


Contract for the sale and purchase of land 2019 edition

TERM	MEANING OF TERM	NSW DAN:
vendor's agent	Harcourts Newcastle Suite 2/266 King Street, Newcastle, NSW 2300	Phone: 02 4038 1444 Ref: Laura Strong
co-agent		
vendor	Chaynes Constructions Pty Ltd ACN 147 778 363 14 Templar Place, Bennetts Green, NSW 2290	
vendor's solicitor	 Evans & Wislang SOLICITORS & CONVEYANCERS	Phone: 02 4952 5344 Fax: 02 4952 5399 Ref: TW:AR:41378 E:tonl@evansandwislang.com.au
	PO Box 93, Kotara NSW 2289 Suite 6 Level 2 10 Bradford Close Kotara NSW 2289	
date for completion land (address, plan details and title reference)	42nd day after the contract date 9/10 Superior Avenue, Edgeworth, New South Wales 2285 Registered Plan: Lot 9 Plan SP 99759 Folio Identifier 9/SP99759	(clause 15)

Improvements VACANT POSSESSION subject to existing tenancies

HOUSE garage carport home unit carspace storage space

none other: Commercial Shed

attached copies documents in the List of Documents as marked or as numbered:

other documents:

A real estate agent is permitted by legislation to fill up the items in this box in a sale of residential property.

inclusions blinds dishwasher light fittings oven

built-in wardrobes fixed floor coverings range hood pool equipment

clothes line insect screens solar panels TV antenna

curtains other:

exclusions

purchaser **Hollanderb Pty Limited ACN 639 985 309 ACN ~~as trustee for Hollanderb Bare Trust~~**

purchaser's solicitor **Lake Macquarie Conveyancing**
635 Pacific Highway, Belmont, NSW 2280
PO Box 576, Belmont NSW 2280

Phone: 4945 8248
Fax: 4945 8541
Ref: Amanda Carr
Email: amanda@lakemacconvey.com.au

price **\$300,000.00**

deposit **\$30,000.00** (10% of the price, unless otherwise stated)

balance **\$270,000.00**

contract date (if not stated, the date this contract was made)

buyer's agent

vendor



GST AMOUNT (optional)

The price includes
GST of: \$

witness

purchaser JOINT TENANTS tenants in common in unequal shares

witness



I certify this document, comprising this and the following 1 pages, each of which I have signed / initialled, to be a true and accurate copy of the document reported to me to be the original document.

.....
Dene Jason Kilpatrick (NSW JP) 113941

Dated 5-5-2020


• This Medicare card can only be used by the persons listed on this card.
 • Please carry this card when seeking medical or hospital treatment, eye examination by an optometrist, service at a Medicare Service Centre or when having a Pharmaceutical Benefits Scheme (PBS) prescription filled.
 • This card remains the property of the Department of Human Services. If found, hand it in to your nearest Medicare Service Centre or post it to the **Department of Human Services, GPO Box 9822**, in your capital city.

For more information, go to our website humanservices.gov.au or call 132 011*

*Call charges apply - calls from mobile phones may be charged at a higher rate.

MS007.1406 ABCORP

74 254 182 Licence Fee \$94.00



While licence is valid, you may drive vehicles of the classes below subject to conditions listed.

Class **C=Vehicle seating up to 12 adults, to 4.5 tonnes GVM. Tractor, implement**

Conds }

Attach official change of address label here

Change of address must be advised within 14 days
 online at www.myRTA.com or by calling 13 22 13

Issued by Roads and Maritime Services, Locked Bag 928 North Sydney NSW 2059

NAB ID: 16428740 OSID: 717366 GD35480518-H/Co

894

AUTHORISED SIGNATURE



NAB Cards: 13 22 65
 When overseas: +61 3 8641 9083

nab.com.au **nabDEFENCE**

601


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Issued by Newcastle Permanent Building Society Limited A/CN 027 451 992




2 - 



ABN 84 120 601 372

Visionary Advisors
Level 4
16 a Bolton Street
NEWCASTLE NSW 2300

26 March 2020

Tax Invoice

Invoice #: J00168154

For the preparation and delivery of the following documentation:

SMSF Bare Trust - Bank Lender Rusholsup Superannuation Fund	\$900.00
Register a Company to act as Trustee of the Trust Hollanderb Pty Limited (ASIC fee of \$495.00 included in this price is not subject to GST.)	\$690.45

We thank you for your pre-payment of this invoice.

SUBTOTAL: \$1,590.45

GST: \$109.55

TOTAL: \$1,700.00

STATEMENT OF POSITION



DATE 5-5-2020 ADVISOR Mark Sherwood
 CLIENT NAME(S) Russell Holland.

