

## MINUTES

RESOLUTION OF BYRNE & SINGH PTY LTD ACN: 161 998 027 AS THE TRUSTEES OF THE BYRNE & SINGH SUPERANNUATION FUND

The Chairman tabled the Trust Deed and Rules of an indefinitely continuing superannuation plan and proposed that the Trustees establish the BYRNE & SINGH SUPERANNUATION FUND (the "Fund") and BYRNE & SINGH PTY LTD ACN: 161 998 027 become the Trustee of the Fund.

RESOLVED that the Trustees establish an indefinitely continuing superannuation plan to be known as the THE BYRNE & SINGH SUPERANNUATION FUND and that the Trustees act as the first Trustees of the Fund.

IT WAS DULY NOTED that each signatory to these resolutions declares they:

### ESTABLISHMENT OF FUND

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.

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

IT WAS FURTHER RESOLVED that the ATO Trustee Declaration be completed by each signatory to these resolutions within 21 days of executing the deed establishing the Fund.

FURTHER RESOLVED that the Trustees execute the Deed Poll in accordance with its Constitution

### ELECTION TO BECOME A REGULATED SUPERANNUATION FUND:

IT WAS RESOLVED that the Trustees elect that the Superannuation Industry (Supervision) Act 1993 is to apply in relation to the fund and that the fund become a regulated superannuation fund. And That the notice of the election is to be lodged with the Australian Taxation Office.

### APPLICATIONS FOR MEMBERSHIP:

RESOLVED that the following applications for membership be accepted, each of the members have consented to be Trustees of the fund and are not disqualified persons:

BELINDA ANNE BYRNE  
WAYNE BRADLEY SINGH

IT WAS RESOLVED that a Product Disclosure Statement (PDS) is provided to the members by the trustee of the fund in compliance with the provisions of Part 7.9 of the Corporations Act (as amended).

IT WAS FURTHER RESOLVED that The Trustee acknowledges that it is in the best interest of the Members to adopt the Risk Management Statement (RMS).

**PRODUCT DISCLOSURE**

IT WAS FURTHER RESOLVED that The Trustee and Members agree to be bound by the provisions of the Risk Management Statement.

IT WAS FURTHER RESOLVED that The Risk Management Statement tabled at this meeting is adopted to govern the use Derivatives as directed by the Trustee and should be read in conjunction with Part B of the RMS.

**CLOSURE:**

IT WAS FURTHER RESOLVED that The Trustee acknowledges that the use of Derivatives must always be consistent with the Funds Investment Strategy. Derivatives should not be considered in isolation but as part of the Investment Strategy of the fund as a whole, having regard to the risk/return characteristics of all assets in the investment portfolio.  
There being no further business the meeting was declared closed.

Signed as a true and correct record of the proceedings of the meeting

Executed by BYRNE & SINGH PTY LTD

ACN: 161 998 027

on 18 January, 2013

by being signed by the persons authorized  
to sign for the company.

  
.....  
BELINDA ANNE BYRNE

  
.....  
WAYNE BRADLEY SINGH

## CONSENT TO ACT AS TRUSTEE

FOR THE BYRNE & SINGH SUPERANNUATION FUND


Full Name: BELINDA ANNE BYRNE

Address: 1142 RIPLEY RD SOUTH RIPLEY QLD 4306 Australia

I hereby acknowledge that I have been nominated to act as a trustee/director of THE BYRNE & SINGH SUPERANNUATION FUND and confirm as follows:

- I hereby accept the nomination.
- I have not been convicted of an offence in respect of dishonest conduct in Australia or overseas at any time during my life.
- I have not been the subject of any civil penalty order under the Superannuation Industry (Supervision) Act 1993.
- I have never been prohibited from managing a corporation by an order of the Federal Court, a Supreme Court of any State Territory or the Australian Securities Commission.
- I have never been convicted of an offence relating to the management of a corporation under Corporation Law or an offence involving serious fraud.
- I am not currently, and do not have the status either currently or at any time in the last 28 days, of an undischarged bankrupt under the Bankruptcy Act 1966, or the law of an external territory or foreign country. I further acknowledge that:
- I must not act as trustee/director of the superannuation fund named above if I am unable to declare all of the above statements.
- I must immediately notify the regulating body if at any time any of the above statements cease to apply to me.

