

SuperShift Legal

SMSF DEED

(INCORPORATING PRODUCT DISCLOSURE STATEMENT)

ESTABLISHING

Wenham Retirement Trust Fund

DATED: 24th Day of April 2013

101 Beaumont Street

Hamilton NSW 2303

T 02 4910 2500 F 02 4910 2510

(2020 Legal Solutions Pty Ltd ACN 145 797 968)

DEED OF ESTABLISHMENT

THIS TRUST DEED is made on the Date of this Deed specified in **Schedule A**

BY: The person named as the Creator in the **Schedule A** ("the Creator")

RECITALS

- (a) The Creator has agreed to act as Trustee in accordance with the provisions of this Deed
- (b) The Trustee has decided to establish a superannuation fund ("The Fund") to maintain solely for the purpose of providing superannuation benefits for Members in the event of their retirement from Gainful Employment, for the Dependants of Members in the event of the death of a Member and for other purposes permitted under the Superannuation Requirements.
- (c) This Deed reflects the intention of the Trustee that the Fund operate as an Australian complying self managed superannuation fund and comply with the Superannuation Requirements in order that the Fund is eligible for Concessional Taxation Treatment.

IT IS DECLARED:

1. ESTABLISHMENT


The Trustee establishes the Fund, which commences on the Date of Deed specified in Schedule A.

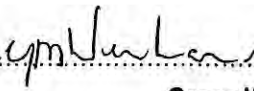
2. RULES

The Fund shall be maintained, managed and administered pursuant to this Deed.

EXECUTED as a Deed.

EXECUTED for and on behalf of **Super Wenham Retirement Pty Ltd ACN 163 442 948** in its capacity as Trustee in accordance with Section 127(1) of The Corporations Act by;


.....
Daron Wenham
Director


.....
Grace Wenham
Director

THE RULES

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1. PURPOSE

(a) Purpose of Fund

The Trustee must maintain the Fund solely for the purpose of providing superannuation benefits for its Members in the event of their retirement from Gainful Employment, for the Dependants of Members in the event of the death of a Member and for other purposes permitted under the Superannuation Requirements, provided that while the Trustee is not a Constitutional Corporation, the sole or primary purpose of the Fund will be the provision of old-age pensions within the meaning of the Superannuation Requirements.

(b) Maintenance of the Fund as a Self Managed Superannuation Fund

The Trustee must manage the Fund and must exercise its powers and discretions so as to ensure that at all times, subject to clause 1(c), the Fund is a Self Managed Superannuation Fund.

(c) Ceasing to be a Self Managed Superannuation Fund

If:

- i. The Trustee considers that it is not possible or not reasonably practicable for the Fund to continue to be a Self Managed Superannuation Fund; or
- ii. All of the Members so request in writing, the Trustee and the Members must do all such things as are required for the Fund to commence to meet the requirements under the Superannuation Requirements to be another type of regulated superannuation fund, including amending this Deed, notifying the Regulator and applying for such approvals as are required in the circumstances under the Superannuation Requirements, and appointing a replacement trustee which meets the requirements under the Superannuation Requirements applicable to the trustee of the relevant type of regulated superannuation fund.

2. COVENANTS

The Trustee for itself, its successors and assigns, covenants with the Members to perform and observe the covenants, trusts and conditions of this Deed and the covenants and obligations imposed by the Act and the Superannuation Requirements so far as they are or ought to be observed by the Trustee, including the following covenants:

- (a) To act honestly in all matters concerning the Fund;
- (b) To exercise, in relation to all matters affecting the Fund, the same degree of skill, care and diligence as an ordinary prudent person would exercise in dealing with property of another for whom the person felt morally bound to provide;
- (c) To ensure that the Trustee's duties and powers are performed and exercised in the best interests of the Members;
- (d) To keep the money and other assets of the Fund separate from any money and assets, respectively:
 - i. That are held by the Trustee personally; or
 - ii. That are money or assets that do not form part of the Fund;
- (e) Not to enter into any contract, or do anything else, that would prevent the Trustee from, or hinder the Trustee in, properly performing or exercising the Trustee's functions and powers;
- (f) To formulate and give effect to an investment strategy that has regard to the whole of the circumstances of the Fund;
- (g) If there are any reserves – to formulate and to give effect to a strategy for their prudential management, consistent with the Fund's investment strategy and its capacity to discharge its liabilities (whether actual or contingent) as and when they fall due;
- (h) To allow a Member or Beneficiary access to any prescribed information or any prescribed documents.

3. A: INTERPRETATION - DEFINITIONS:

In the Rules and for the administration of the Fund the following words and expressions unless the context otherwise requires shall have the respective meanings attached thereto:

"APRA" means the Australian Prudential Regulation Authority.

"Account" means an account established under this Deed.

"Account-Based Pension"- means a pension that meets the definition, description and standards of an account-based pension under the SIS Regulations, and specifically Regulations 1.03(1) and 1.06 (9A).

"Act" means:

- (a) Co-contribution Act
- (b) Corporations Act
- (c) Family Law Act
- (d) Income Tax Act
- (e) RSA Act
- (f) SGA Act
- (g) SIS Act
- (h) Trustee Act
- (i) Unclaimed Money Act
- (j) All amendments, other legislation relating to, and regulations made under , the abovementioned Acts, and
- (k) Any other law of the Commonwealth of Australia or State or Territory of Australia with which the Fund or the Trustee must comply with in order to obtain and maintain Concessional Taxation treatment or any other concession in respect of the Fund or that relates to superannuation or any Benefit provided under this Deed.

"Annuity" means an eligible annuity as given to it under the Relevant Law.

"Approved Deposit Fund" means a fund which is a complying Approved Deposit Fund pursuant to section 47 of the SIS Act.

"Balance Date" means each of:

- (a) the 30th day of June in each year;
- (b) the date of death or retirement of a Member;
- (c) such other date as the Trustee may consider appropriate.

"Beneficiary" means a person presently and absolutely entitled to receive a Benefit including a Pensioner.

"Benefit" means any amount paid or payable, whether by monetary amount or in specie or such other method as allowed by the Superannuation Requirements, by the Trustee out of the Fund pursuant to these Rules or in respect of a Member and includes a Pension.

"Child" includes a step child, a legally adopted child or a person recognised by the Trustee as a child dependent upon a Member or Dependant.

"Complying Superannuation Fund" means a complying superannuation fund pursuant to the Superannuation Requirements.

"Condition of Release" has the meaning contained in Regulation 6.01 of the SIS Regulations.

"Co-Contribution Act" means the *Superannuation (Government Co-contribution for Low Income Earners) Act 2003*.

"Contributions" means gross payments to the Fund by Members, Spouses of Members, Employers and any other persons permitted under the Superannuation Requirements in respect of Members in accordance with the provisions of this Deed prior to the deduction of any Taxation payable in respect of those contributions and includes a Co-Contribution and a payment made to the Fund in consequence of a Contribution Split by the Spouse of a Member in favour of the Member. Contributions include cash, the transfer of any assets in specie, other assets or the payment of any amount on behalf of this superannuation fund which is intended by the payer to be a contribution for a Member.

"Deed" means this document and its annexed schedules and any authorized alterations, additions, amendments or variations to it.

"Dependant" in relation to a Member means:

- (a) the Spouse of such Member;
- (b) a Child of the Member, including a child of the Member born after the death of the Member;
- (c) any person who in the opinion of the Trustee is or was at the relevant date wholly or partially dependent on the Member for that person's maintenance and support or who has or had at the relevant time a legal right to maintenance and support from that Member; or
- (d) a person who is, or was at the time of death of the Member, in an interdependency relationship with the Member as defined in the Act, and provided that the person is a dependant as defined by the Act.

"Eligible Person" means a person not disqualified from eligibility for Membership by the operation of the Superannuation Requirements.

"Eligible Rollover Fund" has the same meaning as given to it in the *SIS Act*.

"Employee" means a person who is an employee within the meaning of section 12 of the *SGA Act*.

"Employer" means any employer for the time being of any Member and without limiting the generality thereof includes any subsequent employer or employers of any Member and, in relation to a person, any such employer who engages that person to perform work under a contract.

"Equitable Share" in relation to a Member or a Pensioner means such part of the Fund as determined by the Trustee as represents that portion of the Fund to which the said Member is entitled.

"Family Law Act" means the *Family Law Act 1975* (Cwth).

"Gainful Employment or Gainfully Employed" in relation to a Member means engagement in any business, trade, profession, vocation, calling, occupation or employment for gain or reward to the extent required under the Act and the Superannuation Requirements.

"Income Tax Act" means the *Income Tax Assessment Act 1936* (Cwth) and *Income Tax Assessment Act 1997* (Cwth).

"ITAA 36" means the *Income Tax Assessment Act 1936* (Cwth).

"ITAA 97" means the *Income Tax Assessment Act 1997* (Cwth).

"Legal Personal Representative" means the executor of the will or administrator of the estate of a deceased person, the trustee of the estate of a person under a legal disability or a person who holds an enduring power of attorney granted by a person.

"Member" means a person who has been admitted to the Fund and has not ceased to be a Member and **"Membership"** means Membership of the Fund.

"Members Equitable Share" is as defined in Clause 6.2 of this Deed.

"Membership Period" means the period of time (expressed in whole or in fractions of a year) for which a person has been or is deemed to have been a Member of:

- (a) the Fund;
- (b) another fund in circumstances where there is a transfer of the Member's benefits pursuant to Clause 28.2 and, in either case, includes any period of special leave.

"Normal Retirement Age" means the Member's 65th birthday or such age as is agreed between the Member and the Trustee and is acceptable under the Superannuation Requirements.

"Pension" means a Benefit that is provided by the Fund as a pension or superannuation income stream in accordance with the Act, and payable by instalments out of a Pension Account maintained for and on behalf of a Pensioner, and includes an Old-Age Pension, and Account-Based Pension, and Allocated Pension, a Lifetime Pension, a Fixed Term Pension, a market-linked pension, a Flexi Pension, a Non-Commutable Allocated Pension, Non-Commutable Pension and Non-Commutable Income Stream, or Transition to Retirement Income Stream, as described in this Deed or any other pension or superannuation income stream as described in or defined by the Act.

"Pension Account" means the account established in respect of a Pensioner in accordance with Clause 25.3.