INCOME DETAILS: APPLICANT 1

GROSS SALARY/WAGES (PAYG)	\$ -
GROSS TAXABLE INCOME (self-employed)	\$ <u>70865</u>
REGULAR OVERTIME	\$ -
FAMILY ALLOWANCE	\$ -
DIVIDENDS <u>NIB AMP</u>	\$ <u>1200</u>
RENTAL INCOME - EXISTING	\$ -
RENTAL INCOME - NEW	\$ <u>24000</u>
OTHER <u>SMSF Pension</u>	\$ <u>16000</u>

APPLICANT 2

GROSS SALARY/WAGES (PAYG)	\$
GROSS TAXABLE INCOME (self-employed)	\$
REGULAR OVERTIME	\$
FAMILY ALLOWANCE	\$
DIVIDENDS	\$
RENTAL INCOME - EXISTING	\$
RENTAL INCOME - NEW	\$
OTHER	\$

LIVING EXPENSES ON A MONTHLY BASIS, HOW MUCH DO YOU SPEND ON THE FOLLOWING ITEMS: SEE SOA PAGE 10.

RENT OR BOARD	\$ -	TRANSPORT	\$
CONNECTIONS	\$	MEDICAL	\$
UTILITIES	\$	ENTERTAINMENT	\$
EDUCATION	\$	SPORTS, HOBBIES AND MEMBERSHIPS	\$
FOOD	\$	OTHER REGULAR EXPENDITURE	\$ <u>2859</u>
		TOTAL	

STATEMENT OF ASSETS & LIABILITIES

ASSETS		LIABILITIES			
ASSET TYPE	VALUE	LIABILITY TYPE	RATE	AMOUNT OWING	MONTHLY REPAYMENTS
Principal Home Address <u>KILWININGHURTH</u>	\$ <u>500000</u>	Principal Home Lender		\$ -	\$
Investment Property Address	\$ -	Investment Property Lender		\$ -	\$
Investment Property Address	\$ -	Investment Property Lender		\$ -	\$
Investment Property Address	\$ -	Investment Property Lender		\$ -	\$
Motor vehicle Type	\$ <u>6000</u>	Motor vehicle Lender		\$ -	\$
Motor vehicle Type	\$ -	Motor vehicle Lender		\$ -	\$
Motor vehicle Type	\$ -	Motor vehicle Lender		\$ -	\$
Cash Institution <u>Newcastle Perm</u>	\$ <u>252390</u>	Credit card Lender	Limit \$	\$ -	\$
Investments/Shares/Term deposits Institution	\$ <u>38010</u>	Credit card Lender	Limit \$	\$ -	\$
Gifts	\$ -	Store card Lender	Limit \$	\$ -	\$
Deposits paid	\$ -	Personal loan Lender		\$ -	\$
Other vehicles (boats/motorcycles/caravans)	\$ -	Overdrafts		\$ -	\$
Other assets	\$ -	Liabilities - HECS/HELP		\$ -	\$
TOTAL ASSETS	\$	Liabilities - Other		\$ -	\$
Superannuation Institution	\$ <u>378186</u>	Liabilities - Other		\$ -	\$
Furniture/Household items insured value	\$ <u>20000</u>	TOTAL LIABILITIES		\$ <u>Nil</u>	\$
Goodwill of business	\$ -	NET ASSETS		\$ <u>1,194,585</u>	

SUBSEQUENT BARE TRUST RESOLUTIONS

SIGN AND DATE THESE RESOLUTIONS AFTER THE FUND TRUSTEE
HAS BEEN GIVEN THE LOAN AND SECURITY DOCUMENTATION BY THE
LENDER

**RUSHOLSUP SUPERANNUATION FUND
(FUND)**

**RUSSTEE PTY LIMITED
(ACN 639 976 659)
(COMPANY)**

**RESOLUTION OF THE SOLE DIRECTOR
MADE UNDER THE CONSTITUTION OF THE COMPANY**

I, the undersigned:

Russell Holland

being the sole director of the Company, in the Company's capacity as trustee of the Fund (**Fund Trustee**) do hereby resolve as follows:

PROPOSED
INVESTMENT IN
PROPERTY VIA A
BORROWING IN THE
FUND:

It was noted that the Fund Trustee and Hollanderb Pty Limited (ACN 639 985 309) (**Bare Trustee**) had executed a bare trust deed (**Bare Trust Deed**) regarding the acquisition of Unit 9, 10 Superior Avenue Edgeworth NSW 2285 (**Property**) from CHANE'S CONSTRUCTIONS PTY LTD (AN 14777833) the vendor.

It was noted that the Fund Trustee had applied for a loan of \$ 160,000-00 from DNY TRUST COMPANY LIMITED ^{OF AUSTRALIA} (**Lender**) to assist in the funding of the acquisition of the Property. It was noted that the balance of the purchase price of the Property would be paid from the accounts of the Fund.

TERMS OF THE LOAN
AGREEMENT AND
SECURITY:

It was noted that the Lender has provided the Fund Trustee with a loan agreement (**Loan Agreement**) and security document (**Security**) in relation to the loan.

The Loan Agreement and Security were tabled.