18 January, 2013

  
.....

Signature of Applicant

## CONSENT TO ACT AS TRUSTEE

FOR THE BYRNE & SINGH SUPERANNUATION FUND

Full Name: WAYNE BRADLEY SINGH

Address: 1142 RIPLEY RD SOUTH RIPLEY QLD 4306 Australia

I hereby acknowledge that I have been nominated to act as a trustee/director of THE BYRNE & SINGH SUPERANNUATION FUND and confirm as follows:

- I hereby accept the nomination.
- I have not been convicted of an offence in respect of dishonest conduct in Australia or overseas at any time during my life.
- I have not been the subject of any civil penalty order under the Superannuation Industry (Supervision) Act 1993.
- I have never been prohibited from managing a corporation by an order of the Federal Court, a Supreme Court of any State Territory or the Australian Securities Commission.
- I have never been convicted of an offence relating to the management of a corporation under Corporation Law or an offence involving serious fraud.
- I am not currently, and do not have the status either currently or at any time in the last 28 days, of an undischarged bankrupt under the Bankruptcy Act 1966, or the law of an external territory or foreign country. I further acknowledge that:
- I must not act as trustee/director of the superannuation fund named above if I am unable to declare all of the above statements.
- I must immediately notify the regulating body if at any time any of the above statements cease to apply to me.

18 January, 2013



.....  
Signature of Applicant



**APPLICATION FOR MEMBERSHIP**

Full Name: BELINDA ANNE BYRNE

Address : 1142 RIPLEY RD SOUTH RIPLEY QLD 4306 Australia

Date of Birth:

I make application to become a member of THE BYRNE & SINGH SUPERANNUATION FUND

I hereby authorise my current Employer to deduct from my salary such amounts (if any) as are from time to time agreed upon by myself and my employer as contributions to be made by me to the abovementioned Fund.

The Applicant hereby applies to make contributions to the Fund and agrees to be bound by the Deed and Rules governing the Fund.

Where applicable the Applicant confirms his employment income is less than 10% of this assessable income and that if this position changes the Applicant will immediately inform the Trustee.

Pursuant to the authorisations for the collection of Tax File Numbers (TFN) contained in the taxation laws, the *Superannuation Industry (Supervision) Act 1993* and the *Privacy Act 1988*, I hereby agree to provide my TFN as follows:

My Tax File Number is: 430 592 132 and I hereby authorise the trustees to use this tax file number.

**NOMINATION OF BENEFICIARIES (Non Binding)**

Whilst I acknowledge the discretion the Trustees have to determine who the benefit is paid to, I hereby nominate the following persons to receive the benefit payable by the Trustees of the fund in the event of my death:

Name and Address	Relationship to member	Proportion of benefit
WAYNE SINGH	HUSBAND	% 100
		%
		%
		%

18 January, 2013

Signature of Applicant:

Witness:

**APPLICATION FOR MEMBERSHIP**

Full Name: WAYNE BRADLEY SINGH

Address : 1142 RIPLEY RD SOUTH RIPLEY QLD 4306 Australia

Date of Birth:

I make application to become a member of THE BYRNE & SINGH SUPERANNUATION FUND

I hereby authorise my current Employer to deduct from my salary such amounts (if any) as are from time to time agreed upon by myself and my employer as contributions to be made by me to the abovementioned Fund.

The Applicant hereby applies to make contributions to the Fund and agrees to be bound by the Deed and Rules governing the Fund.

Where applicable the Applicant confirms his employment income is less than 10% of this assessable income and that if this position changes the Applicant will immediately inform the Trustee.

Pursuant to the authorisations for the collection of Tax File Numbers (TFN) contained in the taxation laws, the *Superannuation Industry (Supervision) Act 1993* and the *Privacy Act 1988*, I hereby agree to provide my TFN as follows:

My Tax File Number is: 212 111 968 and I hereby authorise the trustees to use this tax file number.

