

SMSF TRUST DEEDS

SMSF Strategies Trust Deed and Governing Rules

Wong-Family Fund

SMSF Strategies Trust Deed and Governing Rules prepared by:

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Establishment of Wong-Family Fund

THE DEED

This Deed is made on: *15/02/2010*

By: (“Trustee”)

By the directors of Wong-Family Fund Proprietary Limited - ACN: 142 046 213 of 141 West Street, South Hurstville, NSW, 2221.

Background:

1. The Trustee is a Corporation who executes this Deed. A director of the Corporate Trustee cannot be a Disqualified Person unless authorised by the Regulator.
2. The Directors hereby apply for initial membership of the Fund.
3. The Trustee wishes to establish an Australian Superannuation Fund (“the Fund”).
4. The Trustee intends that the Fund should be a complying Self Managed Superannuation Fund (“complying SMSF”) for the purposes of the Superannuation Industry Supervision Act 1993 (“SIS Act”), the Income Tax Assessment Act 1997 (“Tax Act”) and other Superannuation Laws.
5. By execution of this Deed the Trustee signifies its consent to be appointed as the initial Trustee of the Fund as well as the directors becoming members of the Fund. The Directors of the Corporate Trustee acknowledge that they have read the Rules of the Fund, the Product Disclosure Statement and agree to be bound by them.

This Deed Witnesses

Establishment of the Fund:

The Trustee hereby agrees to accept applications for Membership of the Fund and ensure all Members meet the Trustee requirements for membership of a SMSF. The Trustee further agrees to receive Contributions, Rollovers and Transfers on behalf of Members, distributions and any other amounts paid to it and will invest those amounts to provide Superannuation Benefits for past, current and future Members according to the Rules of the Fund.

Name of the Fund:

The Fund will be known by that name determined by the Trustee. Such name may be changed by the Trustee according to the Rules of the Fund.

Rules of the Fund:

The Rules of the Fund are the Rules attached to this Deed and may include any further amendments, changes or additions to the Rules made in accordance with the provisions of the Deed and the Rules.

Purpose of the Fund:

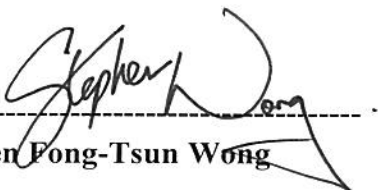
The purpose of the Fund is to provide Superannuation Benefits for Members of the Fund, their Dependants and Legal Estate. These benefits include Superannuation Income Streams and Lump Sums where allowed under the Superannuation Laws subject to and conditional upon the Fund remaining and continuing to remain a complying SMSF.

Successor Acts:

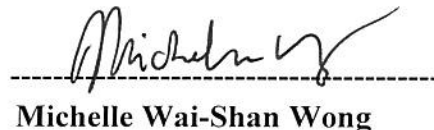
A reference to an Act includes a reference to any successor act to that Act.

Executed as a Deed on: 15/02/2010

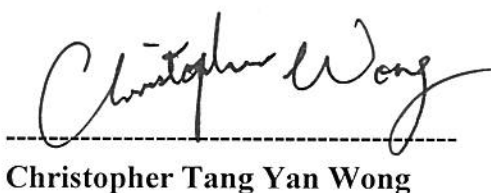
Signed by the directors of Wong-Family Fund Proprietary Limited - ACN: 142 046 213 as Trustee for the Wong-Family Fund:



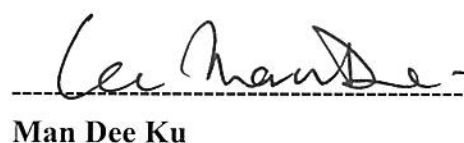
Stephen Fong-Tsun Wong



Michelle Wai-Shan Wong



Christopher Tang Yan Wong



Man Dee Ku

Minutes of Meeting to Establish the Operation of Wong-Family Fund

Date: 15/02/2010

Attended by:

By the directors of Wong-Family Fund Proprietary Limited - ACN: 142 046 213 of 141 West Street, South Hurstville, NSW, 2221.

Present:

Stephen Fong-Tsun Wong, Michelle Wai-Shan Wong, Christopher Tang Yan Wong and Man Dee Ku.

Held at:

141 West Street, South Hurstville, NSW, 2221.

Chairperson:

Stephen Fong-Tsun Wong was appointed Chairperson of the meeting.

Table a Motion to Establish the Operations of the Fund:

The Chairperson tabled a motion to establish the operations of the Wong-Family Fund under the Fund's SMSF Strategies Rules. This means, amongst other things that the Trustee should undertake the following steps:

1. Become a regulated complying self managed superannuation fund;
2. Apply for an Australian Business Number and a Tax File Number for the fund;
3. Establish a cash account (such as a cash management trust) or cheque account for the fund as a clearing account for contributions and monies received and benefits and monies paid. Monies need to be deposited into this account as soon as practicable to cater for the running expenses of the fund;
4. Appoint an administrator and/or accountant to the fund. The administrator and/or accountant's role is to provide information and reports as required under any administration agreement between the Trustee of the fund and the administrator;
5. Appoint an auditor to the fund. The Superannuation Laws provide that an auditor must be appointed to the fund on a yearly basis to provide an assessment of the fund's compliance with the superannuation laws. The appointment should be in writing and evidenced by a Trustee minute to appoint an auditor.

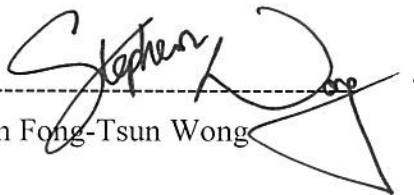
Trustee Resolutions:

IT WAS RESOLVED by the Trustee to complete the following:

1. Establish a cash account and deposit funds in the account to be held in the name of the Trustee;
2. Notify the ATO of the fund's intent to become a regulated self managed superannuation fund as well as completing ABN and TFN forms to be filed with the ATO;
3. Formulate and implement an investment strategy of the fund in accordance with section 52(2)(f) of the SIS Act 1993;
4. Seek consent to act and appoint relevant professionals including, where required, an accountant, administrator, auditor, SMSF expert, SMSF investment expert and any other professional.
5. Accept the Directors of the Corporate Trustee as initial Members of the Fund.