It was noted that in order to comply with section 67A of the Superannuation Industry (Supervision) Act 1993 (**SIS Act**), the acquisition of an asset by a regulated superannuation fund via a borrowing must comply with the following criteria:

- the loan proceeds must be applied for the acquisition of an asset by the Fund;
- the asset acquired must not be an asset that the Fund Trustee is prohibited from acquiring normally under the SIS Act or any other law;
- the acquired asset must be held on trust for the Fund by

a separate entity, so that the Fund Trustee holds the beneficial entitlement to the asset;

- the Fund Trustee must have the right to acquire legal ownership of the asset from the separate entity by making one or more payments after obtaining a beneficial entitlement to the asset; and
- the loan to the Fund must be limited recourse in nature, so that the Lender's rights to recourse on default of the loan are limited to rights to the asset being acquired.

The material terms of the Loan Agreement and Security were discussed including default arrangements and payment terms, and the requirements of the SIS Act.

It was noted that in the event of a default on the loan, the Lender's rights will be limited to rights against the Property as set out in the Loan Agreement and Security. It was noted that in the event of a default, the Property will be sold and the Lender will be entitled to receive payment of the outstanding interest and principal of the loan out of the proceeds of the sale. It was noted that if the proceeds of the sale are not sufficient to cover the outstanding interest and principal payable under the Loan Agreement, the shortfall will be to the Lender's account and the Fund Trustee will not be liable to make any further payments from the accounts of the Fund.

It was noted that under the terms of the trust deed for the Fund, the Fund Trustee has the power to acquire the Property on the terms and conditions outlined in the Loan Agreement and Security.

It was noted that under the terms of the Bare Trust Deed, the Fund Trustee has the power to instruct the Bare Trustee to enter into the Security. It was further noted that the Fund Trustee will instruct the Bare Trustee, via a notice of instruction (**Notice of Instruction**), to execute the Security.

It was resolved that:

- Entering into the Loan Agreement and Security is in the best interests of the beneficiaries of the Fund.
- The Fund Trustee execute the Loan Agreement, and all other documents required to effect the Loan Agreement.
- The Fund Trustee execute the Notice of Instruction and deliver it to the Bare Trustee.

DATED 7-7-2010

A handwritten signature in black ink, appearing to read "R. Holland", written over a horizontal line.

RUSSELL HOLLAND

**HOLLANDERB PTY LIMITED
(ACN 639 985 309)
(COMPANY)**

**RESOLUTION OF THE SOLE DIRECTOR
MADE UNDER THE CONSTITUTION OF THE COMPANY**

I, the undersigned:

Russell Holland

being the sole director of the Company, in the Company's capacity as trustee of the Hollanderb Bare Trust (**Bare Trustee**) do hereby resolve as follows:

**PROPOSED CUSTODIAL
ARRANGEMENT:**

It was noted that the Bare Trustee and Russtee Pty Limited (ACN 639 976 659) (**Fund Trustee**) as trustee for the Rusholsup Superannuation Fund (**Fund**) had executed a bare trust deed (**Bare Trust Deed**) regarding the acquisition of Unit 9, 10 Superior Avenue Edgeworth NSW 2285 (**Property**) from CHAMNIE'S CONSTRUCTIONS PTY LTD (ACN 147 718 312) the vendor.

It was noted that the Fund Trustee had applied for a loan of \$ 160,000.00 (**Loan**) from BANK TRUST COMPANY OF AUSTRALIA LIMITED (**Lender**) to assist in the funding of the acquisition of the Property. It was further noted that the Lender has provided the Fund Trustee with a loan agreement and security document (**Security**) in relation to the Loan.

It was noted that the Fund Trustee wishes to grant the Lender security over the Property in the form outlined in the Security.

It was noted that the Bare Trust Deed confers on the Fund Trustee the power to instruct the Bare Trustee to execute the Security with the Lender to secure repayment of the Loan.

**NOTICE OF
INSTRUCTION:**

A notice of instruction (**Notice of Instruction**) signed by the Fund Trustee and the Security were tabled. It was noted that the Notice of Instruction instructs the Bare Trustee to enter into the Security with the Lender.

It was noted that the constitution of the Bare Trustee confers on the Bare Trustee the necessary powers to execute the Security.

It was resolved to execute the Security.

DATED 7-7-2020

A handwritten signature in black ink, appearing to read "RH", written above a horizontal line.

RUSSELL HOLLAND

NOTICE OF INSTRUCTION

FROM:

Russtee Pty Limited (ACN 639 976 659) **ATF** Rusholup Superannuation Fund (**Fund Trustee**)

TO:

Hollanderb Pty Limited (ACN 639 985 309) (**Bare Trustee**)

The Fund Trustee instructs the Bare Trustee to provide security over Unit 9, 10 Superior Avenue Edgeworth NSW 2285 in the form of a first registrable limited recourse mortgage as attached to this notice of instruction.