**NOMINATION OF BENEFICIARIES (Non Binding)**

Whilst I acknowledge the discretion the Trustees have to determine who the benefit is paid to, I hereby nominate the following persons to receive the benefit payable by the Trustees of the fund in the event of my death:

Name and Address	Relationship to member	Proportion of benefit
BEUNDA BYRNE	WIFE	% 100
		%
		%
		%

18 January, 2013

Signature of Applicant:

Witness:

## PRODUCT DISCLOSURE STATEMENT

<b>Name of Superannuation Fund:</b>	THE BYRNE & SINGH SUPERANNUATION FUND
<b>Date of Notice:</b>	18 January, 2013
<b>Name of Member:</b>	BELINDA ANNE BYRNE
<b>Address of Member:</b>	1142 RIPLEY RD SOUTH RIPLEY QLD 4306 Australia

This Product Disclosure Statement (PDS) is provided to the member by the trustee of the fund in compliance with the provisions of Part 7.9 of the Corporations Act (as amended).

Provision of this PDS is not an admission by the trustee of any requirement to do so. This PDS is provided to all members of the fund.

This PDS is provided to you as a member, and not in your capacity as trustee, joint trustee or director of a corporate trustee of the fund. If you are a trustee (or a director of the corporate trustee) of the fund, you ought to seek independent advice as to your rights, responsibilities and obligations in this capacity.

### CONTACT DETAILS

The contact details of the fund are determined by the trustee/s of the fund from time to time. The fund may be contacted at the address listed above.

### BENEFITS

The benefits available to a member are set out in detail in the trust deed. With the agreement of the trustee/s, you may be able to access the various pensions and retirement benefits set forth in the deed, upon retirement. These include, lifetime pensions, allocated pensions, life expectancy pensions and market linked pensions.

For further information on the limitations and benefits available to self managed superannuation funds

(SMSF s) please consult your accountant or financial advisor.

You may also be able to invest in and consequently access disability pensions and life insurance.

You should consult with your fund manager, accountant or financial advisor prior to investing in the fund and prior to making an election as to your benefit or pension, to ensure that the fund remains compliant. There are also taxation and liability implications that must be considered.

You may elect to nominate beneficiaries to take your benefits upon your death. This may be done by:

- 1. Electing in your application for membership** – This election will not be binding upon the trustee, but is certainly persuasive;

**2. Executing a Binding Nomination** – This election is, as it suggests, binding upon the fund. To be binding, the nomination must take a certain form and be executed in compliance with regulations. If you are unsure whether a binding nomination is appropriate, please consult your fund manager, accountant or financial advisor. It is important to note that this type of nomination remain valid for a period of only 3 years and therefore a new Binding Nomination must be provided to the trustee every 3 years.

### **RISK**

SMSF s are accumulation funds. The trustees of the fund may invest al or any of the contributions to the fund. You should be aware, however, that there are limitations on the types of investments that may be made by the trustees of the funds, particularly where investments are made with or to parties related to either the trustees or the members of the fund. If you are unsure whether the trustees investments are compliant, you should seek independent advice.

As a natural consequence of allowing the trustees independence to invest the contributions to the fund, there is an inherent risk that the fund will accumulate losses from time to time. If you wish to take some responsibility for the control of the investments of the trust, it will be necessary for you to become a trustee. In most cases, if you are over the age of 18 years of age it is a requirement of the SIS Act that you, in case where the sole and primary purpose of the fund is the provision of old-age pensions, are a trustee of the fund or in the case where the trustee of the fund must be a constitutional corporation that you are a director of the corporate trustee.

To control the risk associated with independent investments, you should seek professional advice and assistance.

### **COST OF ACQUISITION AND ADMINISTRATION**

The trustees will govern the costs associated with the fund, including the price for membership and administration and the proportion to each member. These costs are variable. The trustees will keep the members informed of these costs as necessary.

### **COMMISSIONS & PAYMENTS**

There are no commissions or other benefits or payments payable to the trustees of the fund by reason of the issue of your membership.

Commissions or other payments may be payable to advisors to the fund as disclosed to and approved by the trustees of the fund.

### **DISPUTE RESOLUTION**

It is not envisaged that dispute resolution will be required by a SMSF and accordingly, no provision has been made for this process.

### **SIGNIFICANT TAXATION ISSUES**

The trustees are required to make an election/determination each financial year as to how any taxation liability is to be allocated to each member. This determination must be reasonable having regard to the rights of all members.

Currently, SMSF s are liable to pay 15% tax on net taxable income whilst they remain in accumulation. Net taxable capital gains of a SMSF are taxed at 10%.