Meeting Closed:

Signed by the Chairperson:



Stephen Fong-Tsun Wong

Application of Membership to the Wong-Family Fund

I, Stephen Fong-Tsun Wong of 141 West Street, South Hurstville, NSW, 2221, hereby apply for membership of the fund. I agree, upon acceptance of my membership to:

1. be bound by all of the rules of the fund, a copy of which is at the office of the Trustee;
2. be bound by all decisions of the Trustee of the fund including decisions that may impact upon my membership benefits provided those decisions are made in accordance with the rules of the fund, the superannuation laws, the Trustee laws and that they do not detrimentally impact my benefits;
3. be a director of Wong-Family Fund Proprietary Limited - ACN: 142 046 213 of 141 West Street, South Hurstville, NSW, 2221 ("the Trustee") at all times to ensure the fund remains a complying self managed superannuation fund unless there is a specific Trustee exemption in place in respect of my membership under the superannuation laws;
4. provide information to the Trustee where required including medical information enabling the Trustee to facilitate any death or incapacity insurance on my behalf;
5. provide my tax file number to the Trustee provided the Trustee abides by the laws relating to the collection and dissemination of my tax file number;
6. consent to the Trustee to hold that information despite anything to the contrary in the privacy legislation;
7. provide the Trustee, within a reasonable period of time a detailed estate plan that may include a binding death benefit nomination or request for a death benefit rule to be made on my behalf;
8. ensure that at the time of making any super contributions that those contributions are made in accordance with the superannuation laws;
9. notify the Trustee where I become incapacitated, retired, meet some other condition of release of my benefits from the preservation rules or if I become divorced.

Date of Birth: 30 September 1985

Tax File Number: 412 857 320

Signed:

Date:



15/02/2010

Application of Membership to the Wong-Family Fund

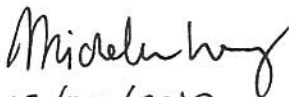
I, Michelle Wai-Shan Wong of 141 West Street, South Hurstville, NSW, 2221, hereby apply for membership of the fund. I agree, upon acceptance of my membership to:

1. be bound by all of the rules of the fund, a copy of which is at the office of the Trustee;
2. be bound by all decisions of the Trustee of the fund including decisions that may impact upon my membership benefits provided those decisions are made in accordance with the rules of the fund, the superannuation laws, the Trustee laws and that they do not detrimentally impact my benefits;
3. be a director of Wong-Family Fund Proprietary Limited - ACN: 142 046 213 of 141 West Street, South Hurstville, NSW, 2221 ("the Trustee") at all times to ensure the fund remains a complying self managed superannuation fund unless there is a specific Trustee exemption in place in respect of my membership under the superannuation laws;
4. provide information to the Trustee where required including medical information enabling the Trustee to facilitate any death or incapacity insurance on my behalf;
5. provide my tax file number to the Trustee provided the Trustee abides by the laws relating to the collection and dissemination of my tax file number;
6. consent to the Trustee to hold that information despite anything to the contrary in the privacy legislation;
7. provide the Trustee, within a reasonable period of time a detailed estate plan that may include a binding death benefit nomination or request for a death benefit rule to be made on my behalf;
8. ensure that at the time of making any super contributions that those contributions are made in accordance with the superannuation laws;
9. notify the Trustee where I become incapacitated, retired, meet some other condition of release of my benefits from the preservation rules or if I become divorced.

Date of Birth: 1 March 1988

Tax File Number: 412 859 656

Signed:



Date:

15/02/2010

Application of Membership to the Wong-Family Fund

I, Christopher Tang Yan Wong of 141 West Street, South Hurstville, NSW, 2221, hereby apply for membership of the fund. I agree, upon acceptance of my membership to:

1. be bound by all of the rules of the fund, a copy of which is at the office of the Trustee;
2. be bound by all decisions of the Trustee of the fund including decisions that may impact upon my membership benefits provided those decisions are made in accordance with the rules of the fund, the superannuation laws, the Trustee laws and that they do not detrimentally impact my benefits;
3. be a director of Wong-Family Fund Proprietary Limited - ACN: 142 046 213 of 141 West Street, South Hurstville, NSW, 2221 ("the Trustee") at all times to ensure the fund remains a complying self managed superannuation fund unless there is a specific Trustee exemption in place in respect of my membership under the superannuation laws;
4. provide information to the Trustee where required including medical information enabling the Trustee to facilitate any death or incapacity insurance on my behalf;
5. provide my tax file number to the Trustee provided the Trustee abides by the laws relating to the collection and dissemination of my tax file number;
6. consent to the Trustee to hold that information despite anything to the contrary in the privacy legislation;
7. provide the Trustee, within a reasonable period of time a detailed estate plan that may include a binding death benefit nomination or request for a death benefit rule to be made on my behalf;
8. ensure that at the time of making any super contributions that those contributions are made in accordance with the superannuation laws;
9. notify the Trustee where I become incapacitated, retired, meet some other condition of release of my benefits from the preservation rules or if I become divorced.

Date of Birth: 5 January 1955

Tax File Number: 191 562 390

Signed:

Date:

Christopher Wong
15/02/2010


Application of Membership to the Wong-Family Fund

I, Man Dee Ku of 141 West Street, South Hurstville, NSW, 2221, hereby apply for membership of the fund.
I agree, upon acceptance of my membership to:

1. be bound by all of the rules of the fund, a copy of which is at the office of the Trustee;
2. be bound by all decisions of the Trustee of the fund including decisions that may impact upon my membership benefits provided those decisions are made in accordance with the rules of the fund, the superannuation laws, the Trustee laws and that they do not detrimentally impact my benefits;
3. be a director of Wong-Family Fund Proprietary Limited - ACN: 142 046 213 of 141 West Street, South Hurstville, NSW, 2221 ("the Trustee") at all times to ensure the fund remains a complying self managed superannuation fund unless there is a specific Trustee exemption in place in respect of my membership under the superannuation laws;
4. provide information to the Trustee where required including medical information enabling the Trustee to facilitate any death or incapacity insurance on my behalf;
5. provide my tax file number to the Trustee provided the Trustee abides by the laws relating to the collection and dissemination of my tax file number;
6. consent to the Trustee to hold that information despite anything to the contrary in the privacy legislation;
7. provide the Trustee, within a reasonable period of time a detailed estate plan that may include a binding death benefit nomination or request for a death benefit rule to be made on my behalf;
8. ensure that at the time of making any super contributions that those contributions are made in accordance with the superannuation laws;
9. notify the Trustee where I become incapacitated, retired, meet some other condition of release of my benefits from the preservation rules or if I become divorced.