.....
Signed for and on behalf of the Fund Trustee by Russell Holland

DATED: 7-7-2024.....



1/ I have the bare trust deed documents.
 2/ The subsequent bare trust deed docs have been given to Russell to pass on to conveyancer. CONFIRM
 3/ check the order of signing.

30 March 2020

Dene Kilpatrick
 Visionary Advisors
 Level 4
 16 a Bolton Street
 NEWCASTLE NSW 2300

Dear Dene,

RUSHOLSUP SUPERANNUATION FUND

Thank you for choosing Topdocs, the documentation specialists, to prepare the following documentation regarding the Rusholup Superannuation Fund (**Fund**). Please note your documentation has been prepared in the following order, and should be executed in the same:

Company Registration – Hollanderb Pty Limited (ACN 639 985 309)

Please refer to the Procedures Sheet included in your package, then have the respective parties sign and date the enclosed documents where indicated.

Bare Trust – Hollanderb Bare Trust

Execution of Documents

Please have the set of resolutions marked '**Initial Bare Trust Resolutions**' signed and dated by the respective parties at the same time as the execution of the bare trust deed.

Ensure that the set of resolutions marked '**Subsequent Bare Trust Resolutions**' are not signed and dated until the lender providing the loan to the Fund provides the trustee of the Fund with the relevant loan and security documentation relating to the loan. Once this documentation has been provided to the trustee, carefully review the 'Subsequent Bare Trust Resolutions' with regards to the loan and security documentation provided. Once you are satisfied the resolutions accurately reflect the contents of the loan and security documentation prepared by the lender, have the respective parties sign and date the 'Subsequent Bare Trust Resolutions'.

State Revenue Office Requirements

Please note that in order for the Fund to avoid paying stamp duty on the transfer of the property from the trustee of the bare trust to the trustee of the Fund once the loan has been repaid, there are a number of requirements that have to be met regarding the bare trust and the contract of sale for the property. The two most important of these are ensuring that the purchaser noted in the contract of sale is correct and that the bare trust deed and the contract of sale are executed in the correct order. For guidance, we recommend that you speak directly to the revenue office in the state in which the property is being acquired with regards to these matters before your client executes the enclosed documentation. If you have any queries in relation to this, please contact our office.

Notice of Instruction

Have the relevant parties of the Fund sign and date the attached Notice of Instruction and attach it to the security documentation supplied by the lender.

Lender Details and Loan Amount

We note that at the time of instruction, the details of the lender and the amount to be borrowed by the Fund in relation to this transaction were not provided. As a result, all references to the lender name and loan amount have been left blank in the enclosed documentation.

Please ensure these items are completed before the enclosed documentation is executed.

Please also note the enclosed documentation has been prepared on the basis that the lender will be a bank or similar lending institution and not a related party of the Fund. If the Super Fund intends to borrow from a related party, please contact our office before having the enclosed documentation executed as it will need to be amended to reflect the related party lender and loan terms.

Vendor Details

As the details of the vendor of the property being acquired by the Fund were not available at the time of instruction, references to the vendor name for the property in the enclosed documentation have been left blank.

Please ensure the vendor name is completed before the enclosed documentation is executed.

We further note that the enclosed documentation has been prepared on the basis that the vendor, and if applicable the lessee, are not related parties of the Fund. If the vendor or the lessee of the property that is being acquired are related parties of the Fund, please contact our office before executing the attached documentation so that we may make the necessary adjustments.

Disclaimers

Please note that the attached documents have been prepared based on instructions provided by Visionary Advisors detailing the relevant parties and relevant dates pertaining to the preparation of the documents, including those instructions contained in the order form and relevant email and telephone communications between Visionary Advisors and Topdocs. Please note our terms of agreement in our website disclaimer including the relevant return policy at www.topdocs.com.au.

Please also note that warranties relating to the attached bare trust documentation are limited to those noted in the attached letter of legal oversight from Topdocs Legal Pty Ltd (**Letter of Oversight**). Topdocs does not provide any warranties in relation to the attached documentation, the circumstances and parties associated with the borrowing arrangement by the Fund, or any other documents associated with the Fund's complying SMSF loan including any documents supplied to the Fund by the Fund's lender, apart from those specified in the Letter of Oversight.

We recommend that you have the loan and security documentation provided by the lender reviewed by a qualified lawyer to ensure it is compliant with the SIS legislative requirements for SMSF borrowing arrangements.

We enclose a tax invoice for the documentation prepared and thank you for your prepayment of this order.

If you have any queries regarding the attached documentation, please do not hesitate to contact our office.

Thank you once again for choosing Topdocs.

Yours faithfully,
THE TOPDOCS TEAM

A handwritten signature in black ink, appearing to be 'M. Jones', with a long horizontal flourish extending to the right.