Depending on each member's individual circumstances, contributions made and personal taxable income for any given financial year, superannuation contribution surcharge tax may be levied upon a member. Liability for a surcharge will be payable by the member charged and may be deducted from their allocation account.

Income and capital gains from the fund will be exempt from tax, to the extent that the assets of the fund are considered to be supporting pensions. Tax will still be payable for continuing accumulations and reserves. The trustees will determine the amount of tax to be deducted from the balance of your member's accumulation account, taking into account what is reasonable having regard to these factors.

It is not intended to provide members with any advice with respect to personal taxation or taxation of SMSFs generally. This is a most complex area of taxation and all members and trustees are recommended to seek professional advice from their advisors and how to maximise their benefits and arrange their affairs to comply with taxation requirements.

### **COOLING-OFF PERIOD**

There is a fourteen (14) day cooling-off period from the date you are issued with membership of the fund, during which time you may cancel your membership of the fund.

### **INSURANCE**

The trustees are not obliged to arrange for life insurance or other insurances on your behalf. The trustees may invest in life insurance and other insurances on your behalf. You should note, however, that there is no requirement for the trustees to do so. You should ensure that your requirements in this regard are attended to by the trustees.

### **ALTERNATIVES**

There are various alternative superannuation funds, pensions and investments that you may wish to consider, prior to committing to membership of the fund. Some of these include the following

1. *Public Offer Entity*— A public offer superannuation is basically a superannuation fund, which conducts at least some of its business by issuing interests to the public or which elects to be treated as a public offer fund. The trustee of a public offer fund must satisfy certain capital adequacy requirements and must be an approved trustee.

2. *Small APRA Fund*— Small APRA funds are similar in nature to SMSFs, in that they may be utilised where membership is to be less than 5. The difference being that small APRA funds are managed by an independent trustee, who must meet certain criteria. These funds provide for similar flexibility to SMSFs and may be utilised where members are unable to be trustees for themselves.

3. *Public Sector Fund*— There are 3 main types of public sector funds, being:

“Employer sponsored funds, established for the benefit of employees of the sponsoring employer;

“Productivity (or industry) funds, established for the purposes of an industrial agreement or award;” Personal Superannuation funds.

**OTHER DOCUMENTS**

Where the fund is a pre-existing fund and you are joining as a member, or where you are an existing member and are commencing to take your benefit in the form of a pension, you will find the following documents annexed to this PDS:

The fund's investment strategy; and

The last financial statements prepared in respect of the fund.

*I have read and understood this Product Disclosure Statement, prior to signing my Application for Membership:*

  
.....  
BELINDA ANNE BYRNE

18 January, 2013



## PRODUCT DISCLOSURE STATEMENT

<b>Name of Superannuation Fund:</b>	THE BYRNE & SINGH SUPERANNUATION FUND
<b>Date of Notice:</b>	18 January, 2013
<b>Name of Member:</b>	WAYNE BRADLEY SINGH
<b>Address of Member:</b>	1142 RIPLEY RD SOUTH RIPLEY QLD 4306 Australia

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## **SIGNIFICANT TAXATION ISSUES**

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Currently, SMSF s are liable to pay 15% tax on net taxable income whilst they remain in accumulation. Net taxable capital gains of a SMSF are taxed at 10%.

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### **INSURANCE**

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### **ALTERNATIVES**

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"Productivity (or industry) funds, established for the purposes of an industrial agreement or award;" Personal Superannuation funds.

**OTHER DOCUMENTS**

Where the fund is a pre-existing fund and you are joining as a member, or where you are an existing member and are commencing to take your benefit in the form of a pension, you will find the following documents annexed to this PDS:

The fund's investment strategy; and

The last financial statements prepared in respect of the fund.

***I have read and understood this Product Disclosure Statement, prior to signing my***

***Application for Membership:***



.....  
WAYNE BRADLEY SINGH

18 January, 2013



## Self-managed super fund trustee declaration

**I understand that as an individual trustee or director of the corporate trustee of the BYRNE & SINGH SUPERANNUATION 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 funds 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
- 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 funds complying status, which may result in a significant tax penalty on 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 maintained for the purpose of providing benefits to its members upon their retirement (or attainment of a certain age) or their beneficiaries if a member dies.