Date of Birth: 21 January 1956

Tax File Number: 204 345 074

Signed: 
Date: 15.02.2010

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The SMSF Strategies Rules

Part One – Rules to Establish the Fund

Rule 1 – Things to know about these Rules and the Fund

- 1.1 The “SMSF Strategy Guides” in the Explanatory Memorandum to the Rules of the Fund is designed for information purposes only and is not to be construed as forming part of the Rules of the Fund. If in any dispute, misunderstanding or action regarding the Rules, the Trustee, Court, the Regulator or any other person may have regard to the “SMSF Strategy Guide” or any part of the Explanatory Memorandum to determine the Rule’s ordinary meaning.
- 1.2 Where singular is used in the Rules it is to also mean plural and if a gender is used it is also to mean the opposite gender.
- 1.3 A reference to any entity, body, company or person also includes a reference to those persons or entities that have authority to act on behalf of the party including their successors, assigns, representatives, Responsible Officers, a person holding someone’s Power of Attorney, Enduring Power of Attorney and a Legal Personal Representative.
- 1.4 Where a word is Capitalised it may be found in the “Definitions” Rule in Part Six of the Simpler Super Rules.
- 1.5 The Rules of the Fund are to be governed by the law where the Trustee resides unless the Trustee resides outside Australia. If the Trustee resides outside Australia or the Trustees reside in different Australian States then the governing law is that chosen by the Trustee and if not chosen by the Trustee it is the governing law of the State of NSW.
- 1.6 Where the term “SMSF” is used it means a “Self Managed Superannuation Fund” as defined in the Superannuation Laws.
- 1.7 Where there is conflict between the Rules and the Superannuation Laws, the Superannuation Laws are paramount unless a breach of the Superannuation Laws by the Trustee of the Fund or Member does not result in a fine, penalty or non-compliance certificate or adverse determination by the Regulator for the Trustee, Fund or Member.
- 1.8 The Rules may allow the Trustee to add to, vary, change or otherwise amend a Rule of the Fund. Any such addition, variation, change or amendment, provided it meets the relevant Rule variation requirements, is to be considered part of the original Rule. The Trustee may also create an additional Rule for the Fund where authorised under the Rules of the Fund. Any additional Rule may become a Special Rule of the Fund and will not be varied by any variation of these Rules unless the Trustee consents.
- 1.9 In accordance with Rule 1.7 and the requirement for the Trustees of the Fund to ensure that the Fund remains a complying SMSF, the Rules are written as being subject to the Superannuation Laws. Where the Trustee or any other person enters into a transaction, undertaking, agreement, understanding or any other arrangement that has the effect of the Trustee breaching the Superannuation Laws or being deemed a non-complying SMSF by

the Regulator as a consequence of the Trustee's or other persons action, the transaction, undertaking, agreement, understanding or any other arrangement is to be rendered void ab-initio.

- 1.10** The core and ancillary purposes of the Fund, the Fund's Sole Purpose test, are to provide retirement, incapacity, sickness, death and any other benefits allowed by the Superannuation Laws to members of the Fund or to Members, former Members or for any other charitable purpose on the wind up of the Fund.

Rule 2 – Trusteeship of the Fund

- 2.1** At all times there must be a Trustee of the Fund commencing from the appointment of the Initial Trustee of the Fund. The Trustee may be one or more individuals or a company acting as Trustee of the Fund. Where the Trustees are individuals, the primary purpose of the Fund is to pay Income Streams to Members of the Fund unless otherwise authorised by the Superannuation Laws or the Regulator.
- 2.2** If the Trustee is a company, then any director of the Trustee Company must not be a Disqualified Person unless otherwise allowed by the Regulator or the Superannuation Laws. If the Trustee is an individual they must not be a Disqualified Person unless otherwise allowed by the Regulator or the Superannuation Laws.
- 2.3** The Trustee must ensure that, while these Rules are in force, the Fund is maintained as a Complying SMSF and a regulated superannuation fund including but not limited to meeting the membership and trustee standards as they apply at the time for a SMSF under the Superannuation Laws.
- 2.4** The Trustee of the Fund may resign at any time. The Trustee may appoint a new Trustee provided the Fund remains a Complying SMSF including a Replacement Trustee or an Additional Trustee. The Trustee, Replacement Trustee or Additional Trustee must consent to their appointment, not be a Disqualified Person unless otherwise allowed by the Regulator or the Superannuation Laws and agree to abide by the Rules of the Fund, the Superannuation Laws and ensure the Fund remains a complying SMSF.
- 2.5** Any Trustee is to be removed as Trustee under one or more of the following conditions:
- a) the Trustee resigns and a new Trustee has been appointed if required to ensure that the Fund remains a SMSF indefinitely;
 - b) where the Trustee is of the opinion that the continued appointment of the Trustee will result in the Fund becoming a non-complying SMSF;
 - c) if the Trustee is prohibited from being a Trustee under the Superannuation Laws or where the Regulator otherwise determines including where the Trustee is a Disqualified Person;
 - d) where the Trustee, Replacement Trustee or Additional Trustee is a person, where the Member that the Trustee, Replacement Trustee or Additional Trustee acts for is no longer a Member of the Fund.

- 2.6 The Trustee agrees to be bound by the Rules of the Fund, the Superannuation Laws and any direction the Regulator may provide if reasonable.
- 2.7 The Trustee or Member may be required at relevant times to notify or make a declaration to the Regulator or some other person of events, things, happenings or changes to the Fund. The Trustee or Member will ensure that it seeks to meet any such notification or declaration requirement in the specified time required.
- 2.8 Where the Fund is determined by the Regulator to no longer be a SMSF or the Trustee decides not to retain the Fund's SMSF status, the Trustee is to immediately resign and an RSE Licensee is to be appointed or all Members Superannuation Interests are to be rolled over to another regulated Superannuation Fund.
- 2.9 Subject to the Superannuation Laws and the Fund retaining its Complying SMSF status, when a Member dies:
- a) The deceased Member's Legal Personal Representative, subject to their consent, is to be appointed as a Replacement Trustee of the Fund or director of the Corporate Trustee if permitted under the constitution of the Corporate Trustee;
 - b) At the commencement of the payment of the Member's Death Benefits to the deceased Member's Dependants or their Legal Estate the Replacement Trustee appointed on behalf the deceased Member must resign;
 - c) If the Corporate Trustee has appointed the deceased Member's Legal Personal Representative as a director they are to be removed once Death Benefits commence to become payable to the deceased Member's Dependants or their Legal Estate. If the Corporate Trustee does not remove the deceased Member's Legal Personal Representative upon the payment of the deceased Member's Death Benefits then the Corporate Trustee is to be replaced as Trustee.
- 2.10 Subject to the Superannuation Laws and the Fund retaining its Complying SMSF status, when a Member loses their mental capacity and is no longer able to function as a Trustee of the Fund:
- a) The mentally incapacitated Member's Legal Personal Representative, subject to their consent, is to be appointed as a Replacement Trustee of the Fund or director of the Corporate Trustee if permitted under the constitution of the Corporate Trustee;
 - b) The Replacement Trustee is to have the same voting powers as the Member if they were acting as Trustee.

Rule 3 – Membership of the Fund

- 3.1 Any person or entity with the consent of the Trustee may become a Member of the Fund provided the Superannuation Laws allow and the Fund retains its status as a Complying SMSF. The Trustee must not accept a Member to the Fund if the person's Membership would result in the Fund no longer being a SMSF.