Phone: 1300 65 92 42



30 March 2020

Dene Kilpatrick
Visionary Advisors
Level 4
16 a Bolton Street
NEWCASTLE NSW 2300

Dear Dene,

LEGAL OVERSIGHT OF THE DOCUMENTATION ESTABLISHING THE HOLLANDERB BARE TRUST

Topdocs Legal Pty Ltd, an incorporated legal practice, has been engaged to conduct limited legal review of the documentation to establish the Hollanderb Bare Trust to effect the limited recourse borrowing arrangement to be entered into by the Rusholsup Superannuation Fund.

Documents Reviewed by Topdocs Legal Pty Ltd

We have reviewed the following documents:

- Trust Deed of the Fund dated 26 March 2020, but unexecuted
- Constitution of the Corporate Fund Trustee
- Constitution of the Corporate Bare Trustee
- Bare Trust Deed
- Resolutions of the Fund Trustee
- Resolutions of Hollanderb Pty Limited (ACN 639 985 309), the Bare Trustee as defined in the Bare Trust Deed
- Notice of Instruction.

We refer to these documents as '**Reviewed Documents**'.

Documents Provided by You

We have relied upon instructions contained in your application form and variations to the application form as instructed to us (**Application Form**).

Documents Not Provided by You

We have not been provided with the loan or security documentation (**Loan Documents**) between the Fund and the lender noted in the Application Form (**Lender**). The scope of this advice, therefore, does not cover the suitability or legislative compliance of the Loan Documents. We recommend that the Fund Trustee obtains advice to determine whether or not the Loan

Documents meet the legislative requirements of the limited recourse borrowing arrangements under the *Superannuation Industry (Supervision) Act 1993 (SIS Act)*.

Our Advice: Limitations

The scope of our advice is limited to considering only the following:

1. Does the Bare Trust meet the requirements of section 67 of the SIS Act?
2. Does the exception to the in-house asset rules conferred by section 71(8) of the SIS Act apply to the Bare Trust?
3. Have the Reviewed Documents been prepared in accordance with your instructions?

Our Advice: Scope

Therefore, subject to the matters discussed below under 'Disclaimers', we confirm our view that:

1. The Bare Trust Deed will, in our view, meet the requirements of section 67A of the SIS Act as regards the manner in which property to be acquired with the proceeds of borrowing by the trustee/s of the Fund (**Property**) is to be held, provided the Property is a *single acquirable asset* for the purposes of Section 67A of the SIS Act and is not an asset that the Borrower is otherwise prohibited from acquiring from the vendor by the SIS Act or any other law.
2. The exception to the in-house asset rules conferred by section 71(8) of the SIS Act will apply to the Bare Trust to be established by the Bare Trust Deed (and therefore the interest of the trustee/s of the Fund in the Bare Trust will not constitute an "in-house asset" of the Fund for the purposes of the SIS Act) provided that the Property would not constitute an "in-house asset" of the Fund (if it were an asset of the Fund acquired directly).
3. The Bare Trust Deed and draft Resolutions have been prepared in accordance with your instructions (as contained in the Application Form and any variations to those instructions notified to us).

Accordingly, we have signed off on the above matters as requested of us.

Disclaimers

We confirm that our advice has not been sought regarding the general application of the SIS Act in-house asset rules.

We further confirm that we are neither licensed nor qualified to provide financial advice. This letter of advice should not, therefore, be relied upon regarding the suitability or otherwise of the proposed investment and the Fund's borrowings.

Our advice is limited to the three matters detailed above and is based upon our review of the Reviewed Documents and the Application Form.

We have not been provided with, nor have we been instructed as to the content of, the Loan Documents. The Reviewed Documents have been completed based upon our expectations of the likely content of the Loan Documents. Consequently, we are not able to advise whether or not the Loan Documents, when taken together with the Bare Trust Deed, will meet all of the requirements of section 67A of the SIS Act. We recommend that the Trustee of the Fund obtains advice as to the whether or not the Loan Documents, once the Lender provides them to the Fund Trustee, are compliant.

Once the Fund Trustee receives the Loan Documents from the Lender, they will need to review the documents prepared to ensure that they accurately reflect all elements of the transaction and the Loan Documents. Should any inconsistencies occur, we recommend the Fund Trustee seeks advice as to any required amendments.

Please note that our advice relates to the Reviewed Documents in the format supplied to you, and will not apply to those documents to the extent that they are varied.

In preparing this advice, we have relied upon the accuracy of the instructions contained in the Application Form, and certain assumptions (**Assumptions**) as stated in this letter. We have not conducted any searches or enquiries to verify the accuracy of these instructions or Assumptions. Should the instructions be inaccurate or misleading, or should our Assumptions based upon the instructions be incorrect, then the accuracy our advice may be compromised. Please note that we do not take any responsibility for errors or omissions that may be contained in our advice as a consequence of any inaccurate or misleading statements contained in the instructions, or for any inaccuracies in our Assumptions.

We have reviewed the Reviewed Documents based upon the Assumptions. The Trustee of the Fund should carefully review the Reviewed Documents to ensure that these assumptions of fact are accurate. If they are not, please contact us immediately.