"Pension Reserve Account" means the account established in respect of a Pensioner in accordance with Clause 25.4.

"Pension Age" has the same meaning as that given to that expression in regulation 1.03 of the SIS Regulations.

"Pensioner" means a Member or Dependant receiving a Pension.

"Permanent Incapacity or Permanent Disablement" in relation to a Member occurs when they have ceased to be gainfully employed, through ill health (physical or mental), where the trustee is reasonably satisfied that the Member is unlikely, because of the ill-health, ever again to engage in gainful employment for which the Member is reasonably qualified by education, training or experience.

"Policy of Insurance" means any policy of insurance or assurance obtained by the Trustee on behalf of a Member for the life, endowment, term, disablement, accident or sickness of a Member, including an individual

policy, a group policy, and a policy under which the proceeds will be payable to the Trustee on the death or disablement of a Member.

"Preserved Benefits" has the same meaning as in regulation 6.03 of the SIS Regulations.

"Privacy Act" means the *Privacy Act 1988* (Cth).

"Relevant Pension" means the operating Superannuation Requirements contained in Regulation 1.06 of the SIS Regulations.

"Regulator" means the Australian Prudential Regulation Authority ("APRA"), Australian Securities and Investment Commission ("ASIC"), the Australian Taxation Office ("ATO"), the Commissioner of Taxation and any other government or statutory authority or office which is responsible for administering or regulating all or any part of the Act and Superannuation requirements.

"Restricted Non-Preserved Benefits" has the same meaning as in regulation 6.07 of the SIS Regulations.

"Rollover Fund" means any other fund or benefit arrangement into which or from assets can be transferred without causing the Fund to be in breach of the Superannuation Requirements.

"Rollover Payment" means any payment of a Member's Benefit rolled over by the Trustee within the Fund or to any other Approved Superannuation Entity or payment rolled over to the Trustee on behalf of a Member from any Approved Superannuation Entity.

"RSA Act" means the *Retirement Savings Account Act 1997* (Cwth).

SGA Act means the *Superannuation Guarantee (Administration) Act 1992* (Cwth).

"SIS Act" means the *Superannuation Industry (Supervision) Act 1993* (Cwth).

"SIS Regulations" means the *Superannuation Industry (Supervision) Regulations 1994* (Cwth).

"Spouse" of a Member means:

- (a) Another person (whether of the same sex or a different sex) with whom the person is in a legal relationship that is registered under a law of a State or Territory prescribed under section 22B of the *Acts Interpretation Act 1901* as a kind of relationship prescribed for the purposes of that section; or
- (b) Another person who, although not legally married to the person, lives with the person on a genuine domestic basis in a relationship as a couple and is recognized by the Trustee as a spouse of the Member; or
- (c) Any other person who is recognized by the Trustee as a spouse of the Member.

"SSA Act" means the *Small Superannuation Accounts Act 1995* (Cwth).

"Superannuation Requirements" includes reference to any "Act" as defined above and any other present or future legislation which the Trustee must comply with in order for the Fund to:

- (a) Qualify for concessional Taxation treatment as a Complying Superannuation Fund;
- (b) Avoid any penalty, detriment or disadvantage which is or may become payable or imposed in connection with the Fund or anything done or to be done under this Deed; or
- (c) Meet any other requirements of the Responsible Authorities; and
- (d) In relation to the collection, holding, use and disclosure of personal information as defined in the Privacy Act, the National Privacy Principles and any other provisions of that Act,

"Total and Permanent Disablement" means the same as Permanent Disablement above.

"Temporary Disablement" In relation to a Member shall be when they have ceased to be gainfully employed temporarily (including a Member who has ceased temporarily to receive any gain or reward under continuing arrangement for the Member to be gainfully employed), and it includes ill health (whether physical or mental that causes the Member to cease to be gainfully employed), but does not constitute permanent incapacity.

Terminal Medical Condition exists in relation to a person at a particular time if the following circumstances exist:

- (a) two registered medical practitioners have certified, jointly or separately, that the person suffers from an illness, or has incurred an injury, that is likely to result in the death of the person within a period (the certification period) that ends not more than 12 months after the date of the certification; and
- (b) at least one of the registered medical practitioners is a specialist practicing in an area related to the illness or injury suffered by the person; and
- (c) for each of the certificates, the certification period has not ended.

"Transfer Value" in relation to a Member means the amount (if any) transferred to the Fund pursuant to Clause 28.2.

"Trustee" means the corporation, person or persons appointed as the Trustee pursuant to this Deed from time to time of the Fund whether original, additional, substituted or otherwise.

"Trustee Act" means the *Trustee Act 1925 (NSW)* or the *Trustee Act 1958 (VIC)* or the equivalent legislation of any other State or Territory of Australia relating to trustees and which is applicable to the Trustee.

"Unclaimed Money Act" means the *Superannuation (Unclaimed Money and Lost Members) Act 1999 (Cwth)*.

3. B. INTERPRETATION – GENERAL

- (a) Headings, boldings and underlining's are for convenience only and do not affect the interpretation of this Deed;
- (b) A reference to the singular includes the plural and vice versa;
- (c) A reference to a gender includes any gender;
- (d) A reference to a natural person includes any company, partnership, joint venture, association, trust or other body corporate;
- (e) A reference to a clause, party, annexure, exhibit or schedule is a reference to a clause, a party, an annexure, exhibit or schedule to this Deed;
- (f) A reference to a party to a document includes an amendment or supplement to, or replacement or notation, of that document;
- (g) A reference to a party to any document includes that party's successors and permitted Assigns;
- (h) A covenant or agreement on the part of two or more persons binds them jointly and Individually;
- (i) A reference to "\$" or "Dollars" means the lawful currency of the Commonwealth of Australia;
- (j) The Deed is governed by the laws of the State or Territory of Australia in which this Deed is executed and all interested persons accept the jurisdiction of the Courts of that State or Territory;
- (k) If there is any inconsistency between a provision of this Deed and a relevant requirement of the Act or Superannuation Requirements, the latter will prevail over the former to the extent of that inconsistency.

4. MEMBERSHIP OF THE FUND

- 4.1 An eligible Person may apply to the Trustee to become a Member of the Fund or the Trustee may invite an Eligible Person to become a Member of the Fund. The Trustee has absolute discretion in deciding whether or not to accept an Eligible Person as a Member.
- 4.2 The Trustee may require as a condition of accepting an Eligible Person as a Member that the Eligible Person completes a written application as set out in Schedule B or in some other form as prescribed or accepted by the Trustee. The application form may make provision for:
 - 4.2.1 all information which is required by the Act to be provided by the Trustee to the applicant and to be provided by the applicant to the Trustee;
 - 4.2.2 the applicant providing (if the applicant chooses to do so) the Tax File Number of the applicant and an acknowledgement by the Trustee; and
 - 4.2.3 the applicant providing the nomination of a Nominated Beneficiary.
- 4.3 Each Eligible person shall also receive a copy of the Product Disclosure Statement that relates to this Deed as set out in Schedule F.
- 4.4 Each Eligible Person must complete and execute a Trustee Declaration in the current form approved by the Australian Taxation Office.
- 4.5 Each person, on acceptance of such application, shall be admitted as a Member.
- 4.6 Each person agrees that acceptance of their application to become a Member of the Fund constitutes an agreement by them to be bound by this Deed, by these Rules and they consent to acting as Trustee or as a director of the Trustee Corporation in a form consistent with the Superannuation Requirements.
- 4.7 The Trustee may impose, remove or vary any conditions on the rights and obligations of a Member.
- 4.8 Classification of Different Classes of Members;
 - 4.8.1 The Trustee may classify Members into different classes of Membership with rights and entitlements pertaining to each class as the Trustee may determine from time to time.
 - 4.8.2 The Trustee must advise a Member of any class of Membership to which that Member belongs and of the rights and entitlements pertaining to that class and of any subsequent change to that class or rights.
 - 4.8.3 If the Trustee does not create different classes of Membership, then all Members will be classified as ordinary Members in one class of Membership.

5. CONTRIBUTIONS, INVESTMENTS AND BORROWINGS

- 5.1 The Trustee may accept or refund any Contribution as is permitted by the Superannuation Requirements.
- 5.2 Contributions may be paid either in cash or in specie or in any other way that is not prohibited by the Superannuation Requirements.

- 5.3 In the absence of any agreement to the contrary, a Member is not under any obligation to make a Contribution to the Fund in respect of any Fund Year and a Member may remain a Member notwithstanding that a Contribution is not made in respect of that Member in respect of any Fund Year.
- 5.4 The Contributions to the Fund shall be invested as a common fund by or on behalf of the Trustee in the Trustee's own name or in the name of a nominee selected by the Trustee in any of the following investments, property or modes of investment (with liberty to the Trustee at any time and from time to time to vary and transpose the same) namely:
- 5.4.1 In any investment for the time being authorized by the laws of the Commonwealth of Australia or any of the States or Territories thereof for the investment of trust funds as authorised by the Superannuation Requirements;
 - 5.4.2 In the purchase or acquisition of or any mortgage or charge of real property (whether income producing or not) wheresoever situated or any other estate or interest therein (including but not limited to units in a property trust or in a unit trust) and even though the mortgage or charge exceeds two thirds of the value of the land or does not rank as a first charge on the land;
 - 5.4.3 Subject to Clause 5.5 on deposit or loan at interest or otherwise with any bank, building society, company, body corporate, or person with or without security and upon such terms as the Trustee may think fit;
 - 5.4.4 In the shares or stock of any class or the bonds, debentures, debenture stock, notes or other securities or obligations howsoever called of any company or body corporate;
 - 5.4.5 In units of any unit trust;
 - 5.4.6 In policies of insurance or assurance whether by purchase or otherwise on the life, ability to work, capacity or trauma of any person;
 - 5.4.7 In any investment in property (wherever situate) or any other form or mode of investment from time to time approved by the Trustee as allowed under the Superannuation Requirements.
- 5.5 No loan or other investment shall be made to a Member, or a Dependant, or other associate of a Member, other than on an arms-length basis, except as may be permitted by the Superannuation Requirements.
- 5.6 Subject to clauses 5.7 and 5.8 the Trustee shall not borrow monies except to secure temporary finance for the purposes of the Fund by way of overdraft with an eligible bank (as defined in the Superannuation Requirements) or where otherwise permitted by the Superannuation Requirements.
- 5.7 Notwithstanding any other provision of this Deed the Trustee is permitted to borrow monies for the purposes of the Fund as permitted by sections 67, 67A and 67B of the SIS Act.
- 5.8 The Trustee shall, for the purposes of the Fund and as permitted by the Superannuation Requirements, be able to:
- 5.8.1 Borrow moneys from any persons, firms, corporations, bodies, associations or governmental or municipal bodies for the purposes of acquiring an asset (other than an asset that the Trustee is prohibited by the Superannuation Requirements from acquiring) upon such terms with or without security or interest as the Trustee deems fit and to give, or to authorise the

giving of security by mortgage, charge (whether fixed or floating) or otherwise over the asset. The rights of the mortgagee or chargee shall take priority in all respects over the rights of the beneficiaries hereunder and all other persons whatsoever.