### TRUSTEE DUTIES

I understand that by law I must:

- 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 retirement benefits are only accessed by members upon a legitimate condition of release being met
- not enter 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 funds assets (for example, have sufficient evidence of the ownership of fund assets)
- not enter 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
- prepare and implement an investment strategy that takes the whole of the funds circumstances into account, which includes,
- but is not limited to
  - the risks associated with the funds investments
  - the likely return from investments, taking into account the funds objectives and expected cash flow requirements
  - investment diversity and the funds exposure to risk due to inadequate diversification
  - the liquidity of the funds investments having regard to the funds expected cash flow requirements in discharging its existing and prospective liabilities
- 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.

### **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 the following:

- lending money of the fund to, or providing financial assistance to, a member of the fund or a members 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
- having more than 5% of the market value of the funds 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 on behalf of the fund that are not made or maintained on an arms length (commercial) basis (this ensures the purchase or sale price of the funds assets reflects their market value).

### **Accepting contributions and paying a benefit**

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

### **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 trustees 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
- ensure that an approved auditor is appointed no later than 31 days before the due date of the funds annual return to audit the fund for each income year, and provide that auditor with documents as requested
- lodge the funds annual return, completed in its entirety, by the due date
- notify the ATO within 28 days of any changes in the
  - › membership of the fund, or trustees or directors of the corporate trustee name of the fund
  - › details of the contact person and his/her contact details
  - › postal address, registered address or address for service of notices for the fund
- notify the ATO in writing within 28 days of the fund being wound up or after becoming aware that the fund has ceased to be an SMSF.



**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 funds 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.*

BELINDA ANNE BYRNE

  
.....  
BELINDA ANNE BYRNE signature

**Date:** 18 January, 2013

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

  
.....  
Witness signature

**Date:** 18 January, 2013



## **Self-managed super fund trustee declaration**

**I understand that as an individual trustee or director of the corporate trustee of THE BYRNE & SINGH SUPERANNUATION 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 funds 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
- 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 funds complying status, which may result in a significant tax penalty on 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 maintained for the purpose of providing benefits to its members upon their retirement (or attainment of a certain age) or their beneficiaries if a member dies.

### **TRUSTEE DUTIES**

I understand that by law I must:

- 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 retirement benefits are only accessed by members upon a legitimate condition of release being met
- not enter 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 funds assets (for example, have sufficient evidence of the ownership of fund assets)
- not enter 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
- prepare and implement an investment strategy that takes the whole of the funds circumstances into account, which includes,
  - › the risks associated with the funds investments
  - › the likely return from investments, taking into account the funds objectives and expected cash flow requirements
  - › investment diversity and the funds exposure to risk due to inadequate diversification
  - › the liquidity of the funds investments having regard to the funds expected cash flow requirements in discharging its existing and prospective liabilities
- 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.

### **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 the following:

- lending money of the fund to, or providing financial assistance to, a member of the fund or a members 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
- having more than 5% of the market value of the funds 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 on behalf of the fund that are not made or maintained on an arms length (commercial) basis (this ensures the purchase or sale price of the funds assets reflects their market value).

### **Accepting contributions and paying a benefit**

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

### **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 trustees 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
- ensure that an approved auditor is appointed no later than 31 days before the due date of the funds annual return to audit the fund for each income year, and provide that auditor with documents as requested
- lodge the funds annual return, completed in its entirety, by the due date
- notify the ATO within 28 days of any changes in the
  - ▷ membership of the fund, or trustees or directors of the corporate trustee name of the fund
  - ▷ details of the contact person and his/her contact details
  - ▷ postal address, registered address or address for service of notices for the fund
- notify the ATO in writing within 28 days of the fund being wound up or after becoming aware that the fund has ceased to be an SMSF.

**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 funds 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.*

WAYNE BRADLEY SINGH



.....  
WAYNE BRADLEY SINGH signature

**Date:** 18 January, 2013

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



.....  
Witness signature

**Date:** 18 January, 2013

## **RISK MANAGEMENT STATEMENT - PART B**

FOR THE BYRNE & SINGH SUPERANNUATION FUND

### **1. Responsible Party**

This Risk Management Statement has been prepared by the Trustee of the Fund.