The Reviewed Documents also contain statements as to matters of law upon which our advice has not been sought. The Trustee of the Fund should consider whether they require independent legal advice on these matters, as they are not within the scope of our advice.

We have not been requested to confirm the compliance by the Trustee of the Fund with other obligations under the SIS Act or other law. Accordingly we have not provided any advice on these matters.

Based upon the nature of the proposed transactions, we have assumed that the funds to be borrowed by the Fund will be applied directly to the acquisition of the Property, and will not be used to develop the Property.

We have not been instructed to give advice in relation to conveyancing matters associated with the acquisition of the property, or with any leasing of the Property. Accordingly, our advice does not cover these matters.

We confirm that the Trust Deed of the Fund confers the necessary power on the Trustee of the Fund to enter into the borrowing arrangement as provided in the enclosed documentation.

We confirm that the constitution of the corporate Fund Trustee contains provisions for conflicts of interest of the Directors of the Company to be able to participate as a party to the borrowing arrangement as provided in the enclosed documentation.

We confirm that the constitution of the corporate Bare Trustee contains provisions for conflicts of interest of the Directors of the Company to be able to participate as a party to the borrowing arrangement as provided in the enclosed documentation.

We have not been instructed to advise if the borrowing arrangement is consistent with the Fund's investment strategy, nor have we been instructed to give advice as to the interests of the Lender or the Bare Trustee regarding the borrowing arrangement to be entered into by the Fund. Accordingly, we recommend that these parties either arrange for independent legal advice to determine their interests, or satisfy themselves that they do not require such advice.

Our advice is subject to the legislation as at the date of this letter concerning limited recourse borrowing by superannuation funds and the Australian Taxation Office's (**ATO**) current guidance

on limited recourse borrowing. While the ATO is yet to supply guidance on certain aspects of this legislation, it may in due course issue further guidance or make further statements regarding the legislation that could impact upon our advice.

Please note that our advice will not be updated should future guidance or statements issue from the ATO unless you specifically instruct us to do so.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'T. Wong', written in a cursive style.

TERENCE WONG
Legal Practice Director
Topdocs Legal Pty Ltd

INITIAL BARE TRUST RESOLUTIONS

SIGN AND DATE THESE RESOLUTIONS AT THE TIME OF EXECUTING
THE BARE TRUST DEED

**RUSHOLSUP SUPERANNUATION FUND
(FUND)**

**RUSSTEE PTY LIMITED
(ACN 639 976 659)
(COMPANY)**

**RESOLUTION OF THE SOLE DIRECTOR
MADE UNDER THE CONSTITUTION OF THE COMPANY**

I, the undersigned:

Russell Holland

being the sole director of the Company, in the Company's capacity as trustee of the Fund (**Fund Trustee**) do hereby resolve as follows:

PROPOSED
INVESTMENT IN
PROPERTY VIA A
BORROWING BY THE
FUND:

It was noted that under section 67A of the Superannuation Industry (Supervision) Act 1993 (**SIS Act**) trustees of Self Managed Superannuation Funds may borrow money to fund the acquisition of an asset in certain circumstances.

It was noted that in order to comply with section 67A of the SIS Act, the acquisition of an asset by a regulated superannuation fund via a borrowing must comply with the following criteria:

- the loan proceeds must be applied for the acquisition of an asset by the Fund;
- the asset acquired must not be an asset that the Fund Trustee is prohibited from acquiring normally under the SIS Act or any other law;
- the acquired asset must be held on trust for the Fund by a separate entity, so that the Fund Trustee holds the beneficial entitlement to the asset;
- the Fund Trustee must have the right to acquire legal ownership of the asset from the separate entity by making one or more payments after obtaining a beneficial entitlement to the asset; and
- the loan to the Fund must be limited recourse in nature, so that the lender's rights to recourse on default of the loan are limited to rights to the asset being acquired.

TERMS OF THE
PROPOSAL:

A proposal that the Fund Trustee acquire Unit 9, 10 Superior Avenue Edgeworth NSW 2285 (**Property**) from Chaynes
Constructions Pty Ltd ACN 147 783 363 (**Vendor**) for a purchase price of \$300,000 via a borrowing arrangement between the Fund Trustee and a lender was noted.

It was noted that the Fund Trustee will borrow an amount (**Loan**) from a lender to facilitate the acquisition of the Property, and pay the balance of the purchase price of the Property from the accounts of the Fund.

It was noted that, in order to comply with section 67A of the SIS Act, title to the Property, once acquired, will be held on trust for the Fund by Hollanderb Pty Limited (ACN 639 985 309) (**Bare Trustee**). A draft bare trust deed (**Bare Trust Deed**) was tabled, to be executed by the Fund Trustee and the Bare Trustee, setting out the terms on which the Bare Trustee will hold legal title to the Property once the Property is acquired (**Custodial Arrangement**).

