
Nenad Baic (“The Trustee”)

Melina Baic (“The Trustee”)

Baic Superannuation Fund (“The Fund”)

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THIS SUPERANNUATION DEED OF TRUST is made on 5th day of February, 2003

By Nenad Baic ("Trustee")

By Melina Baic ("Trustee")

BACKGROUND

The Trustee wishes to establish an indefinitely continuing superannuation fund to be known by the name set out in the First Schedule to provide superannuation benefits as set out in this Deed.

THIS DEED STATES

1. INTERPRETATION

Definitions

In this Deed and in the schedules to this Deed and in any documents issued under this Deed the following terms where the context admits shall have the following meanings:

"Account" means an account in the books of account of the Fund;

"Actuary" means a person who is a Fellow or Accredited Member of the Institute of Actuaries of Australia or any other actuaries approved by the Applicable Standards;

"Applicable Standards" means as the context requires any applicable provisions in OSSA, OSSR, the Income Tax Assessment Act (C'th) 1936, The Income Tax Assessment Act (C'th) 1997, the Superannuation Contributions Tax (Assessment and Collection) Act (C'th) 1997, SIS Legislation, any Trustee Law which may impact on the Fund and any other applicable requirement regulating superannuation funds which must be complied with so that the Fund obtains concessional tax treatment.

"Approved Deposit Fund" means an approved deposit fund as defined pursuant to Section 27A(1) of the Income Tax Act;

"Associate" means an associate within the meaning of the Superannuation Industry (Supervision) Act;

"Beneficiary" means a person beneficially entitled to receive a Benefit and where the context so admits includes a Member;

"Benefit" and **"Benefits"** means any amount or amounts (as the case may be) paid or payable by the Trustees to or in respect of a Member or of Members pursuant to this Deed;

"Contributions" means payments made and any real or personal property transferred to the Trustees of the Fund;

"Deed" means and includes the provisions set out in this Deed and the schedules to this Deed and any alterations, additions, amendments and modifications authorised pursuant to the provisions of this Deed;

"Dependant" means a spouse, a child of a Member or Pensioner (including any step-child, any child recognised by the Trustees as an adopted child and any child of the Member or Pensioner born after the death of the Member or Pensioner) or any person the Trustees consider is or was wholly or partly dependent on the Member.

"Eligible Termination Payment" means an eligible termination payment as defined in the Income Tax Act;

"Employee" means a person Gainfully Employed by an Employer;

"the Employer" means the person by which a Member is for the time being employed;

"Financial year" means a year ending on 30 June or any other time period determined by the Trustee.

"Full time" means more than 30 hours per week or such time or conditions as are set out in the Applicable Standards;

"Fund" means the fund constituted in this Deed;

"Gainfully Employed" means a person engaged either on a Full time or Part time basis in any employment, occupation, vocation, profession, trade or business for remuneration or other reward in money or moneys worth within the meaning of the term gainfully employed in the Applicable Standards and the expression "Gainful Employment" has a corresponding meaning;

"Income Tax Act" means the Income Tax Assessment Act 1936 or the Income Tax Assessment Act 1997 as the case requires and any act amending or replacing those acts and the Income Tax Regulations and any regulations amending or replacing those regulations;

"Investments" means the investments of the Fund into which the moneys of the Fund have been invested;

"Legal personal representative" means the person or persons who in the reasonable opinion of the Trustees have by will, operation of law or otherwise responsibility and control for the due administration of the estate of a person or a deceased person;

"Lump Sum Benefit" means any Benefit payable to a Member by one payment;

"Mandated Employer Contributions" means any contribution made pursuant to the Superannuation Guarantee (Administration) Act 1992, any shortfall component, any contribution made under an industrial award or prescribed agreement or any other contribution requiring similar treatment under the Applicable Standards;

"Member" means any person who has become a Member of the Fund in accordance with the provisions of this Deed;

"Member's Account" means the account so named to be established and kept by the Trustees in respect of a Member in accordance with this Deed;

"Member's Benefit" in respect of a Member is the amount standing to the credit of the Member in the Member's Account;

"Minimum Benefit" means the Member's minimum Benefit which is required to be maintained in the Fund or another Approved Fund in accordance with the Applicable Standards and includes Benefits which are as a result of Mandated Employer Contributions, rollover amounts, Member contributions and earnings thereon;

"Nominated Dependant" means a Dependant nominated by a Member to receive his or her death benefit in the Member's application for membership form or in a subsequent clear written notification to the Trustee;

"Normal Retirement Age" means a Member's 55th birthday or any other age that the Member and the Employee agree shall be the Normal Retirement Age for the purposes of this Deed;

"Old age pension" has the same meaning as in paragraph 51 (XXIII) of the Constitution of the Commonwealth of Australia;

"Part time" means more than 10 hours per week or such time or conditions as set out in the Applicable Standards which does not amount to Full time;

"Pension" or **"Pension Benefit"** except in the expression "old age pension" means any Benefit payable to a Member by instalments and includes a pension within the meaning of the SIS Legislation;

"Pensioner" means a former Member who has retired from the service of the Employer and who is, or in the case of a deceased Pensioner was, in receipt of a Pension Benefit from the Fund;