- 5.8.2 Open any account or accounts with any financial institution and to operate such account or accounts and to draw, make, accept, endorse, discount, issue or otherwise deal with any Promissory Note, Bill of Exchange, Bill of Lading, Cheque or other negotiable or transferable instrument.
- 5.8.3 In writing, delegate the exercise of all or any of the powers or discretionary authorities hereby conferred on the Trustee and execute any powers of attorney or other instruments necessary to effectuate such purpose.
- 5.8.4 Generally to exercise or concur in exercising all powers and discretions contained in this Deed or otherwise by law conferred notwithstanding that any person being a Trustee or any person being a director or shareholder of a Trustee hereof (being a company) has or may have a direct or personal interest (whether as trustee of any other settlement or in his personal capacity or a shareholder or director or Member or partner of any company or partnership or as a unit holder in any Unit Trust or beneficiary of any Discretionary Trust or otherwise howsoever) in the mode or result of exercising such power or discretion or may benefit either directly or indirectly as a result of the exercise of any such power or discretion and notwithstanding that the Trustee for the time being is the sole Trustee.
- 5.8.5 To appoint any person as custodian to hold legal title for any asset acquired or to be acquired by the Trustee in such terms as the trustee thinks fit.
- 5.8.6 To give indemnities to or on behalf of any person the Trustee thinks fit.

6. ACCOUNTS, REPORTS AND RECORDS

- 6.1 The Trustee shall keep and retain, all administrative, financial and other records for the Fund as are required by the Superannuation Requirements (currently stated for a minimum of 10 years).
- 6.2 The Trustee shall maintain an account in respect of each Member to which contributions in respect of a specific Member shall be credited and which shall accumulate and comprise the **Members Equitable Share**.
- 6.3 As at the Balance Date the Trustee shall ascertain, as nearly as practicable, the net accretion to or diminution of the value of the Fund. The Trustee shall determine the amount to be credited to Members, including Pension accounts on a basis that is fair and equitable having regard to:
 - 6.3.1 Contributions by or for the Member and the date upon which they were made;
 - 6.3.2 The balance of the Member's account at the immediately preceding Balance Date;
 - 6.3.3 If the Member was admitted to the Fund after the immediately preceding Balance Date, the date upon which he or she was admitted;
 - 6.3.4 Any liability or provision for taxation in relation to contributions to the Fund or dealings of the Fund;

6.3.5 The Superannuation Requirements.

The Balance shall be transferred to reserve accounts.

- 6.4 The Trustee may establish any number of Reserve accounts for any purposes including income stabilisation and contingency provisioning and may transfer amounts to and from Reserve accounts as appropriate including but not limited to:

6.4.1 Transactions with the Members accounts;

6.4.2 Transactions with General Members Fund account;

6.4.3 Transactions with Pension account;

6.4.4 Transactions with Pension Reserve account;

6.4.5 Transactions with net accretion or diminution of fund value.

- 6.5 A Members Equitable Share may be split in accordance with the prevailing regulations and the Superannuation Requirements and accumulated alternately to the spouse of the Member either within the Fund itself to their own account or rolled over to another Member account within an approved fund. This splitting shall happen once a year at most and shall be calculated on the net taxed contributed benefits for that Member over the previous 12 months to a maximum of 100%.

- 6.6 The Trustee must comply with any order or agreement made pursuant to an order of any court in Australia with jurisdiction to make an order under Part VIII B of the *Family Law Act* in relation to the splitting of a superannuation interest of a Member with the Member's spouse on the breakdown of marriage or domestic relationship. The manner of splitting of superannuation interest, with spouse, must be in accordance with the Superannuation Requirements.

- 6.7 The Trustee must allocate any sum owed to a spouse of a Member pursuant to clause 6.6 above to a separate account until it is paid out to the non-Member spouse; or, if the spouse is a Member, until the amount is transferred to the spouse's Member Equitable Share (see Clause 6.2). If the non Member spouse so directs in writing and nominates a roll over fund, the Trustee must roll-out or transfer the assets of the Fund to another complying superannuation fund and prepare any required documents (e.g. a rollover ETP) for the receiving superannuation fund.

- 6.8 The Trustee may upon request pay a non Member spouse directly in the form of a lump sum, if the non Member spouse has satisfied a condition of release under the Superannuation requirements.

7. LIMITATIONS OF BENEFITS

- 7.1 Notwithstanding anything expressed or implied to the contrary in these Rules, no Benefit shall be paid to or in respect of a Member which, in the opinion of the Trustee, would prejudice the taxation concessions available to the Fund or result in any breach or non-compliance with the Superannuation Requirements.

- 7.2 The Trustee may deduct any tax or other statutory charges from Benefit payments.

8. NO CHARGING OF MEMBERS INTEREST

- 8.1 A Member shall not charge or otherwise deal with their interest in the Fund.
- 8.2 If a Member charges or otherwise attempts to deal with the whole or any part of their Equitable Share, or is otherwise unable to deal with the interest then their Equitable Share (to the extent permitted by the Superannuation Requirements) shall be forfeited and the Trustee may thereupon at any time pay or apply a Benefit to such one or more of such Member's Dependents (to the exclusion of the others or other of them) as the Trustee, in the Trustee's absolute discretion, shall determine and any balance not so applied by the Trustee shall be applied as a benefit forgone; PROVIDED THAT no Benefit shall be paid to or in respect of a Member if such payment constitutes a breach of the Superannuation Requirements.

9. APPOINTMENTS OF ACTUARY, AUDITOR, CUSTODIAN, INVESTMENT MANAGERS AND QUALIFIED ADVISORS

- 9.1 The Trustee must if necessary appoint an Actuary, who is a Fellow of the Institute of Actuaries of Australia or a firm or company of Actuaries of which at least one Member or director is such a Fellow to provide actuarial advice from time to time.
- 9.2 Appointment of the Auditor
 - 9.2.1 The Trustee must appoint in writing an Auditor to perform an audit of the Fund under the Superannuation Requirements;
 - 9.2.2 The Trustee must agree with the Auditor on the scope of the audit to be conducted which should include;
 - 9.2.3 The Auditor's reporting obligations under the Superannuation Requirements;
 - 9.2.4 Verification of the Fund's assets, their legal title and their valuation; and
 - 9.2.5 Verification of Member's benefits.
- 9.3 The Trustee may appoint in writing a Custodian to carry out custodial services on behalf of the Fund subject to compliance with the Act for such period and on such terms and conditions as the Trustee determines.
- 9.4 The Trustee may appoint in writing an Investment Manager to carry out the management of the investments of the Fund subject to compliance with this Deed and the Superannuation Requirements.
- 9.5 The Trustee may from time to time appoint any Qualified Advisors, consultants and officers to give advice that the Trustee considers desirable for the proper management and administration of the Fund.
- 9.6 The Trustee may revoke and remove from office any person appointed to any position under this Clause,

10. BENEFIT - PAYMENTS

- 10.1 The Trustee must ensure that the Fund is maintained solely for the purpose of providing the Benefits described in this Deed.
- 10.2 Benefits are payable to or for a Member

- 10.2.1 on or after the Member's Normal Retirement Age; or
 - 10.2.2 at any age of the Member and whether the Member is working full time or part time as permitted by the SIS Act or SIS Regulations; or
 - 10.2.3 on death before or after the Member's Normal Retirement Age; or
 - 10.2.4 in such other circumstances, including Permanent Disability or Temporary Disability, as are permitted or required by the Superannuation Requirements.
- 10.3 The payment of any Benefit is subject to the persons claiming that Benefit producing such evidence, doing such acts and executing such documents as the Trustees reasonably require, and the Trustees may postpone the payment of any Benefit until the requirements of this clause have been met to their satisfaction.

11. TYPES OF BENEFITS

- 11.1 Subject to the Superannuation Requirements, the following Benefits may be provided to a Member:
- 11.1.1 a lump-sum Benefit;
 - 11.1.2 pensions in various forms, including reversionary pensions complying with the Superannuation Requirements (including transition to retirement) such as:
 - i. Account based pensions
 - ii. Other pensions permitted under the Superannuation requirements including
 - allocated pensions
 - market linked pensions (not commencing after July 2007)
 - 11.1.3 an annuity from a fund approved under the Superannuation Requirements;
 - 11.1.4 a combination of the above Benefits which may include more than one;
 - 11.1.5 In any other form as permitted under the Superannuation Requirements.
- 11.2 Benefits may be paid in cash or, with the agreement of the Member, by in specie transfer of other property held within the Fund to the extent that this does not conflict with the Superannuation Requirements.

12. VALUE OF BENEFIT

- 12.1 The value of a Benefit payable to or for a Member is ascertained with reference to the Member's Equitable Share at the date of the event that gives rise to the Benefit being payable.
- 12.2 If the Trustee considers the payment of a lump sum Benefit has been unduly delayed, the Trustee in their sole discretion may add interest to the Benefit on the date of payment, calculated from the date the entitlement to the Benefit arose to the date of payment, at such rate or rates as they may determine.

13. DEFFERAL OF BENEFIT PAYMENT

- 13.1 If a Member who is entitled to a Benefit requests deferral of payment, the Trustees may defer payment of all or part of that Benefit for as long as the Trustee determines, subject to the Superannuation Requirements and any request made by the Member in this respect.