- 3.2** The Trustee may:
- a) impose terms and conditions for Members joining the Fund including but not limited to future Members.
 - b) establish different classes of Membership if so desired. Prior to establishing a new class of Membership, existing Members must be notified of the new class of membership and the associated rights, entitlements and benefits attached thereto. The Trustee may classify, in writing that recipients of Pension benefits are a separate class if so desired.
 - c) Limit the persons who may become or be Members of the Fund with any such amendment to be by way of a variation to the Rules of this Fund in accordance with Rule 26.
- 3.3** On becoming a Member of the Fund the Member must agree to abide by the Rules of the Fund. This includes but is not limited to acting as Trustee or director of the Corporate Trustee where required, providing a Member's Tax File Number and any other information the Trustee may require. The Member must adhere to any other requirements that may be necessary of Members joining a Complying SMSF.
- 3.4** The Legal Personal Representative of a Member including a deceased Member is deemed to be the Member for the purposes of the Rules and therefore holds all rights and entitlements of the Member or a deceased Member.
- 3.5** The Member, on joining the Fund agrees to have read and understood the Fund's Product Disclosure Statement.
- 3.6** A Member ceases to be a Member of the Fund, subject to the Trustee's discretion and the Superannuation Laws upon the earliest of any of the following to occur:
- a) The Member Rolls Over or transfers all of their Superannuation Interests to another complying Superannuation Fund unless the Trustee otherwise allows the Member to remain as a Member;
 - b) The Member dies and the Trustee has commenced to pay out Death Benefits to the Member's Legal Personal Representative or Dependents. In these circumstances the deceased Member's Legal Personal Representative will cease to be a Member of the Fund;
 - c) Five months has elapsed since the Member was capable of being a Trustee of the Fund or a director of the Corporate Trustee unless the Member has appointed a Replacement Trustee;
 - d) In the opinion of the Trustee the Member is a Disqualified Person;
 - e) The Trustee declares that a Member should cease being a Member where the Member's continued Membership may cause the Fund to lose its Complying SMSF status or for any other reason including the effective operation of the Fund or to ensure the Fund remains a SMSF;

- f) The Member is a party to proceedings or any agreement pursuant to the Family Law Act 1975 or equivalent legislation for de facto relationships under Commonwealth, State, Territory or a foreign law and the Trustee is of the opinion that the Member should cease being a Member of the Fund;
 - g) When the Member no longer has any Superannuation Interest in the Fund and the Trustee determines that the Member should no longer be a Member of the Fund;
 - h) If the Superannuation Laws, the Regulator or a Court requires the Member to cease their Membership of the Fund;
 - i) Where the Trustee is of the opinion that for the benefit of the Fund the Member should cease their Membership of the Fund.
- 3.7 Where a Member ceases Membership of the Fund, the Trustee must resolve to pay the Member their Superannuation Interest as a Superannuation Benefit and/or Transfer Superannuation Interest within a reasonable time or as otherwise required under the Superannuation Laws.
- 3.8 If, upon cessation of Membership of the Fund, a Member is required to Rollover or transfer their Superannuation Benefits the Trustee must request from the transferring Member notification of the complying status of the transferee Superannuation Fund. The request must include a demand for a response from the departing Member within a reasonable period of time or such other time as is required under the Superannuation Laws. If the departing Member does not respond to the Trustee's requirements within a reasonable time, or such other time as the Superannuation Laws require, the Trustee may transfer the transferring Member's Superannuation Benefits to an Eligible Rollover Fund.
- 3.9 Any transfer, rollover or Superannuation Benefit payment must be made by the Trustee within any time required under the Superannuation Laws or alternatively within a reasonable period of time.
- 3.10 A Member or the Trustee may declare, for any income year, that a Member is not an Active Member for Australian superannuation fund purposes.

Rule 4 – Becoming an Operating Regulated SMSF

- 4.1 Upon establishment of the Fund and the initial appointment of the Trustee, the Trustee is to ensure that the Fund becomes a Regulated Superannuation Fund under the Superannuation Laws.
- 4.2 As soon as practicable the Trustee must take such actions, appoint such SMSF Professionals as required including an Auditor, a SMSF Adviser, deal with the Regulator and do all things necessary to make the Fund operational as a Complying SMSF including obtaining a tax file number .

Rule 5 – Creating and Transferring Member Superannuation Interests

- 5.1 The Trustee may, at the request of a Member, the Member's Legal Personal Representative or at the Trustee's discretion, create one or more Superannuation Interests on behalf of a Member or for the benefit of the Fund.
- 5.2 The Superannuation Interest created may include a Member Lump Sum Superannuation Interest, a Member Income Stream Superannuation Interest, a Reserve or any other Superannuation Interest allowed under the Superannuation Laws.
- 5.3 Subject to the Superannuation Laws and the Fund retaining its Complying SMSF status the Trustee may hold one or more Superannuation Interests on behalf of a Member.
- 5.4 Subject to the Superannuation Laws and the Fund retaining its Complying SMSF status, a Member Superannuation Interest does not have to commence or be maintained with any Assets.
- 5.5 A Member may request the Trustee to transfer a Member Income Stream Superannuation Interest Roll Back amount to a Member Lump Sum Superannuation Interest. Unless otherwise allowed under the Superannuation Laws and requested by the Member this will not create a new Superannuation Interest.
- 5.6 Where the Member requests the transfer of a Member Lump Sum Superannuation Interest to commence a new Member Income Stream Superannuation Interest, notwithstanding that the Member may have an existing Member Income Stream Superannuation Interest, this will create a new Superannuation Interest where the Trustee decides a new Superannuation Interest is to be created and that the Superannuation Laws allow.
- 5.7 Where the Trustee transfers an amount between Superannuation Interests the Trustee may satisfy the transfer amount by allocating assets between the Member's Superannuation Interests equal in value to the transfer amount.

Rule 6 – Accepting Member Contributions, Rollovers and Transfers

- 6.1 Subject to the Superannuation Laws and the Fund retaining its Complying SMSF status, the Trustee may accept an Authorised Contribution, a Rollover Superannuation Benefit or a Transfer Superannuation Interest on behalf of a Member or for the Fund from a Trustee of a Superannuation Fund, a Foreign Superannuation Fund, an employer, a Spouse, a Relative or any other person or entity.
- 6.2 The Authorised Contribution, Rollover Superannuation Benefit or any Transfer Superannuation Interest may be by way of Cash, Assets or in kind provided the Superannuation Laws allow and the Fund retains its Complying SMSF status. Where an Authorised Contribution is made by way of one or more Assets or in kind the Trustee is to determine a value for the Contribution under the Superannuation Laws or as required by the Regulator.
- 6.3 The Superannuation Laws may provide a maximum Contribution limit for Non-Concessional Contributions, Concessional Contributions and No-Tax File Number Contributions made on behalf of a Member during an income year or a period. Where

such limits are prescribed the Trustee is to take into account the limit and any consequences when accepting any Contribution.

- 6.4 Where any contribution or part of a contribution has been made to the Fund which is subsequently held by the Trustee or Regulator to exceed the Member's Concessional or Non-Concessional Contributions Cap, the excess is deemed to be held by the Trustee in trust for the benefit of the contributor and is not to become Assets of the Fund.