### **2. Objective of Risk Management Statement**

The objective of this RMS is to summarise the policies and controls in place in relation to use of derivatives by the Trustee and the processes for assessing compliance by the Trustee within the existing risk management controls. This RMS is subject to periodic review and is updated as necessary to ensure ongoing suitability and sufficiency of policies, controls and the compliance monitoring process.

Derivatives must not be considered in isolation but as part of the investment operations of the Trustee as a whole and the investment strategy being implemented. The Trustee will review the terms of this RMS regularly. This RMS has been written in accordance with the Insurance and Superannuation Commission (ISC) Circular No. II.D.7 Derivatives. The RMS must be read and understood by all persons involved in managing, monitoring or implementing the Derivative investment process of the Superannuation Fund.

### **3. Definitions of Derivatives**

In this RMS, Derivative has the meaning given in the Corporations Act 2001 which is consistent with the interpretation of the term adopted in the Circulars issued by the Australian Prudential Regulatory Authority (APRA). Derivative transactions include a wide assortment of instruments such as forward rate agreements, futures, options, share ratios, warrants, swaps and other composites. Where uncertainty exists about whether an instrument is a derivative, it should be treated as a derivative.

### **4. Relationship to the Investment Strategy of the Fund**

The use of Derivatives within the Fund must be used in conjunction to the Investment Strategy for the Fund and be consistent with the objectives of that Investment Strategy. The use of Derivatives must be consistent with the trust deed for the Fund.

### **5. Purpose of the use of Derivatives**

Derivatives may be used by the Fund, subject always to the Fund's investment strategy, for the following purposes (but not exclusively limited to):

- (a) hedging, by protecting the assets of the Fund against, or to minimise liability from, a fluctuation in market values;
- (b) achieving transactional efficiency;
- (c) to reduce the transaction cost of achieving required exposure;
- (d) to reduce the transaction cost of achieving required exposure;
- (e) to control the impact on portfolio valuations of market movements caused by significant transactions;
- (f) to assist in the achievement of the best execution of security transactions;
- (g) reducing volatility;
- (h) adjustment to asset exposures within the parameters set in the strategy;
- (i) to adjust the duration of the a fixed interest portfolio; and
- (j) foreign currency hedging.

Use of Derivatives by the Trustee of the Fund must always comply with the Superannuation Industry (Supervision) Act 1993 (Cth) and the Superannuation Industry (Supervision) Act Regulations 1994.

## 6. Restrictions on the use of Derivatives

The Trustee will at all times carry out the derivative transactions in accordance with the governing documents of the Fund and any relevant Agreements. The Trustee will consider Derivative transactions in respect of RMS Part A as adopted by the Trustee, RMS Part B as issued by the Trustee and Insurance and Superannuation Commission (ISC) Circular No. II D 7 Derivatives.

All Derivative transactions must be approved by the Trustee, who is responsible for evaluating issues from a risk management perspective. The Trustee must also ensure that Derivative transactions are governed by formal legal agreements, comprehensively documented and subject to regular reconciliation and reporting processes.

The Trustee will ensure that Derivative transactions do not breach any legal or contractual obligations and at all times comply with all applicable legislation, rules, guidelines or directions in respect of:

- (a) use and restrictions in the use of Derivatives;
- (b) relationship to the Investment Strategy of the Fund;
- (c) risk management, including adequate monitoring systems;
- (d) risk analysis;
- (e) leveraging or charging of Fund assets; and
- (f) internal and external audit procedures.

The Fund may use Derivatives only for the purposes set out in Part A of this RMS issued for the Fund.

The Fund is limited in the total amount of Derivatives held. This Limit is expressed as a percentage of the total asset base and is determined by the Trustee. This limit is closely monitored by the Trustee and new investments made in Derivatives are only made after review of existing Derivative investments.

