retirement age, death or total and permanent disablement, as outlined above, are a lump sum payment or income stream of the total of the member's accumulation account.

3.5 Attaining Preservation Age

Benefits can be taken in the form of a transition to retirement income stream where members have reached their preservation age but have not yet retired. There are no additional work tests or benefit caps associated with these types of income streams, save that annual payments cannot be more than 10% of the account balance at the start of the financial year (or the date the income stream commenced, in the first year). A transition to retirement income stream can be commuted and cashed out at a future time, but only at the point where a "nil" condition of release is satisfied (eg retirement from the workforce or reaching age 65).

3.6 Death

The benefits payable on the death of a member are a payment to the dependants, or the legal personal representative of the member, or both of the full amount of the member's accumulation account, as a lump sum or income stream in such proportions and manner as may be determined by the trustee.

Any amount received by the trustee under an insurance policy as a result of the death of the member will be included in the amount payable as a death benefit.

Members may also give to the trustee a binding death benefit nomination, or have a binding death benefit rule attached to the Deed in relation to the distribution of the benefits payable from the Fund on their death to their dependants, legal personal representative, or both. Contact the trustee for further details in relation to the giving of such a nomination.

3.7 Terminal Medical Condition

If the Trustee is satisfied that a member suffers a Terminal Medical Condition as defined in the Relevant Law, the member is entitled to a benefit of an amount equal to the member's accumulation account. This benefit may be paid as a lump sum or income stream (or combination).

4. Payment of Benefits as an Income Stream

Any member of the Fund or beneficiary who is entitled to a benefit may apply to the trustee to receive the whole or part of their benefit by way of a superannuation income stream.

The superannuation income stream can be provided by payment of an account-based pension or by the trustee's purchase of an annuity outside the Fund for the member.

A Fund member can withdraw as much as they like from an account-based pension account, provided that the pension must be paid at least annually, and the minimum prescribed amount must be paid in each year.

The minimum prescribed amount is calculated by multiplying the account balance at the start of the year (or the pension's commencement date, in the first year) by a percentage factor as follows:

Member's Age	Percentage Factor (%)*
Under 65	4
65 – 74	5
75 – 79	6
80 – 84	7
85 – 89	9
90 – 94	11
95 or older	14

* Note: For certain financial years the minimum percentage factor is reduced because of government legislation relating to the effects of the Global Financial Crisis.

A Fund member can nominate a reversionary beneficiary in respect of their pension, but this person must be a dependant for the purposes of the Income Tax Assessment Act 1997 and, if they are a child of the Fund member, they must be under 18 or between 18 and 25 and financially dependent on the Fund member or suffering a disability of the kind described in section 8(1) of the Disability Services Act 1986. Death benefits cannot be taken as pensions by adult children who do not meet the specified criteria. Where a child receives a pension, it must be "cashed out" when they reach age 25, unless they are disabled.

5. Preserved Benefits

The preservation rules determine the age at which benefits may be accessed by a member from the Fund and what type of benefits may be accessed prior to that age.

5.1 Preservation Age

The Government requires preservation of certain benefits until a member retires from the workforce after attaining the preservation age or in such earlier circumstances as are acceptable to the Australian Taxation Office (ATO) i.e. the total and permanent disablement of the member or other approved early release.

The preservation age for a member of a superannuation fund depends on their date of birth as follows:

Date of Birth	Preservation Age
After 30/06/64	60
After 30/06/63 and before 01/07/64	59
After 30/06/62 and before 01/07/63	58
After 30/06/61 and before 01/07/62	57
After 30/06/60 and before 01/07/61	56
Before 01/07/60	55

5.2 Types of Benefits to be Preserved

In general, all benefits in a superannuation fund are required to be preserved until the member's preservation age except:

- (a) the amount of the member's benefits in the Fund which were not required to be preserved as at 30 June 1999 (this amount is not subject to indexation); and
- (b) a member's non-preserved benefits in another fund and which are transferred into the Fund.

The amounts in paragraphs 5.2(a) and (b) may be accessed by a member upon satisfaction of conditions of release relevant to those amounts.