14. DEATH BENEFITS

- 14.1 A Death Benefit is payable from the Fund in respect of a Member when the Member dies.
- 14.2 The Death Benefit is the balance of the Members Equitable Share as at the date upon which payment is made ("Members Equitable Account Balance") inclusive of any insurance payment received under Clause 22.1 consequent upon the death of the Member.

15. DEATH BENEFITS AND BINDING NOMINATIONS

- 15.1 A Member may give the Trustee a binding nomination in a written notice, in the form set out in Schedule C or in such other form as is prescribed or is accepted by the Trustee, requiring that the Trustee pay Benefits arising on the death of the Member to a person or persons specified in the notice, being the Legal Personal Representative and/or the Dependants of the Member and in such manner or form specified in the notice.
- 15.2 Such a binding nomination may relate to the type, amount and proportions of different components of the Benefits to be paid upon a Member's death.
- 15.3 A Member may vary or revoke any such binding nomination at any time in writing prior to the Member's death, according to the Superannuation Requirements.
- 15.4 The Trustee must ensure that the instructions contained in the binding nomination are followed as required by the Superannuation Requirements.
- 15.5 A binding nomination made pursuant to this clause will, unless otherwise specified in writing, be a non-lapsing indefinite binding nomination.
- 15.6 A binding nomination made pursuant to this clause can be made with respect to a specific asset or assets of the Fund with a value, as determined by the Trustee, which when combined with the value of any other nomination(s) of the Member is equal to or less than the Member's Equitable Share at the time of the Member's death.
- 15.7 When determining the value of a specific asset or assets of the Fund pursuant to sub clause 15.6 above the Trustee will, if the value of the asset is not readily ascertainable, engage an appropriately qualified person or persons to determine the value of the asset.
- 15.8 In the event that a Binding Nominee nominated pursuant to clause 15.1 above does not survive the Member, or, for any reason cannot take from the Member who has made the nomination, then the Trustee should make payment of the said Benefits on the Member's death to the Alternate Binding Nominee(s), if any, in the form as set out at Schedule C. Should any such Alternate Binding Nominee not survive the Member or, for any reason, not be able to take the benefit under the nomination then the Trustee may make payment of Benefits on the Member's death to the Member's estate or to such other person(s) so permitted under the Superannuation Requirements..

16. DEATH BENEFITS AND NON-BINDING NOMINATIONS

- 16.1 A Member may provide the Trustee with a non-binding written nomination in the form set out at Schedule D or in such other form as is prescribed or is accepted by the Trustee, stating how the Member wishes the Trustee to pay Benefits arising on the death of the Member among the person or persons specified in the notice, being the Legal Personal Representative and/or the Dependants of the Member or Beneficiary.
- 16.2 Where the Member has not made a binding nomination under the Superannuation Requirements, the Trustee may make any determination relating to the type, amount and proportions of different components in any Benefit and pay a Member's Benefit on the Member's death to:
- i. A Member's Dependant;
 - ii. A Member's legal personal representative on trust for the Member's estate (even though there are Member Dependants);
 - iii. The Non-Binding Nominated Beneficiaries; or
 - iv. A combination of the person or persons referred to in (i)-(iii) above in the proportions that the Trustee, in its absolute discretion, determines.
- 16.3 A Trustee is not bound to pay Benefits on a Member's death to the nominated parties of a non-binding nomination.
- 16.4 A Member may by notice in writing given to the Trustee at any time revoke a Non-Binding Death Benefit Notice.
- 16.5 A Member may at any time give the Trustee a subsequent Non-Binding Death Benefit Notice and the receipt of such subsequent notice shall revoke a prior notice given to the Trustee.
- 16.6 A Non-Binding Death Benefit Notice will not lapse by reason only of the passage of time.

17. TOTAL AND PERMANENT OR TEMPORARY DISABLEMENT

- 17.1 Subject to the provisions of this Deed the Trustee may, in their absolute discretion, pay a benefit on Total and Permanent Disablement, or Temporary Disablement to a Member or any one or more of the Dependants. Such benefit shall be sourced from the Members Equitable Share.
- 17.2 The Member may elect to receive the Permanent Disablement Benefit as a lump sum or as a Pension or in the purchase of an Annuity or partly as one or more of those forms.
- 17.3 In the event that a Member is incapable of making an election as a result of the incapacity or otherwise, the election may be made on behalf of the Member by the Trustee.
- 17.4 In the event that a Member is entitled to receive from the Fund a Temporary Incapacity Benefit then the Benefit must be paid to a Member as a Non-commutable Income Stream in a manner that is required or permitted by the Superannuation Regulations.
- 17.5 The component of any Benefit payable to a Member under this clause that derives from a payment under a Policy of Insurance shall be paid on such terms as the Insurer may prescribe or as the Insurer may agree with the Trustees.

18. OTHER BENEFIT PAYMENTS

- 18.1 A Member will be entitled to receive, and to request payment of, any other Benefit that the Trustee is permitted by the Superannuation Requirements to pay to the Member upon the Member satisfying a Prescribed Event, including benefits on account of:
- 18.1.1 The Member being a temporary resident permanently departing Australia;
 - 18.1.2 The Member suffering severe financial hardship; or
 - 18.1.3 Compassionate grounds.
- 18.2 Unless otherwise expressly provided in this Deed or required or prohibited by the Superannuation Requirements, the amount of the Benefit and the manner in which it is paid to or in respect of the Member must be determined by the Trustee subject to the Superannuation Requirements but must not exceed the balance of the Members Equitable Share as advised to the Member by the Trustee.
- 18.3 If a Member was the holder of an eligible temporary resident visa within the meaning of the Superannuation Requirements that has expired or that has been cancelled and the Member has departed Australia, the Trustee must upon receiving a request from the Member and being satisfied of the foregoing pay that Member's Benefit to that Member as a single lump sum in a time and manner as permitted by the Act and after withholding or deducting any Taxation or other charges that the Trustee is required or entitled to withhold or deduct.

19. PENSION BENEFITS

- 19.1 Pension
At the Members request the Members Equitable Share can be used to provide a Pension to the Member instead of a lump sum benefit including the forms of pension set out at Clause 11.1, subject to the requirements of this Deed and the Superannuation Requirements.
- 19.2 Flexibility of Pensions
At a Member's request the Trustee may allow a Member to stop any pension, vary any pension and start any type, manner or form of new pension for any purpose including cash flow, estate planning or other reasons subject to the sole purpose test and subject to this Deed and the Superannuation Requirements.
- 19.3 A Pensioner shall not charge or otherwise deal with their interest.

20. ANNUITIES

- 20.1 The Trustee is absolutely empowered to provide any pensions by way of an annuity purchased by the Trustees in the name of the Member or in the name of the Member and one or more of the Member's Dependants. This is upon such terms as the Member and the Trustees may agree, subject to the Superannuation Requirements.
- 20.2 Where the Member, Dependant or beneficiary is:

20.2.1 a minor; or

20.2.2 in the Trustees' view, of unsound mind or incapable of managing their own affairs, or

20.2.3 no agreement is reached as to the terms of an annuity;

then in all of these cases the Trustees, at their discretion, may determine the nature and terms of the annuity.

21. REVERSIONARY PENSION

21.1 Where, pursuant to this Deed, a reversionary Pension is payable to a Spouse or other Dependant of a Member, the Reversionary Pension shall (subject always to any limitations imposed by the Superannuation Requirements) be equal to 100% of the pension which would otherwise have been payable to such Member, or at the discretion of the Trustee, such higher proportion as is acceptable under the Superannuation Requirements.

22. ADDITIONAL BENEFIT PAYABLE ON DEATH OR DISABLEMENT

22.1 The Trustee may insure the lives of one or more Members for benefits to be payable on the death or disablement of the relevant Member or Members and in the event of such death or disablement the Trustee shall credit the relevant Member's Account with the amount received from the insurer. For the purpose of such insurance the Trustee may enter into a covenant with the trustee or manager of any Group Master Policy arranged by that trustee and manager for Members of superannuation funds including Members of the Fund and pay premiums to that trustee or manager and receive insured benefits upon claims for the death or disablement of a Member of the Fund.

23. BENEFITS FOREGONE

23.1 In any event where a Member's entitlement to a Benefit is forfeited (in whole or in part) pursuant to these Rules and the Benefit foregone is not applied to some other person or persons pursuant to these Rules, that Benefit foregone shall then be applied by the Trustee for the benefit of other Members of the Fund or to some other purpose in compliance with the Superannuation Requirements.

24. PAYMENT TO OTHERS ON BEHALF OF BENEFICIARIES

24.1 When any person entitled to payment by the Trustee is under the age of eighteen years or under some other legal disability, the Trustee may pay all or part of any Benefit to a trustee, parent or guardian for application on behalf of the person and/or to that person's Dependents and the receipt by the trustee parent or guardian shall be a complete discharge to the Trustee for such payment. The Trustee shall not be bound or concerned to see to the application of any benefit so paid.

25. BENEFITS - PAYMENTS

25.1 A Pension shall commence on the day following the event which gave rise to its payment, and shall be paid at least annually.

25.2 A Pension, not including a reversionary pension, shall terminate on:

- 25.2.1 The death of a Pensioner; or
- 25.2.2 Payment of a sum equal to the Member's Equitable Share;
- 25.3 A reversionary pension shall terminate on payment of a sum equal to the Member's Equitable Share
- 25.4 On establishment of a pension benefit to be paid by the Fund, the Trustee may –
 - 25.4.1 Establish a separate pension account from the Members Equitable Share
 - 25.4.2 Segregate assets representing the Pension Account (and/or any Pension Reserve Account) and split these to current and non-current pension assets.
- 25.5 Where a pension is to be paid then a Pension Reserve account may be established and the Trustee may conduct the following transactions via the Pension Reserve Account:
 - 25.5.1 Transfers In
 - i. Funding requirements identified by the Trustee for payment of the pension;
 - ii. Appropriate net accretion of Fund value;
 - iii. Other appropriate funding sources including insurance proceeds and Reserve Account balances.
 - 25.5.2 Transfers Out
 - i. Payments to any beneficiaries of the relevant pensions;
 - ii. Appropriate net diminutions of fund value including taxes, charges and Trustee indemnity and remuneration payments;
 - iii. Appropriate Reserve Account transfers and other equitable adjustments.