## 7. Risk Analysis

The Trustee is responsible for processes and procedures to assess, monitor and control Market, Liquidity, and Operational risk. The Trustee acknowledges that it has the necessary systems in place to monitor and abide by all relevant Trustee and APRA guidelines in respect of the use of Derivatives. In particular, the Trustee has in place the following systems:

(a) Market Risk: the risk of adverse movements in markets (including asset prices, volatility, changes in yield curve, implied option volatility or other market variables for the derivatives or underlying assets, reference rates or indices) to which the derivatives relate. Such risk is created by holding any security physical or Derivative which creates exposure to movements in prices of a security or market. Market risk must be assessed continually to ensure that exposure by any factor remains within the limits set out:

- (i) ensuring that the Fund's total portfolio is not being leveraged (or 'geared'). A portfolio would be geared if the level of market exposure exceeds the market value of the fund. Derivatives cannot be used to circumvent the borrowing limitations imposed by Sections 67, 95 and 97 of SIS;
- (ii) ensuring that the net exposure of the Fund to an asset class, including the delta weighted exposure of derivative investments, does not go outside that set investment strategy
- (iii) ensuring that the Fund does not hold uncovered derivatives, where cover is defined as within the meaning used by the Insurance and Superannuation Commission (ISC) in Circular II. D. 7 as follows:

- "In the case of derivative positions to achieve exposure cover consists of assets that in the responsible party's professional judgment are equivalent to cash and can be converted to cash within the settlement period. They must be sufficient to meet all potential obligations arising from the underlying asset exposure represented by the derivative position. Short dated fixed interest securities may well be equivalent to bond futures against the physical bonds) is also acceptable. Net derivative positions can be considered where relevant."
- "In the case of derivative positions to remove exposure cover consists of assets for which in the responsible party's professional judgment the derivative(s) are considered a reasonable hedge. Net derivative positions can be considered where relevant."



(iv) Breaching the restrictions set out above for the Fund would be construed as speculation, which is not allowed.

(b) Liquidity Risk: will be monitored by the Trustee to ensure that the Fund can always unwind or offset its particular position at or as near as possible to the previous market price.

(i) The Trustee will evidence the liquidity of the Derivative position before an investment is made. The Trustee will ensure that the Fund has sufficient capacity to meet its obligations.

(c) Counterparty Risk: the risk that a counter party (the other party with whom a Derivatives contract is made) will fail to perform its contractual obligations. The Trustee will assess the counterparty credit risk of Derivative transactions at the time of execution and review for potential market and credit risks. The Trustee acknowledges that it has processes in place that address the following issues:

- (i) assessing creditworthiness and approval of counterparties;
- (ii) establishing limits for approved counterparties;
- (iii) monitoring total exposure to counterparties against limits;
- (iv) monitoring total exposure to counterparties against limits;
- (v) sufficient or enforceable legal documentation;
- (vi) compliance with regulatory requirements; and
- (vii) safe storage of documentation.

(d) Operational risk: the risk relating to deficiencies in the effectiveness and accuracy of the information systems or internal controls that may result in material loss. Procedures used by the Trustee to assess, monitor and control operation risk include:

- (i) personnel are authorised to only carry out duties within their designated expertise and delegation;
- (ii) the valuation standard for derivatives should be consistent with current industry market practice and the sources of valuations be appropriately independent;
- (iii) proper separation of dealing and management functions and administration and settlement functions;
- (iv) a clear delineation between portfolio management and trading;
- (v) there are appropriate disaster recovery systems and sufficient backup systems and procedures in place to prevent the potential loss of data.

## **8. Currency risk**

Foreign currency exposure will arise naturally from investments in overseas assets. Where the Fund is exposed to currency risk, the Investment Strategy will provide guidance as to where currency strategies can be utilised. These strategies will be subject to similar principles and controls as apply to Derivatives risk.

## **9. Personnel Management**

The Trustee will ensure that all personnel involved in derivative transactions:

- (a) are familiar with the contents and requirements of this RMS;
- (b) cannot initiate or implement transactions outside their designated area of expertise;
- (c) undertake ongoing education and training;
- (d) are not rewarded for taking risk in excess of that specifically documented and authorised by the client; and risk analysis;
- (e) are properly qualified and have appropriate expertise in their area of responsibility.

### **10. Assessment**

The Trustee acknowledges that appropriate procedures are in place to address the review and reporting of the investments of the Fund, including Derivatives. These procedures will ensure that any material problems will be promptly reported and appropriate action taken.

### **11. External Audit**

Independent external auditors are required to annually sign off that a RMS exists and procedures and policies stated in the RMS have adhered to. Also, independent external auditors must confirm that all changes have been authorised.