It was noted that the Fund Trustee and the Bare Trustee are related parties.

Russell Holland made the following declarations of interest:

- i. I am the Member of the Fund
- ii. I am the Director of the Fund Trustee
- iii. I am the Shareholder of the Fund Trustee
- iv. I am the Director of the Bare Trustee
- v. I am the Shareholder of the Bare Trustee

It was noted that the constitution of the Fund Trustee allows the directors of the Fund Trustee to be counted in the quorum in relation to voting and resolutions notwithstanding their interests as disclosed.

It was noted that the constitution of the Fund Trustee confers on the Fund Trustee the necessary powers to enter into the Bare Trust and carry out its obligations under the Bare Trust Deed.

It was noted that the interests declared by the directors do not prevent them from voting under the trust deed for the Fund.

It was noted that the Bare Trustee will hold legal title to the Property under the Custodial Arrangement, but that the Fund

Trustee will hold the full beneficial entitlement to the Property and will be the real purchaser in respect of the Property. It was further noted that the Bare Trustee must, upon receiving a direction from the Fund Trustee, transfer legal title to the Property to the Fund Trustee for nil consideration.

It was noted that the Bare Trustee will, if it has not already done so, be required to execute all necessary documents including a contract of sale in respect of the Property (**Contract of Sale**) to acquire legal title to the Property.

It was noted that in order to comply with section 67A of the SIS Act, the Property must not be a property that the Fund would otherwise be prohibited from purchasing under the SIS Act or other law.

It was noted that the Vendor is not a related party of the Fund for the purposes of the related party acquisition prohibition in section 66 of the SIS Act.

It was noted that the acquisition of the Property would not therefore infringe the rule against related party transactions.

It was noted that the Custodial Arrangement will not be considered a breach of the in-house asset rules of the SIS Act despite the Bare Trust being a related trust, pursuant to the exemption granted by section 71(8) of the SIS Act.

It was noted that the acquisition of the Property would not therefore breach the in-house asset rules of the SIS Act.

It was noted that the Loan will be limited recourse in nature, and that the lender will require the Bare Trustee to execute a security document (**Security**) with the lender in relation to the Property. It was further noted the lender will require the Fund Trustee to execute a loan agreement (**Loan Agreement**) with the lender in relation to the Property.

It was noted that under the terms of the Bare Trust Deed, the Bare Trustee must exercise all rights, powers and remedies in respect of the Property in accordance with the directions of the Fund Trustee and the Bare Trustee must not exercise any discretion under this deed other than at the direction of the Fund Trustee. It was further noted that the Fund Trustee will instruct

the Bare Trustee to execute the Security.

It was noted that under the terms of the Bare Trust Deed, the Fund Trustee will indemnify the Bare Trustee against all costs of and incidental to the holding of the Property upon trust for the Fund Trustee including but not limited to the acquisition, maintenance and retention of the Property and the Bare Trustee's trusteeship of the Bare Trust.

It was noted that in the event of a default on the Loan, the lender's rights will be limited to rights against the Property as set out in the Loan Agreement and Security. It was noted that in the event of a default, the Property will be sold and the lender will be entitled to receive payment of the outstanding interest and principal of the Loan out of the proceeds of the sale. It was noted that if the proceeds of the sale are not sufficient to cover the outstanding interest and principal payable under the Loan Agreement, the shortfall will be to the lender's account and the Fund Trustee will not be liable to make any further payments from the accounts of the Fund.

The Contract of Sale was tabled, and it was noted that the Bare Trustee, if it has not already done so, will be required to execute the Contract of Sale to give effect to the Bare Trust Deed.

It was noted that under the trust deed for the Fund, the Fund Trustee has the power to acquire the Property on the terms and conditions outlined in the Bare Trust Deed and the SIS Act.

Material terms of the Bare Trust Deed were discussed in relation to the requirements of the SIS Act.

A letter of advice from Topdocs Legal Pty Ltd was tabled, in which Topdocs Legal Pty Ltd expressed the opinion, having reviewed the Bare Trust Deed that:

- The Bare Trust Deed will, in our view, meet the requirements of section 67A of the SIS Act as regards the manner in which property to be acquired with the proceeds of borrowing by the trustee/s of the Fund (**Property**) is to be held, provided the Property is a *single acquirable asset* for the purposes of Section 67A of the SIS Act and is not an asset that the Borrower is otherwise prohibited from acquiring by the SIS Act or any other law.

- The exception to the in-house asset rules conferred by section 71(8) of the SIS Act will apply to the Bare Trust to be established by the Bare Trust Deed (and therefore the interest of the trustee/s of the Fund in the Bare Trust will not constitute an "in-house asset" of the Fund for the purposes of the SIS Act) provided that the Property would not constitute an "in-house asset" of the Fund (if it were an asset of the Fund acquired directly).
- The Bare Trust Deed and draft resolutions have been prepared in accordance with your instructions (as contained in the Application Form and any variations to those instructions notified to us).