25.6 Trustee May Approve Commutation

If requested by the person entitled to receive the Pension, the Trustee may (in the Trustee's absolute discretion) commute to a lump sum benefit any amount that is permitted by the Superannuation Requirements, and the residual Pension shall be payable pursuant to these Rules.

25.7 Deductions from Benefits

Where income tax or other taxes and duties may be payable in respect of contributions to the Fund, earnings of the Fund or payments from the Fund, and:

25.7.1 The obligation for payment of the taxes or duties is that of the Trustee; or

25.7.2 The obligation for payment of the taxes or duties is that of the Member, but the Member requests and the Trustee agrees to make the payment on behalf of the Member;

then, in either case, the Trustee shall reduce the Equitable Share of the Member or the payment to the Member by the tax or duty paid on a basis that is fair and equitable as between all of the Members and as the law requires.

26. BENEFITS - GENERAL

- 26.1 Subject to divestiture or splitting pursuant to the Rules relating a Member has the sole beneficial interest in the Equitable Share of that Member from time to time.

- 26.2 With the agreement of the Member or Dependants of the Member the Trustee may transfer an investment asset or assets in specie to a Member which is equivalent to a cash entitlement payable to that Member.

27. BENEFITS – RESTRICTIONS ON PAYMENTS

- 27.1 Benefits may only be paid in accordance with the Superannuation Requirements. Preserved Benefits and Restricted Non-Preserved Benefits can only be paid where a Condition of Release is met.

28. TRANSFERS AND ROLLOVERS TO AND FROM OTHER FUNDS

- 28.1 With the consent of the Member concerned the Trustee may transfer the whole or part of the Equitable Share of such Member to another Superannuation Fund approved by the Trustee for the purpose of this Clause, to an Approved Deposit Fund, to a Rollover Fund or to a deferred annuity nominated by such Member and the Trustee may impose such terms and conditions relating thereto as the Trustee thinks fit in order that the taxation concessions available to the Fund shall not be prejudiced. Upon such transfer being effected the Trustee shall in regard thereto be released and discharged in respect of the Equitable Share (or the part thereof) transferred.
- 28.2 The Trustee may receive into the Fund moneys or other assets in respect of a Member from the Trustee of another Superannuation Fund or an Approved Deposit Fund as defined in the Superannuation Requirements or to a deferred annuity nominated by such Member and shall increase that Member's Equitable Share accordingly PROVIDED THAT no Benefit representing such Equitable Share or part thereof shall be paid to or in respect of a Member at a time earlier than would have been the case under the provisions of the fund from which the money or other assets were transferred as aforesaid.

29. TRUSTEE

- 29.1 The Trustee must at all times be a person, one or more persons, a Constitutional Corporation or such other persons or bodies as satisfy the Superannuation Requirements.
- 29.2 Where the Trustee is a Constitutional Corporation, it must be at all times:
- 29.2.1 While there is only one Member:
- i. a Constitutional Corporation, the Director of which is the Member; or
 - ii. a Constitutional Corporation, the Directors of which are the Member and a another person who is a Relative of the Member; or
 - iii. a Constitutional Corporation, the Directors of which are the Member and another person who is not a Relative of the Member where the Member is not an Employee of the other person;
- 29.2.2 while the fund has more than one Member but less than five Members, a Constitutional Corporation of which all the Directors are the Members.
- 29.3 Where the Trustee is not a Constitutional Corporation, it must be at all times
- 29.3.1 while there is only one Member:

- i. the Member and another person who is a Relative of the Member acting as Individual Trustees; or
 - ii. the Member and another person who is not a Relative of the Member where the Member is not an Employee of the other person, acting as Individual Trustees;
- 29.3.2 while the Fund has more than one Member but less than five Members, all the Members acting as Individual Trustees.
- 29.4 The Trustee shall not be under any personal liability in respect of any claim, liability, cost, loss, damage or expense incurred by or arising out of any act or omission in connection with this Deed or relating to the Fund or the exercise or performance of the Trustee's powers, discretions and duties. The Trustee will however, not be exempt from and will accordingly be liable for any claim, liability, cost, loss, damage or expense which is a direct result of an act or omission by the Trustee involving:
 - 29.4.1 The Trustee failing to act honestly in any matter concerning the Fund;
 - 29.4.2 The Trustee intentionally or recklessly failing to exercise, in relation to any matter affecting the Fund, the degree of care and diligence that the Trustee was required to exercise; or
 - 29.4.3 The Trustee incurring liability for a monetary penalty under a civil penalty order.
- 29.5 The Trustee shall have a lien on and may use any moneys in the Fund for the purposes of such indemnity and generally for the repayment of all proper legal and other costs, charges and expenses of administering or winding up the Fund and otherwise of performing the Trustee's duties under the Rules. The indemnity hereby provided shall apply to any payment made on the death of a Member to any person whom the Trustee bona fide believed to be entitled thereto.
- 29.6 A majority of Members may at any time by notice in writing remove the Trustee or appoint a new Trustee provided that whenever a vacancy occurs in the office of Trustee the Members shall by notice in writing fill the vacancy within the manner and time frame required by the Superannuation Requirements.
- 29.7 In the event that a member loses their mental capacity to act as a trustee, and:
 - i) The trustee is a personal trustee their Legal Personal Representative is to assume powers and authorities as Trustee until such time as the member regains capacity and as permitted by the Superannuation requirements;
 - ii) They are a Director of the corporate trustee and
 - a. they are the sole Director of the corporate trustee, their Legal Personal Representative is to assume powers and authorities as Trustee until such time as the member regains capacity and as permitted by the Superannuation requirements
 - b. there are 2 or more directors of the Corporate Trustee then the remaining directors can continue to act as directors of the Corporate Trustee in the absence of need to appoint a new director or may appoint a new director as permitted by the Superannuation requirements
- 29.8 The Trustee shall be entitled at any time to resign as Trustee of the Fund provided that such resignation is recorded in writing.
- 29.9 In the event that a Trustee becomes disqualified under the SIS Act or any other relevant Act they cease to be a trustee of this Fund immediately.

- 29.10 A vacancy in the office of a Trustee for the purposes of clause 29.6 above shall occur on the resignation of a Trustee, the removal or disqualification of a Trustee in accordance with the Superannuation Requirements or upon the death of the Trustee.

30. ALTERATIONS TO RULES

- 30.1 These rules may from time to time be amended, altered or varied by the Trustee by resolution or deed and such amendment alteration or variation may in like manner be amended, altered or varied PROVIDED THAT:

30.1.1 no such amendment, alteration or variation shall operate to divest a Member of the Members Equitable Share;

30.1.2 such alteration otherwise accords with the Superannuation Requirements.

31. TERMINATION OF THE FUND

- 31.1 If the Trustee so resolves the Fund shall terminate and shall be wound up in favour of the Members in such manner as the Trustee shall think equitable PROVIDED THAT no Benefit shall be paid or transferred to a Member except where the Trustee is satisfied that so to do is not in breach of the Superannuation Requirements.

32. APPLICATION OF THE ACT AND THE SUPERANNUATION REQUIREMENTS

- 32.1 If at any time there is any inconsistency between the provisions contained in the Rules of the Fund and the Superannuation Requirements and such inconsistency would otherwise render the Fund a non-complying fund under Superannuation Requirements, the Superannuation Requirements shall prevail and such requirements of the Superannuation Requirements shall be deemed to be incorporated in the Rules of the Fund as if they were transcribed in full in these Rules.

SCHEDULE A

ESTABLISHMENT DETAILS

DATE OF DEED	24 th Day of April 2013
CREATOR	Super Wenham Retirement Pty Ltd ACN 163 442 948 of 101 Beaumont Street, Hamilton NSW 2303
TRUSTEE	Super Wenham Retirement Pty Ltd ACN 163 442 948 of 101 Beaumont Street, Hamilton NSW 2303
NAME OF FUND	Wenham Retirement Trust Fund
PROPER LAW GOVERNING FUND	The Law of the State of New South Wales

SCHEDULE B

Wenham Retirement Trust Fund

APPLICATION FOR MEMBERSHIP AND CONSENT TO ACT

TO: THE TRUSTEES, Wenham Retirement Trust Fund

AGREEMENT AND UNDERTAKING

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

- (a) If I am 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 have read the Trust Deed, the rules and the product disclosure statement (of which all comprise "The Trust Deed") and agree to 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 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 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.
- (g) My TFN is _____
- (h) I agree to act as a Trustee for the Fund or to act as a Director of the Corporate Trustee.

Name:	
Address:	
Date of Birth:	
Occupation:	
Membership Class:	
Membership Number:	

Signature of Member

Date

SCHEDULE C

FORM OF NOMINATION

BINDING DEATH BENEFIT NOMINATIONS FOR CLAUSE 15

Information about binding directions

The operation of the Fund, of which you are a Member or are being invited to be a Member, is governed by a document called a Trust Deed. The Trustee of the Fund is bound to act in accordance with the requirements of the Trust Deed in administering the Fund.

Under the Trust Deed, the Trustee has a discretion to decide whether, in the event of your death, to pay the death benefit which is payable, to your estate or to dependants of yours, and, in what proportions. The Trustee also has the discretion to transfer specific assets of the Fund to your estate or dependants in lieu of a monetary amount.

However, the Trust Deed also enables you to override the Trustee's discretion by you giving a binding direction to the Trustee. This is a direction to the Trustee to pay any death benefit payable either to your estate or to dependants specified by you and in the proportions that you specify.

You may either elect for the Trustee to exercise the discretion given to it to decide who to pay your benefit to, in the event of your death, or you can give a binding direction to the Trustee by completing the direction(s) in this Nomination. Your direction can specify to whom your death benefit is to be paid or transferred to in the first instance (your Binding Nominees) as well as to whom it is to be paid or transferred to in the event that your Binding Nominee(s) have predeceased you (your Alternate Binding Nominee(s)).

Important points about binding directions

If you decide to give a binding direction by completing this Nomination, it is important for you to note the following:

1. You can only direct the Trustee to pay the benefit either to your estate or to the dependants that you specify on this Nomination (or both).
2. If you wish to give such a direction to the Trustee, you must specify the percentage of your total death benefit or specific asset or assets which are to be paid or transferred to each of the estate or your dependants.
3. You can confirm, amend or revoke this Nomination at any time by giving written notice to the Trustee.
4. If, on this Nomination, you direct the Trustee to pay or transfer any part of your death benefit to a person who is not a dependant (as described below), your direction will be void and of no effect and the Trustee will be required to decide who to pay your death benefit to.
5. For the purposes of the Trust Deed, a dependant is
 - a spouse of a Member
 - any children of a Member
 - a person in an Interdependency Relationship with you (as explained below)
 - any other person (whether related to the Member or not) who is financially dependent on the Member

"Spouse" includes a de facto spouse and "children" includes step-children, adopted and ex-nuptial children.