Rule 7 - Creating an Investment Strategy for the Fund and Members

- 7.1 The Trustee of the Fund must formulate and give effect to an Investment Strategy for the Fund that meets the Superannuation Law requirements for a complying SMSF.
- 7.2 The Trustee may at any time create a separate Investment Strategy on behalf of one or more Member Superannuation Interests or Fund Accounts including a Reserve Account.
- 7.3 Subject to the Superannuation Laws and the Fund retaining its Complying SMSF status the Trustee may at the request of a Member, but subject to the Trustee's discretion, establish a separate Investment Strategy for a Member Superannuation Interest. The Trustee may acquire a specific Asset on behalf of a Member Superannuation Interest provided the Member Superannuation Interest has sufficient resources to do so and the Superannuation Laws allow.
- 7.4 The Trustee may, subject to the Superannuation Laws and the Fund retaining its Complying SMSF status, transfer Assets between Investment Strategies and also between Superannuation Interests in the Fund. Any such transfer will be at a value to be determined by the Trustee or as required by the Superannuation Laws or the Regulator.
- 7.5 Where the Trustee has established a Reserve Account in the Fund the Trustee must formulate and give effect to an Investment Strategy for the Reserve Account in accordance with the Superannuation Laws. If there is more than one Reserve Account established for the Fund the Trustee may maintain a separate Investment Strategy for each Reserve Account, for one or more Reserve Accounts or for all Reserve Accounts in the Fund.
- 7.6 The Trustee may alter an Investment Strategy for the Fund, an Account of the Fund, a Superannuation Interest or Reserve Account at any time.
- 7.7 Where the Trustee has received a Contribution of Cash or Assets that breaches any Investment Strategy of the Fund, the Investment Strategy subject to receipt of the Contribution is deemed to be amended to encompass the cash or Asset Contribution until such time as the Trustee decides otherwise.
- 7.8 The Trustee may be required under the Superannuation Laws to complete a Risk Management Statement or such other Statement where the Trustee invests in derivatives, options, instalment warrants or other products with underlying borrowings. The Trustee is to comply with any such requirements to ensure the Fund remains a Complying SMSF.

Rule 8 – Making Investments for the Fund and Members Benefit

- 8.1** The Trustee must invest the Cash and Assets of the Fund in accordance with an Investment Strategy. Any investment is to meet the Superannuation Laws, any relevant Trustee Law and ensure that the Fund retains its Complying SMSF status.
- 8.2** Provided the Superannuation Laws allow the Trustee may acquire and invest in any Asset or Cash wherever situate in or outside Australia including, but not limited to the following:
- a) Stocks and shares and other equity interests of any entity (including a company), units in a unit trust both private and public with an investment to include preference, convertible preference shares and units or any other type of equity, unit or hybrid equity instrument in an entity;
 - b) Property either as a passive investment or for development purposes, sale or rental income purposes directly, indirectly or by way of joint venture, partnership, unit trust or trust provided that the property is not encumbered and the Trustee does not provide a guarantee in respect of any direct or indirect loan agreement incidental to the property unless the Superannuation Laws allow. In instigating any property transaction, the Trustee must ensure that the documentation relating to the transaction, including any indirect, joint venture or partnership interest, satisfies the Fund’s Audit Standards as well as the Superannuation Laws. These include, but are not limited to, an appropriate valuation;
 - c) Financial products including instalment warrants, SMSF borrowing trusts, options, futures, warrants, endowment warrants, unit trusts, property syndicates, joint ventures, hybrid trusts, pooled superannuation trusts and other instruments that provide the Trustee with a reward on its investment;
 - d) Debt instruments including government and corporate bonds, mortgages, chattel leases, fixed term deposits, hybrid debt instruments and any other type of instrument where the investor receives an interest type of return;
 - e) Discount investments where the Members of the Fund may obtain a discount on services under an agreement with a third party provided that the return available on the investment is the same as that which would be obtained by an investor not able to participate in the discount unless the Superannuation Laws or Regulator allow and that the investment does not cause the Trustee to breach the Superannuation Laws;
 - f) Art, sculpture, wine or any other collectible;
 - g) A business including share trading, property development or primary production provided the investment in the business does not breach the Sole Purpose Test, the Fund’s Audit Standards or the Superannuation Laws;
 - h) Intellectual property including a trade mark, copyright, licence, patent. The holding of the intellectual property may be direct, indirect, as part of a joint venture or as an interest by way of a licence;

- i) A Superannuation Income Stream or annuity from a life insurance company, Superannuation Fund, financial institution, trust, body corporate or person;
- j) A life insurance or friendly society bond or other investment including but not limited to an endowment, whole of life or other investment policy issued by any life insurance company wherever situate;
- k) Any managed fund, managed investment scheme, collective investment vehicle, trust or unit trust including a pooled superannuation trust provided the investment does not breach the Superannuation Laws;
- l) Entering into any joint venture, partnership, association or co-operative provided the Trustee assesses the risk of the venture and in particular the cash flow requirements and legal nature of the venture;
- m) Any other investment including a prudent investment under Trust Law;
- n) Assets of a Member of the Fund, Related Trust or a Related Party of a Member conditional upon the acquisition of the investment not breaching the Superannuation Laws;
- o) Instalment warrant and other SMSF borrowing arrangements as authorised under the Superannuation Laws from time to time including section 67 of the Superannuation Industry Supervision Act 1993;
- p) The investment in any financial or investment product that meets the conditions of the Sole Purpose Test and sections 66, 67, 84,85 and 109 of the Superannuation Industry Supervision Act 1993;

provided that the acquisition, investment and holding of the Asset is in accordance with the Fund's or Superannuation Interest's Investment Strategy whichever is relevant and in addition, the acquisition, investment and holding of the Asset does not breach the Superannuation Laws, including the Sole Purpose Test or the In-House Assets test.

- 8.3 The Trustee may acquire, hold and invest in any currency including maintaining a non-AUD\$ cash account.
- 8.4 Subject to any requirements under the Superannuation Laws or by the Regulator and to ensure that the Fund retains its Complying SMSF status, the Trustee may at any time determine the value of an Asset of the Fund but is otherwise not compelled to do so.

Rule 9 – Establishing a Reserve Account for the Fund

- 9.1 The Trustee may establish one or more Reserve Accounts for the Fund which may include amongst others an Investment Reserve, Anti-detriment Reserve, a Contributions Reserve, a Pensions Reserve, an Income Stream Reserve and a Self Insurance Reserve. Any Reserve Account may be for the benefit of current, past and future Members, their dependants, Legal Estate or the Trustee.