The merits of the investment in the Property were discussed and it was resolved that the investment in the Property was consistent with the Fund's investment strategy.

It was resolved that:

- The acquisition of the Property on the terms of the Bare Trust Deed is an appropriate investment of the Fund.
- The Fund Trustee execute the Bare Trust Deed, and all other documents required to effect the Bare Trust Deed.
- The Fund Trustee instruct the Bare Trustee, if the Bare Trustee has not already done so, to execute the Contract of Sale and all other documents the Bare Trustee is required to execute to effect the Bare Trust Deed.

DATED 29th June 2020


RUSSELL HOLLAND

**HOLLANDERB PTY LIMITED
(ACN 639 985 309)
(COMPANY)**

**RESOLUTION OF THE SOLE DIRECTOR
MADE UNDER THE CONSTITUTION OF THE COMPANY**

I, the undersigned:

Russell Holland

being the sole director of the Company, in the Company's capacity as trustee of the Hollanderb Bare Trust (**Bare Trustee**) do hereby resolve as follows:

**PROPOSED CUSTODIAL
ARRANGEMENT:**

A proposal that the Bare Trustee hold Unit 9, 10 Superior Avenue Edgeworth NSW 2285 (**Property**) on trust for Russtee Pty Limited (ACN 639 976 659) (**Fund Trustee**) as trustee for the Rusholup Superannuation Fund (**Fund**) in relation to a proposed borrowing arrangement between the Fund Trustee and a lender was noted.

A draft bare trust deed (**Bare Trust Deed**) was tabled, to be executed by the Fund Trustee and the Bare Trustee, setting out the terms on which the Bare Trustee will hold legal title to the Property once the Property is acquired (**Custodial Arrangement**).

It was noted that the Fund Trustee and the Bare Trustee are related parties.

Russell Holland made the following declarations of interest:

- i. I am the Member of the Fund
- ii. I am the Director of the Fund Trustee
- iii. I am the Shareholder of the Fund Trustee
- iv. I am the Director of the Bare Trustee
- v. I am the Shareholder of the Bare Trustee

It was noted that the constitution of the Bare Trustee allows the directors of the Bare Trustee to be counted in the quorum in relation to voting and resolutions notwithstanding their interests as disclosed.

It was noted that the constitution of the Bare Trustee confers on the Bare Trustee the necessary powers to enter into the Bare

Trust and carry out its obligations under the Bare Trust Deed.

It was noted that the Bare Trustee will hold legal title to the Property under the Custodial Arrangement, but that the Fund Trustee will hold the full beneficial entitlement to the Property and will be the real purchaser in respect of the Property. It was further noted that the Fund Trustee will have the right to instruct the Bare Trustee to transfer legal title to the Property to the Fund Trustee at any time for nil consideration.

It was noted that under the terms of the Bare Trust Deed, the Bare Trustee must exercise all rights, powers and remedies in respect of the Property in accordance with the directions of the Fund Trustee and the Bare Trustee must not exercise any discretion under the Bare Trust Deed other than at the direction of the Fund Trustee. It was noted that the Fund Trustee will instruct the Bare Trustee, via a notice of instruction, to execute a security document (**Security**) in relation to the Property to secure repayment of the loan.

It was noted that under the terms of the Bare Trust Deed, the Bare Trustee is required to execute all such documents as are necessary and desirable to grant legal title to the Property to the Bare Trustee, including but not limited to a contract of sale in respect of the Property (**Contract of Sale**).

It was noted that under the terms of the Bare Trust Deed, the Fund Trustee will indemnify the Bare Trustee against all costs of and incidental to the holding of the Property upon trust for the Fund Trustee including but not limited to the acquisition, maintenance and retention of the Property and the Bare Trustee's trusteeship of the Bare Trust.

It was noted that the Bare Trustee would not be entitled to be remunerated for carrying out its obligations under the Bare Trust Deed.

It was noted that in the event of a default on the loan, the lender's rights will be limited to rights against the Property. It was noted that in the event of a default, the Property will be sold and the lender will be entitled to receive payment of the outstanding interest and principal of the loan out of the proceeds of the sale. It was noted that if the proceeds of the sale are not sufficient to cover the outstanding interest and principal payable under the Loan Agreement, the shortfall will be to the lender's account and the Fund Trustee will not be liable to make any further payments

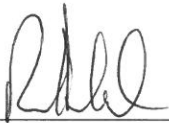
from the accounts of the Fund.

The Contract of Sale was tabled, and it was noted that the Bare Trustee, if it has not already done so, will be required to execute the contract of sale to give effect to the Bare Trust Deed.

It was resolved to:

- Execute the Bare Trust Deed and all other documents necessary to effect the Bare Trust Deed.
- Execute the Contract of Sale, if it has not already been executed.
- At the written instruction of the Fund Trustee, execute the Security.

DATED 29th June 2020



RUSSELL HOLLAND