5.3 Payment of Preserved Benefits

The trust deed also permits the payment of preserved amounts in other circumstances under the Relevant Law (such as severe financial hardship or on compassionate grounds as approved by the ATO). These payments are also permitted by specific benefit provisions of the Relevant Law dealing with retirement after the normal retirement age, retirement after the preservation age, and disablement and death. The trust deed also permits the payment of benefits rendered non-preserved by operation of the Relevant Law to be withdrawn by a member.

6. Trustee

The trust deed sets out the special requirements which apply to the trustee of a SMSF including (subject to some exceptions) each member of the Fund playing an active role in the trusteeship for the Fund. The trust deed also sets out the powers and duties of the trustee. The trust deed sets out machinery for the appointment and removal of the trustee and the powers and duties of the trustee. The trustee is required to act in the best interests of members. In addition, certain statutory requirements oblige the trustee to administer the Fund in accordance with the standards prescribed for regulated superannuation funds under the SIS Act.

7. General Fund Information

7.1 Investments

The trustee has or will establish an investment strategy in relation to the investment of the Fund assets. This will be disclosed to you annually. Under the trust deed, the trustee may also provide members with various investment strategies (developed in

consultation with members) from which to choose. In this case, the member can give directions to the trustee to invest moneys held on his or her behalf in accordance with the investment strategy selected by the member.

7.2 Loans

No part of the Fund assets are available for loans or to provide financial assistance to members. It is also not possible for any entitlement from the Fund or assets of the Fund to be used as security for a borrowing from another source with the exception of the borrowing provisions of S67A and 67B of the SIS Act.

7.3 Taxation

(a) Concessional Contributions

The contributions made by employers or by self-employed persons to the Fund, up to the concessional contributions cap described in paragraph 2.1, will be taxable in the hands of the trustee at the rate of 15%.

Above the cap, an additional 31.5% tax will be payable by the member. Members can apply to the Australian Taxation Office for an authority under which money can be released from the Fund to pay this extra tax.

Employees are not entitled to deductions for any of their personal contributions. Therefore, these contributions are not taxable.

Self-employed persons, substantially self-employed persons and employees who receive little or no employer superannuation support may claim a deduction for their contributions by lodging a relevant approved notice with the Fund. Personal contributions in respect of which a tax deduction has been claimed will be taxable in the hands of the trustee at 15%. Again, additional tax will be payable on such contributions which exceed the concessional contributions cap.

(b) Low Income Spouse Rebate

An income tax rebate of up to \$540 per annum is available to a person who makes a superannuation contribution to a complying superannuation fund on behalf of a low or no income spouse. The rebate is calculated as 18% of superannuation contributions up to a maximum of \$3,000.

In order to qualify for the rebate, certain conditions must be satisfied. These include that the contributions must be from after tax income and the spouse's assessable income must be less than \$13,800.

(c) Co-Contributions

Under the Government's co-contributions scheme, the Government will match eligible personal undeducted contributions made by low income earners up to \$1,000*.

The co-contribution scheme applies to both employed and self-employed persons.

*To find out relevant income threshold levels, maximum co-contribution levels and reduction rates for future income years, please contact the ATO or visit www.ato.gov.au.

7.4 Deed Variation

The trust deed contains a provision for the trustee to effect a variation to the trust deed.

No variation which is undertaken can reduce the accrued benefits of a member without the consent of that member except in circumstances where the reduction is required to enable the Fund to continue to comply with legislative requirements or where any member affected, or the Australian Prudential Regulation Authority, consents to the reduction.

7.5 Fees and Charges

The trustee does not charge any fees or seek any remuneration out of the Fund.

There will be accounting, audit, legal and investment fees and charges payable out of the Fund. The trustee is unable to estimate these at this time.

7.6 Contact Details

Enquiries regarding your benefit entitlements in the Fund should be directed to the trustee:

Trustee Name (s)	Chill n Chook SMSF Co Pty Ltd (ACN 161 106 663)
Trustee Address	8 Wentworth Court Marrara NT 812
Contact Person	Darren Chilton
Telephone	
Facsimile	

7.7 Availability of Other Information

Other Fund information is available upon request. Please refer to paragraph 7.6 for relevant contact details.

DATED 06.11.2012


Signed for and on behalf of the trustee