Under the Superannuation Industry (Supervision) Act 1993 and Regulations, two persons, whether or not they are related by family, will have an Interdependency Relationship if:

- (a) they have a close personal relationship; and
- (b) they live together; and
- (c) one or each of them provides the other with financial support; and
- (d) one or each of them provides the other with domestic support and personal care.

If two persons have a close personal relationship but do not satisfy the other requirements mentioned because either or both of them suffer from a physical, intellectual or psychiatric disability, they still have an Interdependency Relationship. The Superannuation Industry (Supervision) Regulations also may specify matters that are or are not to be taken into account in determining whether two persons have an Interdependency Relationship and the circumstances in which two persons have or do not have such a relationship. If you believe the provisions relating to Interdependency Relationships might be applicable in your circumstances, we suggest you seek appropriate legal advice.

Generally, if you have any doubt as to whether a person you wish to nominate to receive any part of your death benefit is a dependant, you should seek legal advice before completing this Nomination.

6. For this Nomination to be effective, it must be signed and dated by you in the presence of 2 witnesses who are both at least 18 years old and neither of the witnesses can be a person who you have nominated to receive a part of your death benefit.

Important information for completion

1. In accordance with this Nomination Notice to be valid, it must be fully completed in accordance with the details below:

- Ensure the Nomination, Member Declaration and Witness Declaration are completed.
- The Beneficiaries named in this Nomination must be Dependants and/or your Legal Personal Representative.

As mentioned above, your Dependants are your spouse, de facto spouse and your children (including step, adopted and ex-nuptial children), and any other person financially dependent upon you at the time of your death. Your Legal Personal Representative is either the person named as your executor in your Will, or, if you do not have a valid Will at the date of your death, the person who applies for and has been granted letters of administration for your estate.

Should you wish to nominate your legal personal representative, please write "Legal Personal Representative" as the name of the Beneficiary.

- For each person nominated, you must provide both their relationships to you and the proportion of any benefit that is to be paid to each.
- The Nomination must be signed and dated by you in the presence of two witnesses aged 18 years or over. Both witnesses must also provide their date of birth, sign and date the Nomination. It is important to note that the witnesses cannot be persons nominated as beneficiaries.

2. If any of this information is not provided, then your Nomination may be invalid. The Trustee/s will contact you for clarification if this is the case.
3. It is not compulsory to complete this Binding Nomination. Details of who a death benefit can be paid to in the situation where there is no valid Nomination, can be found At Clause 16.2 of the Deed.

Binding Nominee(s) (Clause 15.1)		
<i>Name of Beneficiary</i>	<i>Relationship to you</i>	<i>Proportion of Benefit &/or asset to be transferred</i>
Total Allocation:		<u>100%</u>

Alternate Binding Nominee(s) (Clause 15.8)

<i>Name of Beneficiary</i>	Alternate binding nominee	<i>Relationship to you</i>	<i>Proportion of Beneficiary Benefit</i>	<i>Proportion of Total Benefit</i>
Total Allocation:			<u>100%</u>	<u>100%</u>

Member declaration

I, _____ of _____, _____
as a Member of the Fund, direct the Trustees to pay my death benefit to the above persons in the proportions shown above.

I understand:

- I can amend or revoke this Nomination at any time by providing a new Nomination to the Trustee/s of the Fund, signed and dated by myself in the presence of two witnesses who are aged 18 years or over;
- This Nomination revokes and amends any previous notice supplied to the Trustee/s of the Fund in regard to my nominated beneficiaries;
- If this Nomination is not correctly completed, it may be invalid.
- If I have nominated persons who are not "dependants" as explained above, the direction contained in the Nomination, will be void and of no effect and the Trustee will have a discretion as to when the benefit is payable and in what proportion.

I acknowledge that I have been provided with information by the Trustee/s of the Fund that enables me to understand my rights to direct the Trustee/s to pay my Death Benefit in accordance with this Nomination.

Signature of Member	Date
---------------------	------

Witness declaration

We declare that:

- this Nomination was signed by the Member in our presence;
- we are aged 18 or more; and
- we are not named as beneficiaries.

Signature of Witness	Date
Name of Witness	Address of Witness

Signature of Witness	Date
Name of Witness	Address of Witness

SCHEDULE D

FORM OF NOMINATION

NON-BINDING DEATH BENEFIT NOMINATION FOR CLAUSE 16

<p>I nominate the following persons to receive the benefit, payable by the Trustee of the Fund, when I die. I understand that the Trustee is not bound by this nomination:</p>		
"My Estate" or Full Name of Nominated Beneficiary	Relationship (if not nominating "My Estate")	Entitlement - %
Total Allocation:		100%
Member's Signature:		

SCHEDULE E

Instructions and form for SMSF trustees

Trustee declaration

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



Read this declaration in conjunction with *Self-managed super funds – Key messages for trustees* (NAT 71128).

NAT 71089-12.2012



Australian Government
Australian Taxation Office

WHO SHOULD COMPLETE THIS DECLARATION?

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

You must also complete the declaration if you are a legal personal representative who has been appointed as trustee (or director of a corporate 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 *Self-managed super funds – key messages for trustees* (NAT 71128). It highlights some of the key points from the declaration and some important messages for you.

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 www.ato.gov.au
- phone us on 13 10 20.

If you're not familiar with some of the terms used in this declaration or you need more information, refer to

Running a self-managed super fund (NAT 11032).

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). When you complete this declaration, remember to:

WHAT SHOULD I 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 *Self-managed super funds – key messages for trustees* (NAT 71128), which is available on the ATO website, when making important decisions, such as those relating to choosing investments, accepting contributions and paying benefits.



Do not send your completed declaration to us.



Self-managed super fund trustee declaration

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

Fund name

Wenham Retirement Trust 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
- 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.

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 on behalf of the fund 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).

Accepting contributions and paying a benefit

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.

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 annual returns lodged
 - 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
 - accounts and statements that accurately record and explain the transactions and financial position of the fund
- ensure that an approved auditor is appointed within the prescribed period (currently this is no later than 31 days before the due date for lodgment of the fund's annual return but this may change to 45 days) to audit the fund for each income year, and provide that auditor with documents 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 in the
 - membership of the fund or trustees or directors in its entirety, by the due date
 - 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 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 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 Australian Prudential Regulation Authority (APRA) regulated funds in the case of financial loss due to fraudulent conduct or theft.

Trustee's or director's name

Trustee's or director's signature

Date

Day	Month	Year
□□ /	□□ /	□□□□

Witness' name (witness must be over the age of 18 years)

Witness' signature

Date

Day	Month	Year
□□	□□	□□□□

SCHEDULE F

**PRODUCT DISCLOSURE STATEMENT FOR SELF MANAGED
SUPERANNUATION FUNDS**

The Corporation Act 2001 (Cth) requires trustees to provide a Product Disclosure Statement to all prospective Members of a self managed superannuation fund.

Attach this Product Disclosure Statement to each Member's application form.

MEMBER DETAILS

At the day of execution of this Deed the address of The Trustees is 101 Beaumont Street, Hamilton NSW 2303.

INTRODUCTION

The trustee recommends that all Members obtain your own financial advice from a qualified financial advisor before joining this self managed superannuation fund or begin making contributions to this fund. All Members must obtain advice on their own suitability to join this fund, taking into account your financial situation, retirement needs and investment objectives.

This Product Disclosure Statement ("PDS") should not be taken as a recommendation to you to join this fund.

This PDS explains to Members the legal requirements of the SMSF, the impact of joining this superannuation fund and the risks and costs associated with this fund.

This PDS also explains how you can take your super as a lump sum and/or as a pension, how this fund is taxed and issues to take into account before you decide to invest in this superannuation fund.

This PDS first applies from 1 July 2011 and takes account of the Superannuation Requirements applicable at that date.

Please note this PDS is a summary of some of the more significant features of this Fund and your super lump sum and pension benefits. However, it is not a complete and exhaustive statement. If there is a conflict between this PDS and the Rules and/or the Superannuation Requirements, the Rules and more importantly the Superannuation Requirements will prevail over this PDS.

WHAT IS A SELF MANAGED SUPERANNUATION FUND

1. The *Superannuation Industry (Supervision) Act 1993 (Cth)* ("**SIS Act**") section 17A and the *Superannuation Industry (Supervision) Regulations 1994 (Cth)* ("**SIS Regulations**") define a self managed superannuation fund. A current copy of the SIS Act and Regulations is available on the government website.

A self managed super fund ("**SMSF**") is constituted by a trust deed and essentially SMSF's hold on trust the contributions and rollovers made to the fund for the benefit of its Members until the Members retire from gainful employment, they obtain preservation age, are permanently unable to work due to disablement or some other condition of release is triggered as defined in the rules, or alternatively for the benefit of the beneficiaries of the Member in the event of the death of a Member.

As a result of the compliance with the SIS Act and SIS Regulations the SMSF will receive concessional tax treatment under income tax legislation.

The Members may be individual trustees of the fund or they can form a corporation under the Corporations Act to act as trustee of the SMSF.

MEMBERSHIP OF THE FUND

2. A SMSF is required to meet the following conditions:

A SMSF with individual trustees as persons needs to ensure it;

- has fewer than 5 Members;
- each Member of the fund is a trustee;

- no Member of the fund is an employee of another Member of the fund, unless those Members are related;
- no trustee of the fund receives any remuneration for his or her services as a trustee.

A SMSF can also have a company as a trustee (i.e. a corporate trustee) if:

- the fund has fewer than 5 Members;
- each Member of the fund is a director of the company;
- no Member is an employee of another Member (unless related); and
- the trustee does not receive remuneration for their services as a trustee.

The requirement that all Members be trustees or directors of a corporate Trustee ensures that each Member is fully involved and has the opportunity to participate in the decision-making processes of the fund. This promotes true self-management.