- 9.2 The Trustee must formulate an Investment Strategy for any Reserve Account in accordance with Rule 7. The Investment Strategy may be for one or more Reserves.
- 9.3 The Trustee may make additional Rules regarding the use, purpose and payment of Superannuation Benefits, General or Specific Expenses or for any other thing from any Reserve Account. Any Rule the Trustee makes regarding a particular Reserve Account may be declared by the Trustee to be a Special Rule.
- 9.4 The Trustee, subject to the Superannuation Laws and the Fund retaining its Complying SMSF status, may add by way of Cash or Assets to a Reserve Account from any Member Superannuation Interest, any other account of the Fund, any other Reserve Account, from Earnings or from any other source including another Superannuation Fund, trust or entity.
- 9.5 Subject to the Superannuation Laws and the Fund retaining its Complying SMSF status, the Trustee may deduct and allocate from any Reserve Account of the Fund any amount or asset. Such amount or asset may be applied in whole or part for the benefit of any Superannuation Interest, to pay any General or Specific Expense of the Trustee or the Fund, to be added to another Reserve Account in the Fund or any other Superannuation Fund, to be added to any other account or Superannuation Interest, to be added to Fund or Superannuation Interest Earnings, make a Transfer Superannuation Interest to another Superannuation Fund or the Fund itself, to fund directly from the Reserve Account a Member Lump Sum Superannuation Interest or Member Income Stream Superannuation Interest, pay a Death Benefit or for any other purpose.
- 9.6 Subject to the Superannuation Laws and the Fund retaining its Complying SMSF status, any trust distributions, insurance policy proceeds, other distributions, windfall gains, winnings or gifts that the Trustee does not declare as Earnings or Authorised Contributions of any Account or Member Lump Sum Superannuation Interest may be allocated to a Reserve Account. The Trustee has sole discretion as to which Reserve Account these amounts are to be added to.
- 9.7 No Member, Dependant of a Member, deceased Member, the Member's Legal Personal Representative or a deceased Member's Legal Estate has any right or entitlement to a Reserve Account unless so authorised under the Rules of the Fund.

Part Two – Some Important Planning Considerations

Rule 10 – Creating a Member SMSF Living Will

- 10.1** A Member may provide a Trustee with a Member SMSF Living Will detailing any Superannuation Benefits requested to be paid in the event of the Member's Temporary or Permanent Incapacity, Terminal Illness or other incapacity event whereupon a Member may be paid Superannuation Benefits from the Fund without breaching the Superannuation Laws or the Sole Purpose Test.
- 10.2** Subject to the Superannuation Laws, the Fund retaining its Complying SMSF status and the Rules of the Fund, the Trustee may accept some or all of the Member's requests under the Member SMSF Living Will including the category of Incapacity Superannuation Benefits to be paid, the amount to be paid, to whom the Incapacity Superannuation Benefits are to be paid and the Member's Replacement Trustee, however, the Trustee is not compelled to do so.
- 10.3** If the Trustee formally accepts some or all of a Member's SMSF Living Will, then at the discretion of the Trustee, the terms and conditions of the Member SMSF Living Will so accepted may become a Special Rule of the Fund provided the Superannuation Laws allow and the Fund retains its Complying SMSF status.
- 10.4** The Trustee may determine whether the Member SMSF Living Will Rule can be varied and in what circumstances, provided the Superannuation Laws allow and the Fund retains its Complying SMSF status.
- 10.5** The Trustee and Member may seek to appoint a SMSF Professional prior to making any formal request or acceptance of a Member's SMSF Living Will.

Rule 11 – Creating a Member SMSF Estate Plan and SMSF Will

- 11.1** A Member may provide, subject to the Superannuation Laws, a Trustee with a request for a SMSF Will that includes non-binding and non-lapsing binding nominations as well as directions to the Trustee. The Member SMSF Will may provide written direction to the Trustee requesting:
- a) The manner and form in which Death Benefits will be paid in the event of the Member's death to one or more beneficiaries including Dependants of the Member, the Member's Legal Estate or such person as otherwise allowed to receive a Member's Death Benefits under the Superannuation Laws..
 - b) The amount or amounts of the Death Benefit to be paid to one or more beneficiaries in the event of a Member's death including the transfer of part or the whole of any Fund Asset in satisfaction of the payment of an amount of Death Benefit.
 - c) The terms and conditions upon which a beneficiary is to receive a Death Benefit from the Member's SMSF Estate including whether the Death Benefit is to revert to another

person, Legal Estate or entity in the event of the beneficiary's death, incapacity or the happening of a particular event.

- d) Whether the written directions in the SMSF Will are in part or whole, a Non-Binding Death Benefit Nomination or a Non-Lapsing Binding Death Benefit Nomination..

Any SMSF Will direction by a Member to the Trustee is only valid in part or whole to the extent it meets the requirements of the Member making a Non-Binding Death Benefit Nomination or a Non-Lapsing Binding Death Benefit Nomination under these Rules and the Superannuation Laws.

- 11.2** Subject to the Superannuation Laws and the Fund retaining its Complying SMSF status, the Trustee of the Fund may accept part of or the entire Member SMSF Will request, however, the Trustee is not obligated to do so.
- 11.3** If the Trustee accepts part of or the entire Member SMSF Will, solely at the Trustee's discretion, the terms and conditions of the Member SMSF Will may become a Special Rule of the Fund subject to the Superannuation Laws and the Fund retaining its Complying SMSF status. The Trustee may determine whether any Rule created for a Member SMSF Will can be varied and under what circumstances.
- 11.4** The Trustee and Member may first obtain expert advice from a SMSF Specialist adviser prior to making any formal request or acceptance of a Member's SMSF Will.

Rule 12 – Creating an Insurance Plan and Insurances in the Fund

- 12.1** The Trustee of the Fund may create an Insurance Plan for the Fund, a Member of the Fund or any Superannuation Interest in the Fund. The Trustee is not bound by the Insurance Plan nor can any Member, Dependant of a Member, Legal Personal Representative of a Member or any other person hold the Trustee liable for not implementing all or part of the Fund's Insurance Plan.
- 12.2** Subject to the Superannuation Laws and the Fund retaining its Complying SMSF status, the Trustee of the Fund may enter into any Contract of Life Insurance both within and outside Australia issued by any life insurance company, friendly society or other entity that provides insurance to Trustees or Members of a SMSF.
- 12.3** The Trustee of the Fund is authorised to create a Self Insurance Reserve Account with such terms and conditions as the Trustee decides provided that the Superannuation Laws allow and the Trustee maintains an Investment Strategy for the Self Insurance Reserve Account.
- 12.4** No Member, Dependant of a Member, Legal Personal Representative of a Member or any other person has any interest in any Contract of Life Insurance or Self Insurance Reserve Account held by the Trustee even where it may be held in the name or for the benefit of the Member unless required by the Superannuation Laws.
- 12.5** Subject to the Superannuation Laws and the Fund retaining its Complying SMSF status, the Trustee may distribute, transfer or otherwise deal with any proceeds or distribution payable from or pursuant to a Contract of Life Insurance as the Trustee sees fit including

an allocation to any Member Lump Sum Superannuation Interest, Member Income Stream Superannuation Interest, a Dependant of a Member or a deceased Member, the Member's Legal Personal Representative, the Member's Legal Estate or a Reserve Account.

- 12.6** No Member, Dependant of a Member, Legal Personal Representative of a Member or any other person has any interest in the proceeds or distribution from a Contract of Life Insurance or Self Insurance Reserve Account.