### **12. Reporting**

Where applicable, the Trustee must have access to regular and comprehensive reporting to on both exposures and adequacy of systems. Reports should also be provided where a significant occurrence occurs in relation to the use to Derivatives. Alternations to this RMS need to be approved by the Trustee and must comply with the Investment Strategy as stated.

### **13. Additional SIS Requirements**

The Trustee acknowledges that:

- (a) should a charge be created over assets of a fund in relation to a Derivatives transaction on an Australian or International exchange, the charge must be in relation to the Derivatives contract for the purpose of securing the trustees obligations for exchange; and
- (b) they will report to members at the end of the reporting period if at any time during the reporting period the Derivative charge ratio should exceed 5%. The Derivative charge ratio must be expressed as a percentage and is determined by the following formula:

- (i) 
$$\frac{\text{(the value of the assets of the fund that are subject to a charge in relation to a Derivatives contract)}}{\text{(the value of all the assets of the fund)}}$$

The Trustee will also give this information to the Commissioner as soon as practicable, but in any event within 6 months, after the end of the reporting period to which the information relates.

This RMS is given by the Trustee in accordance with the Insurance and Superannuation Commission Circular No. II D 7 issued in February, 1997. This Part B Risk Management Statement was authorised for release on the date it was signed.

By authority of the Trustee



.....  
Signed by BELINDA ANNE BYRNE on behalf of Trustee of the THE BYRNE & SINGH  
SUPERANNUATION FUND

Dated: 18 January, 2013

**Resolution of Directors of BYRNE & SINGH PTY LTD ACN: 161 998 027  
as trustee of the BYRNE & SINGH SUPERANNUATION FUND**

It was resolved that the trustees of the THE BYRNE & SINGH  
SUPERANNUATION FUND  
hereby prepare the investment strategy for the fund as  
attached to take account of:

**MINUTES:**


**REVIEW OF INVESTMENT  
STRATEGY FOR  
SUPERANNUATION FUND:**

1. The current risks and return on investments.
2. The current investment mix of the fund
3. Diversity of investments to spread risk (if appropriate).
4. Benefit payments as they fall due.

The attached strategy is to be documented and reviewed regularly,  
with objectives and policies adhered to.

There being no further business the meeting then closed.

Signed as a true record

  
.....  
BELINDA ANNE BYRNE

## INVESTMENT STRATEGY

of THE BYRNE & SINGH SUPERANNUATION FUND

### INVESTMENT OBJECTIVES

The trustees of the above superannuation fund believe that the following general investment objectives should be considered:

- To provide superannuation benefits to the members of the fund to meet their retirement needs;
- To ensure that an appropriate mix of assets are owned by the fund and by taking into account the age of the members;
- To achieve a rate of return greater than the CPI increases;
- To maintain a low level of capital volatility;
- To ensure that assets of the fund are liquid enough to meet expected cash flow requirements;
- To ensure that the fund has adequate diversification in the holding of its investments including within classes of assets.

### INVESTMENT STRATEGY

To achieve the above investment objectives of the fund, the trustees have determined that the fund will consider investments in the following areas:

- Equities and stocks including the participation in dividend reinvestment programs, rights issues and any other investments offered in this area;
- Conservative investments funds for the holding of surplus superannuation benefits taken to an investment fluctuation reserve;
- Listed property trusts;
- Unlisted property trusts;
- Direct Property
- Other managed investments including Notes, Derivatives and Debentures;
- Cash and any other interest bearing deposits including Warrants.

Into the future, the trustees of the fund believe that to meet the investment objectives the following maximum and minimum investment levels should be considered:

		%
	1	-
	1	-
	1	-
	1	-
Cash	1	-

The trustees believe that a return of the CPI increase plus a further 3% when averaged over a five year period is considered to be a good return on investment.

In determining this strategy the trustees have considered all investment objectives, the funds trust deed and any other relevant legislation.

It is noted that the trustees should also seek appropriate professional advice when required.

## **POLICIES**

The policies of the fund are as follow:

- To continually monitor the performance of the funds investments;
- To monitor the liquidity requirements of the fund;
- To monitor the economic and market conditions.

The trustees reserve the right to alter any of the above asset classes, percentages and return on investment values as and when they see fit.

# THE BYRNE & SINGH SUPERANNUATION FUND

## TRUST DEED



**Tel: 1800 730 491**

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Melbourne, VIC 3207**