SOLE PURPOSE TEST

3. Superannuation Funds must be created and maintained by the Trustees in accordance with the sole purpose test. Essentially this provides that the Funds purpose is to solely provide for the superannuation benefits of its Members.

The sole purpose test is divided into core and ancillary purposes. The SMSF fund, as a regulated Fund, must be maintained for at least one core purpose OR at least one core purpose and one or more ancillary purposes. It is unacceptable for a fund to be maintained for one or more ancillary purposes only.

Core purposes

An SMSF must be maintained for at least one of the following core purposes:

- paying benefits to Members on or after retirement from gainful employment
- paying benefits to Members when they have reached a prescribed age, or
- paying benefits to Members on the Member's death. (This may require the benefits being passed on to a Member's dependants or legal representative).

Ancillary purposes

Ancillary purposes for maintaining a fund are for the provision of benefits to Members in the following circumstances:

- termination of the Member's employment with an employer who, at any time, had made contributions to the fund for that Member
- cessation of employment due to ill-health (whether physical or mental)
- death of the Member after retirement where the benefits are paid to the Member's dependants or legal representative
- death of the Member after attaining a prescribed age where the benefits are paid to the Member's dependants or legal representative, and
- other ancillary purposes approved in writing by the Australian Prudential Regulation Authority, which may include financial hardship and/or on compassionate grounds.

BENEFIT PAYMENTS UNDER THE FUND

4. The Fund provides for superannuation in the form of accumulation benefits that may be paid once a Member satisfies a condition of release as imposed by the Superannuation Requirements, and can be taken either as, lump sums in cash or in specie, or pension benefits. From 1 July 2007 new account based pensions or allocated pensions, non-commutable allocated pensions ("AP"), market-linked pensions ("MLP") and non-commutable market-linked pensions (market-linked pensions are also called term allocated pensions ("TAP"); or any combination of lump sums and account-based pensions may be paid. All other pre-existing and complying flexi, life time etc pensions may be paid, if permitted under Superannuation requirements all pre-existing flexi, life time etc pensions may be paid by a SMSF but can no longer be commenced from a SMSF.

FAILURE TO COMPLY

5. There are substantial civil and criminal penalties that will apply in the event that Trustees or Members contravene, or are involved in a contravention of the Superannuation Requirements and in particular, not maintaining the sole purpose test. The trustees must inform the Responsible Authority within 21 days from ceasing to be a SMSF.

REGULATOR

6. The Australian Taxation Office ("ATO") the Australian Securities and Investment Commission (ASIC) and the Australian Prudential Regulation Authority ("APRA") regulates superannuation funds.

ADVANTAGES OF SETTING UP A SELF MANAGED SUPERANNUATION FUND

7. Some of the advantages of operating a self managed superannuation fund are:
 - individuals can have greater investment freedom;
 - individuals feel their moneys are safe if invested by them as trustees;
 - Members can participate in choosing the investment portfolio;
 - Members can actively participate in the management of the fund;
 - There are reduced formal reporting requirements;
 - Members can choose a retirement strategy custom made for them including influencing the timing of paying income tax on the income of the fund, Transfer In-specie contributions to the SMSF, and invest in direct property.

However, setting up a SMSF is not for everyone. Individuals considering setting up a self managed superannuation fund should familiarize themselves with the requirements of running a fund. It is also prudent to discuss this option with a professional adviser (e.g. a solicitor, accountant or financial planner) before taking the next step.

KEY RESPONSIBILITIES OF TRUSTEES

8. A trustee of a SMSF must act in accordance with:
 - the provisions of the SIS Act and regulations;
 - the Superannuation requirements as defined under the trust deed;
 - the Rules as set out under the trust deed; and

- other relevant legislation and law.
9. The Australian Taxation Office (by the Commissioner of Taxation) is responsible for enforcing compliance by the fund. A declaration ("**TRUSTEE DECLARATION**") is required to be completed for all new and existing trustees of a SMSF by the Australian Taxation. This declaration is required to be adhered to and completed by all new and existing trustees of a SMSF and is annexed as Schedule E of this Deed.

FURTHER OBLIGATIONS OF TRUSTEE

10. The above declaration does not necessarily provide an exhaustive coverage of all responsibilities of trustees for SMSF. Other obligations are imposed on trustees under different laws including the administrative requirements. Trustees need to be familiar with them and when in doubt about these requirements, professional advice should be sought.

COSTS OF OPERATING A SMSF

11. Annual compliance costs will apply to a SMSF and will include accounting, audit and income tax return preparation and lodgment. Trustees can employ professionals to administer some of these functions. The Audit must be conducted by a qualified auditor.
12. The SMSF may incur investment costs by employing a financial planner in helping them to formulate an investment strategy. Trustees may also incur costs in implementing the fund's investment strategy like share broker costs or if purchasing a property stamp duty and associated legal costs.
13. Trustees engaging accountants and advisors should be aware that the SIS Act is a complex Act and may change from time to time. It is imperative that the Trustees ensure that the professionals they retain have the skills and experience for the work.
14. A SMSF is generally taxed on its investment income, realised capital gains and on the concessional (deductible) contributions made by the Member, employer or some other person. However, a SMSF is entitled to claim deductions while earning its income, including the costs of certain life insurances, TPD and IP for its Members. There is no income tax paid on non-concessional (undeductible) contributions, or for spouse or child contributions.

Where an investment is held for more than one calendar year, the fund is entitled to reduction of the capital gain. This reduction is currently one third of the gross gain. A SMSF may reduce the amount of tax payable through its entitlement to income tax credits it receives (eg franking credits arising from franked dividends). Currently the tax rate that applies to SMSF is 15% on its taxable income.

A SMSF does not pay any income tax on investment income and realised capital gains that arise from assets which are used to support the payment of all types of pensions to Members.

If excess tax (highest marginal tax rate plus Medicare levy) is paid for over the cap concessional or non-concessional contributions, the tax on these contributions will be levied on the Member and the Member will transfer the tax liability to the fund which will pay the liability and debit the Member's account balance.

15. Any special income of the SMSF such as private company distributions, non arm's-length income and trust distributions is taxed at the rate of 45%.

16. As a Member you may request the trustee to obtain risk insurance cover so that in the event of your death or should you become totally and permanently disabled, or become totally and temporarily disabled, then an insurance benefit will be paid into your accumulation account in accordance with the relevant policy.
17. The costs of administering your SMSF will affect the net after cost returns of your SMSF.

ACCUMULATION BENEFITS

18. Each Member of the Fund may have one or more benefit account in a SMSF, for example: If the Member is being paid a pension and is also contributing to the fund, the Member may have an accumulation account and a pension account.

Concessional and non-concessional contributions and earnings of the fund are credited to the Members account and relevant expenses, insurance and taxes are debited to the account. Your Member's balance is the total of the opening balance and the result of the activities during the year.

The Member's balance can be used only for the sole purpose as set out in paragraph 3 above and not withdrawn before certain events.

19. Your spouse can also make a contribution for you. Your spouse may receive a tax rebate subject to an income test. The amount of rebate is dependent on the contribution made by your spouse and your assessable income.
20. Children under the age of 18 can become Members of a SMSF. Contributions may be made up to a prescribed amount (currently \$3000) in each 3 year period.
21. A trustee can also maintain a reserve account. This account is not for any specific Member. Proceeds from this reserve account may be used as prescribed under the SIS Act. This account may be used to smooth the investment returns credited to Member accounts over a period of time.
22. The Government has a co-contribution policy to provide superannuation contributions for low income earners which can also apply to self employed super Members. This provides for those persons with income below a prescribed amount and where the person makes a contribution of a prescribed amount to a complying fund from after tax income or non-concessional contributions then the government will contribute a prescribed sum which then tapers off as prescribed for income above, the prescribed amount to zero when the persons income reaches the ceiling amount.

The government contribution is not taxable to the SMSF and is treated as a non-concessional contribution if all the conditions imposed under the Co-Contribution scheme imposed by the government are met.

CONTRIBUTIONS

23. The two major categories of contributions are:
 - (a) Mandated employer contributionsThese are contributions made by an employer under a law or an industrial agreement for the benefit of a fund Member. They can include any of the following:
 - super guarantee contributions
 - super guarantee shortfall components
 - award-related contributions

- some payments from the superannuation holding accounts (SHA) special account.

A SMSF can accept mandated employer contributions for Members at any time. This means you may accept mandated employer contributions for a person regardless of the age of the person or the number of hours they are working at that time.

(b) Non-mandated contributions

These include voluntary super contributions such as the following:

- contributions made by employers over and above their *Superannuation Guarantee (Administration) Act 1992* or award obligations
- personal contributions made by employees
- personal contributions made by self-employed people
- other personal contributions and spouse contributions.

24. A SMSF can only accept non-mandated contributions in the following circumstances:

- For Members under 65 years of age, you can accept all types of contributions (within certain limits). However, you can only accept Member contributions if the Member's tax file number (TFN) has been quoted.
- For Members aged 65 but less than 70, you may accept non-mandated contributions where
 - the Member is gainfully employed on at least a part-time basis
 - the Member has quoted their TFN.
- For Members aged 70 but less than 75, A SMSF may accept non-mandated contributions where
 - the Member is gainfully employed on at least a part time basis
 - the Member has quoted their TFN, but you can only accept non-mandated employer contributions and Member contributions made by the Member

In both cases, the contribution needs to be received on or before the day that is 28 days after the end of the month that the Members turns 75.

25. SMSF must not accept any fund-capped non-concessional contributions in a financial year in respect of a Member that exceed the cap:

The non-concessional contributions cap is:

Income Year	Cap amount
2007/08	\$150 000
2008/09	\$150 000
2009/10	\$150 000 *

* From 1 July 2009 – 6 times the concessional contributions cap for the year

If the trustees receive and retains a higher non-concessional amount, the Member will have to pay excess contribution tax at 31.5%

26. If the fund receives any contribution inconsistent with the above rules, the SMSF must return the amount to the Member within 30 days of becoming aware that the amount was received in a manner that was inconsistent with the above rules.

27. The trustee may accept a contribution splitting request from a spouse to split 85% of all concessional (deductible) received from 1 January 2006 and 100% of non-concessional (undeductible) contributions received from 1 January 2006 up to 5 April 2007. Any splitting with spouse can only take place for contributions made in the preceding financial year.