Part Three - Rules to Maintain and Operate the Fund

Rule 13 – Fund Assets, Contracts and Transactions to be in Trustee’s Name

- 13.1** The Trustee is to hold all Assets of the Fund in the name of the Trustee however a Custodian may hold an Asset on behalf of the Trustee provided the Superannuation Laws allow. Where there is a change in name of the Trustee or a change in Trustee, the Trustee, as soon as practicable, must register all of the Fund’s assets to reflect the change of name of the Trustee.
- 13.2** Any contract, transaction or agreement of whatever nature undertaken by the Fund must be in the name of the Trustee.
- 13.3** No Member, Dependant of a Member or deceased Member, the Member's Legal Personal Representative, a deceased Member's Legal Estate, an Employer Sponsor or Related Party of the same has any right, entitlement to any Asset of the Fund or may enter into any contract, transaction or agreement of whatever nature with the Fund unless the Superannuation Laws allow and the Fund continues to retain its Complying SMSF status.
- 13.4** Where the Trustee enters into a transaction, arrangement, declaration or agreement, whether in writing or orally and the transaction, arrangement, declaration or agreement would result, in the opinion of the Fund’s auditor that the Fund may be treated as a Non-Complying SMSF, the Trustee and other party to the transaction, arrangement, declaration or agreement as void ab-initio. The Trustee is to ensure that both parties are to be put in, as best as possible, the same financial condition as arose prior to the entering into of the relevant transaction, arrangement, declaration or agreement.

Rule 14 – Trustee Responsibilities

- 14.1.** It is the responsibility of the Trustee, at all times, including under any Trustee Law to:
- a) ensure that the Fund remains a Complying SMSF;
 - b) ensure that the Fund Trust Deed and Rules remain current;
 - c) act honestly in all matters concerning the Fund;
 - d) exercise, in all matters affecting the Fund and its Members, the same degree of care, skill and diligence as any normal prudent Trustee;
 - e) ensure that the Trustee’s duties and powers are performed and exercised in the best interests of Members of the Fund;
 - f) not enter into any contract, transaction or agreement or do anything that would prevent or hinder the Trustee in suitably performing or exercising the Trustee’s functions and powers;

- g) disclose any conflict of interest in any dealing with or undertaking any transaction or investment on behalf of the Fund;
- h) provide to Members access to all and any information required to be given or viewed by Members under the Superannuation Laws but subject to the Privacy Act 1988;
- i) be aware of all and any changes to the Superannuation Laws to ensure that the Fund remains at all times a Complying SMSF;
- j) ensure the efficient administration of the Fund including, but not limited to, the payment of all taxes, excess contributions taxes and other imposts that must be paid by the Fund and the lodgement of all compulsory documentation to the Regulator in respect of the Fund and ensure that the Fund meets its Superannuation Law compliance responsibilities;
- k) keep all records, documents and minutes of valid Trustee meetings to enable the efficient administration and audit of the Fund by the Auditor and the Regulator so as to comply with all Superannuation Laws in respect of the keeping of records, documents and minutes for the Fund;
- l) notify the Regulator, in accordance with the provisions of the Superannuation Laws, of significant events and other events that occur in the Fund including any change in Trustee where required. The Trustee is to notify the Regulator of these events within the time period required;
- m) not seek to delegate Trustee powers and responsibilities under the Rules of the Fund or the Superannuation Laws unless otherwise permitted;
- n) keep informed of the Superannuation Laws and if required by the Superannuation Laws or the Regulator, undertake any education or other mandatory or voluntary knowledge requirements.

14.2 The Trustee must not be paid or otherwise receive any remuneration for acting or carrying out its responsibilities as Trustee of the Fund unless otherwise permitted under the Superannuation Laws and/or any determination by the Regulator.

14.3 Where required by the Superannuation Laws the Trustee may hear any complaint by a Member or their Legal Personal Representative regarding the Member's Superannuation Interest or Superannuation Benefit. The Trustee must attend to the complaint in a timely manner and respond to the complainant in an appropriate method.

Rule 15 – Trustee Powers

15.1 Subject to the Superannuation Laws and the Fund retaining its Complying SMSF status, the Trustee has unlimited powers as to the administration and control of the Assets of the Fund. The administration and control of the Assets of the Fund by the Trustee are identical to those as if the Trustee were the legal and beneficial owner of those Assets. These include the right to sell, call in, convert into money, grant options or rights to purchase, mortgage, charge, sub-charge, or otherwise deal with or dispose of or transfer any item or

Asset comprising the whole or part of the Fund including a Member's Superannuation Interest or a Reserve Account.

15.2 Subject to the Superannuation Laws and the Fund retaining its Complying SMSF status, the Trustee has all the powers that a Trustee has at law and all the powers specifically conferred on the Trustee by these Rules including, but not limited to:

- a) **engage SMSF Professionals and other advisers:** to employ or engage agents or professionals in the execution of transactions, undertakings, acquisitions, disposal and other powers of the Trustee and to transact any business or to do any act required to be done in connection with the administration of the Fund including a SMSF Auditor and to act upon the opinion or advice of any such person without being responsible for any loss or damage occasioned by acting in accordance therewith;
- b) **enter into contracts and undertake transactions:** to enter into contracts, undertakings and other transactions for the benefit of the Fund and its Members whatsoever and wheresoever situate;
- c) **open Bank and cash accounts:** to open in the name of the Fund, any cheque, savings, cash or other bank account with any bank, financial institution or managed fund wherever situate, as the Trustee decides, with full power to operate or close any such account;
- d) **acquire Corporate or Trust securities:** with respect to any company or trust in which the Trustee holds shares, stocks, debentures, options, convertible notes or is otherwise interested or concerned ("securities") to exercise all of the powers authorised under the constituent and any other relevant documents concerning the powers of equity, debt and other interest holders of the entity;
- e) **acquire Insurance Policies:** to effect or acquire policies of insurance from entities within or outside Australia of any kind on the life of any Member or in respect of sickness, incapacity, trauma or accident to any Member, to pay premiums, transfer, surrender, change the status of and deal with these policies in any manner whatsoever, whether or not these policies are individual policies on the life of one person or a group policy on the lives of two or more persons, to purchase or enter into insurance or investment bonds whether or not the bonds are linked to a policy over the life of any person;
- f) **deal with real property:** to acquire, dispose of, exchange, strata title, subdivide, mortgage, sub-mortgage, lease, sub-lease, grant, maintain, improve, re-lease or vary any right or easement or otherwise deal with any interest in real property;
- g) **enter into lease arrangements:** to rent premises from any person, acquire the interest of any lessee in any lease, purchase, hire, take on lease, grant leases, sub-leases, tenancies or rights of any nature to any interest in real estate, motor vehicles, computer hardware and software, fixtures and fittings, furniture, utensils, plant and equipment and other personal property of any description;
- h) **lease property owned by the Fund:** to lease and let property owned by the Fund or held by the Trustee pursuant to the provisions of these Rules and the Superannuation Laws upon terms and conditions as the Trustee may decide, to accept surrenders from,

and to make arrangements with a lessee or tenant as the Trustee may consider appropriate;