28. Where certain conditions are met all contributions are deductible to the concessional cap limit for both employers and personal superannuation contributions
29. Since 1 July 2007 there are no age based limits, employers can claim a deduction for any amount of contribution for their employees or the self employed for themselves. Contributions made by an employer for an employee who is a Member of a complying fund will be fully tax deductible, even if the amount of the contributions exceeds the concessional contribution limit. Caps are shown at 31(a)

Any excess concessional contributions received by the superannuation fund will be subject to excess contribution tax and taxed at 31.5%. The Member may transfer this tax liability to the fund which will pay the tax and debit the tax paid as an expense against the Member's superannuation account balance. (which is in addition to the funds normal tax liability)

30. From 1 July 2007, transitional rules apply for Members who are 50 years old as on 1 July 2007. Caps are shown at 31(b)
31. Contribution caps are:

(a) Concessional

Income Year	Cap Amount
2007/08	\$50 000
2008/09	\$50 000
2009/10	\$25 000
From 1 July 2010	\$25 000
Then indexed in line with AWOTE in increments of \$5000 rounded down	

(b) Transitional Concessional caps for persons aged 50 or more at 1 July 2007

Income Year	Cap Amount
2007/08	\$100 000
2008/09	\$100 000
2009/10	\$50 000
2010/11	\$50 000
2011/12	\$50 000
From 1 July 2012	As for 31(a) subject to proposed legislation

ENTITLEMENT TO ACCESS YOUR SUPERANNUATION

32. You can access your superannuation benefits in full when:
- you attain age 65;
 - you have attained age 60 and you and you subsequently cease gainful employment;
 - you have attained your preservation age but not attained 60 and you have ceased gainful employment (whether before or after attaining your preservation age); and the trustee is reasonably satisfied that you intend never to again be gainfully employed; and
 - you become permanently incapacitated

In which case, your benefit can be paid as a lump sum or as a pension or as a mixture of both.

33. You can also access all or part of your superannuation benefit after attaining your preservation age (whether or not you have ceased gainful employment), so long as your benefit is paid as a non-

commutable allocated pension or as a non commutable market linked pension or an account based pension

34. You may also be able to access all or part of your benefit when:
- you cease to be gainfully employed with an employer who contributed to the Fund; and you are in severe financial hardship,
 - there are compassionate grounds to access your benefit and the ATO/APRA Regulator has authorized the payment.
35. On retirement, you may be entitled to a lump sum benefit that is equal to whatever amount is in your accumulation account at that time.
36. You may be entitled to a payment of a pension or annuity if you become totally and temporarily disabled, where the pension or annuity represents the amount:
- that the trustee decides on, as long as the amount is within superannuation law; or
 - any amount that is payable to the trustee under any insurance policy arranged and purchased by the trustee which covers that disability.
37. From 1 July 2007, benefits received by Members will be taxed in the following manner:
- if paid as a lump sum or a pension to a Member aged 60 or more – tax free;
 - if paid as a lump sum to a Member will be split into an exempt component (which will be tax free) and a taxable component (which will be taxed at 20% if aged under 55 and taxed at 15% if aged between 55 and 59); any lump sums received between age 55 and 59, the Member will be entitled to have the first \$140,000 low rate threshold as tax free and balance tax at 15% if paid from a taxed source (only some government payment are from untaxed source). The \$140,000 threshold is indexed each year in increments of \$5,000.
 - if a pension paid to a Member between the age of (preservation age) and 59 the tax rate will be the marginal tax rate of the Member, however the pensioner will be able to claim tax free component and will be entitled to a 15% tax rebate on the full amount.
38. Member's account balance at 30 June 2007 (if any) will be divided into exempt and taxable portions.

The exempt portion will be equal to the sum of:

- undeducted contributions (i.e. contributions which were not tax deductible to the person making them) plus non-concessional contributions after 1 July 2007 plus non-concessional contributions made from the proceeds of a sale of a small business (within the limit which applies to this type of contribution) plus proceeds from a settlement for an injury resulting in permanent disablement plus pre-July 83 component, concessional component and post-June 1994 invalidity component.

The taxable portion will be the balance (mostly post-1983 component).

39. From 1 July 2007 the rebate does not apply to pension payments received before age 55 except where the pension is payable by reason of total and temporary or permanent disablement.
40. These are the preservation ages for fund Members:

Person	Preservation age
Person born before 1 July 1960	55 years
Person born during the year 1 July 1960 to 30 June 1961	56 years
Person born during the year 1 July 1961 to 30 June 1962	57 years
Person born during the year 1 July 1962 to 30 June 1963	58 years
Person born during the year 1 July 1963 to 30 June 1964	59 years
Person born after 30 June 1964	60 years

41. From 1 July 2007 Members are able to take "account based pensions". The unique features of these pensions are that they have a minimum amount that must be taken as per the table below but there are no maximum amounts.

Item	Age of Beneficiary	Percentage factor
1	Under 65	4
2	65-74	5
3	75-79	6
4	80-84	7
5	85-89	9
6	90-94	11
7	95 or more	14

However, transition to retirement pension will have a maximum withdrawal limit of 10%.

TYPES OF PENSION BENEFITS

42. Benefits from a super fund may generally be paid as a lump sum, income stream (pension) or annuity, provided the Member has satisfied the relevant condition of release (for example, retirement).
43. There are specific rules imposed by the Superannuation Requirements for paying income streams and annuities. There are also restrictions about what money can be used to purchase an income stream and restrictions on reversionary beneficiaries.

Super income streams

44. Income streams need to fall into one of the following classes:

- account-based
- non account-based.
- (a) **Account-based income streams** have the following general characteristics:
 - they require a minimal annual payment to be made with no maximum amount stipulated
 - they can only be commuted in particular circumstances
 - they can't have a residual capital value
 - they can't be paid to a non-dependant beneficiary.

Account-based transition to retirement income stream may be started on or after 1 July 2007. These income streams need to meet the standards of ordinary account based income streams but are also required to have a maximum annual payment limit of 10% of the account balance. Commutations of these pensions can't be taken in cash except in limited circumstances.

- (b) **Non account-based income streams** have the following general characteristics:

- they may be paid for life or for a fixed term or years
- they can only be commuted in particular circumstances
- certain non account-based income streams may have a residual capital value
- they can't be paid to a non-dependant beneficiary.

Income streams started before 20 September 2007 that meet the SISR pension rules as they existed immediately before 1 July 2007, will generally be taken to be super income streams for the purposes of the super law.

45. There are several rules and administrative requirements involved in setting up income streams and we recommend that before starting to pay any income stream, you seek the advice of a professional such as an accountant, financial planner or actuary.

SUPERANNUATION ENTITLEMENTS UPON DEATH

46. The rules attached to this Funds trust deed provide for the payment of a lump sum or pension benefit in the event of your death and allow you to either:
- 46.1.1 give a direction (binding nomination) to the Trustees regarding the distribution of your death benefit; or
 - 46.1.2 nominate your preferred beneficiaries (non-binding nomination) but ultimately leave it to the discretion of the Trustee to decide how your death benefit is to be distributed amongst your beneficiaries and/or legal personal representatives.
47. If you don't make any nominations, the trustee will use their discretion for the payment of your death benefit
48. If the trustee has taken out a life insurance policy on your behalf then the, your dependants or other persons may also be entitled to a lump sum benefit under that policy. The trustee will collect the proceeds of this policy before paying the benefit as listed above.
49. Death benefits paid out of a super fund will remain concessional tax. All lump sum payments to a dependant (as defined in the *Income Tax Assessment Act 1936*) are tax free to the dependant.
50. It is important to note that a dependant as referred to under the SMSF rules has a different meaning to that under the ITAA such that lump sum payments to someone who is a non-dependant (as defined in the *Income Tax Assessment Act 1936*) but a dependant for SIS Act purposes will have the taxable component of the death benefits taxed at 15% plus the Medicare Levy.
51. In the event of death of a Member who was on a pension, all reversionary pensions will be tax-free if the original beneficiary was 60 years or over. If the original beneficiary was less than 60, then if the reversionary beneficiary is 60 years or over, then pension will be tax free, however if the beneficiary is less than 60 years, the pension shall be taxed at his or her own marginal tax rate until he or she turns 60, when the pension becomes tax free.
52. From 1 July 2007, in event of death of a Member who was on pension, reversionary pensions can only be paid to a dependant (as defined in the *Income Tax Assessment Act 1936*) of the original beneficiary. A non-dependant (as defined in the *Income Tax Assessment Act 1936*) cannot be paid a pension; they can only be paid a lump sum (provided they are still a SIS Act dependant).
53. Benefits can be paid in cash or in-specie from assets of the fund.

INFORMATION ABOUT RISKS ASSOCIATED WITH THE FUND

54. The significant risks which a Member must consider before joining this fund, include the following:
- the trustee may not invest the funds wisely, resulting in negative realised and unrealized gains;

- the fund may cease to be a complying superannuation fund either because of an action or inaction of the trustees. The Fund may lose its complying status due to Trustee neglect or allowance of activities which are in breach of the Superannuation Requirements
- future government policy may remove the current concessional tax treatment of all SMSF and this may adversely affect the future planning of the prospective Member;
- as the trustee of the fund, you are responsible for ensuring the maintenance of the accounts, books and minutes. Time and skills may be an issue in the fund administration and the records must provide the detail required by the fund auditor;

As a trustee you should be involved in the day to day management of the SMSF and you will be in a better position to manage the above risks to protect your retirement benefits.

PROVIDING YOUR TAX FILE NUMBER TO TRUSTEES

55. As per SIA Act trustees of this fund may request you to supply your tax file number to them. You are not obliged by law to provide your tax file number to them.

Trustees need your Tax File Number to report concessional, non-concessional contributions and Employment termination received on your behalf to the regulator or when you are on pension to issue you a PAYG payment summary or in case of rolling over to another superannuation fund, your benefit has to be transferred with your tax file number.

In order to avoid higher tax on concessional and non-concessional contributions and employment termination payments and to enable your benefits to be rolled out to another fund, as the case may require, you must provide your tax file number to the trustee.

CONTACTING TRUSTEE FOR ADDITIONAL INFORMATION

56. If you need further information regarding the fund or deed, or the fund's performance or your Member rights, please contact the trustee at the address on the first page of this Schedule E.