- i) **lend money:** subject to the Superannuation Laws and the Fund retaining its Complying SMSF status to lend and advance moneys;
- j) **borrow money:** subject to the Superannuation Laws and the Fund retaining its Complying SMSF status, to borrow or raise any financial accommodation or Assets including under an instalment warrant or other borrowing arrangement authorised pursuant to section 67 of the Superannuation Industry Supervision Act 1993 or the Superannuation Laws, and to assign, pledge, mortgage or charge any of the Fund as security for such financial accommodation;
- k) **enter into futures contracts and options:** both within and outside Australia to buy sell, open, close-out or otherwise deal in futures contracts of all kinds, to enter into, vary, exercise, abandon or sell any put or call option or rights, to place bids, make offers, hedge and effect orders including buying, selling, straddle, switch and stop-loss order, to tender and take delivery of commodities and currencies which are the subject of any futures contract or option and otherwise to do and perform all things so as to operate on, utilise or deal with the facilities of any stock or futures exchange no matter where situate provided the Trustee maintains a risk management strategy if required under the Superannuation Laws;
- l) **deal with personal property:** to acquire, dispose of, exchange, hire, lease, maintain, improve, mortgage or otherwise deal with any interest in personal property;
- m) **deal with intellectual property:** to apply for, purchase or otherwise acquire and to sell patents, patent rights, copyrights, trademarks, designs, formulae, licences, concessions, know-how and the like, conferring any exclusive or non-exclusive or limited right to use of any other intellectual property rights and to use, exercise, develop or grant licences in respect of or otherwise turn to account the property rights or information so acquired;
- n) **obtain agencies and licences:** to apply for, purchase and hold any permit, agency or licence which may be desirable or required to enable or facilitate the carrying on of any business which the Trustee is empowered to engage in and to surrender, relinquish, sell, vary or assign the same provide the said agency, licence or business does not breach the “Sole Purpose Test” or the Superannuation Laws;
- o) **pay management expenses:** to pay out of the Assets, Reserve Accounts or the Earnings of the Fund all costs charges and expenses incidental to the management and operation of the Fund or to the exercise of any power, authority or discretion contained in the Rules or the Deed;
- p) **pay General Expenses:** to pay insurance premiums, rates, taxes, rents, and outgoings in connection with any Assets of the Fund from the Assets, Reserve Accounts or the Earnings of the Fund and to manage such Assets and effect improvements and repairs as the Trustee may consider necessary or advisable;

- q) **set aside money in the Fund:** to set aside out of the Earnings of the Fund from time to time such money as may in the opinion of the Trustee be sufficient to meet any debt, tax or obligation due or accruing;
- r) **deal with itself:** notwithstanding any rule or law or equity to the contrary, to acquire as property of the Fund real or personal property the legal and beneficial interest in which is at the date of such acquisition the absolute property of the Trustee provided that any property so acquired is acquired for a consideration being not greater than the current Market Value of the property and upon which such acquisition the beneficial interest in and to the property shall be held by the Trustee according to the Rules;
- s) **deal with Choses-in-action:** to acquire choses-in-action including debts and obligations of all kinds for value or by way of gift or at a discount or at a premium and to assign, release, vary, relinquish or otherwise deal with the choses-in-action in any way whatsoever on such terms and conditions as the Trustee may see fit;
- t) **receive gifts or distributions:** to receive property by gift inter vivos or by distribution under a will, SMSF Will or under the provisions of any other trust or otherwise from any person as an addition to the Fund, whether subject to liabilities or not and to hold these gifts according to the Rules and to administer such additions under these provisions;
- u) **instigate legal proceedings:** to institute, join in and defend proceedings at law or by way of mediation or arbitration and to proceed to the final end and determination of, or to compromise the same and to compromise and settle any such dispute or proceedings for such consideration and upon the terms and conditions as the Trustee may decide;
- v) **trade in foreign currency:** to undertake, contract, carry out or do anything including acquiring Assets in a foreign currency;
- w) **exercise all other powers:** to do all such other things as may be incidental to the exercise of the powers, rights, discretions and authorities hereby conferred on the Trustee;
- x) **Power to appoint an Attorney:** the Trustee may 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;
- y) **Indemnities:** to give indemnities to or on behalf of any person the Trustee thinks fit;
- z) **Custodian:** to appoint any person as Custodian to hold legal title for any Asset acquired or to be acquired by the Trustee under such terms as the Trustee thinks fit.
- aa) **Bank Bills:** the Trustee may raise money in any lawful manner including by drawing, endorsing, accepting or otherwise dealing with any bill of exchange, promissory note or other negotiable instrument. The Trustee may secure the repayment of any moneys so raised with interest at such rate as the Trustee thinks fit and upon any terms and conditions in all respects as the Trustee thinks fit. Any money raised by the Trustee will form part of the Fund.

- 15.3 The Trustee, subject to the Superannuation Laws and the Fund retaining its Complying SMSF status, may create one or more SMSF's with the same Rules, Members and Trustee including a Cloned SMSF.
- 15.4 Subject to the Superannuation Laws and the Fund retaining its Complying SMSF status, the Trustee is to be indemnified from the Assets of the Fund for any loss, damages or award against the Trustee arising from their role as Trustee of the Fund.
- 15.5 The Trustee is not authorised to carry out any transaction, undertaking, contract, business, investment or any other thing that would breach the Superannuation Laws and result in the Fund becoming a non-Complying SMSF. Any such transaction, undertaking, contract, business, investment or thing is rendered null and void ab-initio.

Rule 16 – Trustee Meetings and Decision Making

- 16.1 The Trustee is to hold a Trustee Meeting where any significant event, transaction, acquisition or disposal or other event directly related to the Fund is proposed. These matters include, but are not limited to, those that relate to an Asset of the Fund, Superannuation Interest, Investment Strategy, Reserve Account, Superannuation Benefit, Member of the Fund or where otherwise required under the Superannuation Laws.
- 16.2 There is no requirement for formal notice of a Trustee Meeting. However every Trustee or a Director of the Company that is Trustee must be afforded the opportunity of participating in the Trustee Meeting where possible.
- 16.3 A quorum for a meeting is where at least 50% of all available Trustees attend the Trustee Meeting.
- 16.4 For each decision by the Trustee or Replacement Trustee at a Trustee Meeting the Trustee or Replacement Trustee is to hold that number of votes equal to \$1 per vote in respect of the total Member Superannuation Interest Entitlements they represent as last recorded by the Trustee. Any Additional Trustee is to be provided with the number of votes as prescribed by the sole Member Trustee. The Trustees may at any Trustee Meeting, in accordance with the proportional voting rule, decide upon the appropriate voting arrangements to apply for that Trustee Meeting, any matter to be determined in the Trustee Meeting or in respect of any future Trustee Meetings or matters to be decided upon in those meetings.
- 16.5 A Trustee Meeting shall be valid where attendance by a Trustee is by telephone, by the internet, by way of circulating minute, facsimile or any other form where all Trustees are provided with the opportunity of attending, discussing and determining the items of the Trustee Meeting agenda and where a vote is cast.
- 16.6 A resolution shall be passed where more than 50% of the votes available at the Trustee Meeting vote in favour of the resolution.
- 16.7 Subject to the Superannuation Laws and despite Rule 16.4, at any Trustee Meeting dealing with a deceased Member's Death Benefits or a Member's Incapacity Superannuation Benefits only the Member's Legal Personal Representatives or Member whilst alive and