"Person" and words importing a natural person also include a body corporate and any other person recognised at law, a partnership and any other group or association of persons, but the words "natural person" shall be given their normal meaning;

"Qualified Adviser" means an accountant, auditor, barrister, solicitor, actuary, medical practitioner or other professional person considered by the Trustees in good faith to be capable of giving advice in relation to any matter or question whether by virtue of formal qualifications or experience in business or otherwise;

"Regulations" means the Superannuation Industry (Supervision) Regulations, the Superannuation Industry (Supervision) (Approval of Trustees) Regulations and the Superannuation (Resolution of Complaints) Regulations and any regulations amending or replacing those regulations;

"Relative" means an individual who would qualify as a relative for the purposes of determining whether the Fund is a self-managed superannuation fund under the SIS Legislation;

"Responsible Authority" means any governmental authority responsible for administering the Applicable Standards;

"Retirement" means:

- i. in the case of Members who are aged between 55 and 60 years, the Members employment arrangement must have ceased and the Trustee must be satisfied that the Member intends to never again become employed for more than 10 hours in a week;
- ii. in the case of Members who are aged 60 or over, the Members employment arrangement must have ceased. The Trustee is not required to have a bona fide belief that the Member never intends to be Gaibnfully Employed for more than 10 hours in a week.

"SIS Legislation" means the the Superannuation Industry (Supervision) Act (C'th) 1993, the Superannuation Industry (Supervision) Regulations and any other requirements whether legislative or otherwise with which the Fund must comply to obtain concessional tax treatment;

"Spouse" means a spouse as defined in the Income Tax Act;

"Superannuation Industry (Supervision) Act" means the Superannuation Industry (Supervision) Act 1993 or any other act of the Commonwealth or any State or Territory of Australia amending or replacing that Act;

"Tax" and **"Taxation"** includes income tax, capital gains tax, surcharge or other government impost, tax on goods or services, wealth tax, land tax, stamp duty, probate or succession duty and any other like tax, surcharge or other government impost or duty of whatever nature or description payable under any act or regulations of the Commonwealth or any State or Territory of Australia;

"Temporary Disablement" is defined in accordance with the Applicable Standards.

"Total and Permanent Disablement" is defined in accordance with the Applicable Standards.

"Trustee" or **"Trustees"** means the Trustee or Trustees as the case may be for the time being of the Fund;

2. HEADINGS

The headings in this Deed are for convenience and reference only and shall not affect the construction or interpretation of this Deed.

3. PLURAL AND GENDER OF WORDS

Unless the context otherwise requires, words importing the singular number only shall include the plural number and vice versa and words denoting one gender only shall include all other genders.

4. PURPOSE OF THE FUND

The purpose of the Fund is to provide superannuation benefits for Members and their Dependants after the Retirement of a Member. Where a Trustee of the Fund is not a corporation being a trading or financial corporation formed within the limits of the Commonwealth of Australia and subject to the Corporations Law then the Fund is established for the primary purpose of providing old age pensions to Pensioners.

5. COMMENCEMENT OF THE FUND

The Fund shall be deemed to have been established on the Date of Establishment set out in the First Schedule.

6. FUND PROPERTY

The property of the Fund shall consist of all the cash, investments, insurances and other property held on trust under the provisions of this Deed and shall include:

- 6.1 Any money or property transferred to the Fund;
- 6.2 Contributions (in money or in kind) made to the Fund;
- 6.3 All profits and accretions to the capital of the Fund, net of any disbursements.

7. TRUSTEES

7.1 Trustees to be a Corporate or Individual Trustee

The Fund must have a Trustee or Trustees and either:

- 7.1.1 The Trustee of the Fund must be a constitutional corporation; or
- 7.1.2 If the Trustee is not a constitutional corporation the sole or primary purpose of the Fund must be the provision of old age pensions to Members.

7.2 Appointment of Trustee

- 7.2.1 The person to be appointed as Trustee must consent in writing to the appointment.
- 7.2.2 Where the Trustee comprises a corporate Trustee the Trustee shall be appointed by the Members by Deed or other written instrument and the Directors of the corporate Trustee shall comprise the persons required to be the Directors for the Fund to be a self-managed superannuation fund under the SIS Legislation.
- 7.2.3 Where the Trustees are individuals:
- 7.2.3.1 There shall be at least two Trustees;
- 7.2.3.2 The Trustees shall comprise the persons required to be appointed to be the Trustees for the Fund to be a self-managed superannuation fund under the SIS Legislation;
- 7.2.3.3 Any person who upon becoming a Member of the Fund would be required to be a Trustee for the Fund to be a self-managed superannuation fund under the SIS Legislation shall become a Trustee of the Fund simultaneously with the person becoming a Member of the Fund;
- 7.2.3.4 The holding of office of Trustee by that person will not prejudice the granting or continuance of any concession for or in respect of the Fund under the Applicable Standards and will not cause the Fund to be in breach of the Applicable Standards.

7.3 Trustee Ceasing to be Trustee

The office of Trustee shall become vacant where:

- 7.3.1 The Trustee resigns in writing;
- 7.3.2 An absolute majority of 75% of Members by written resolution remove the Trustee from office;
- 7.3.3 Upon the disqualification of the Trustee from office by operation of law;
- 7.3.4 Where the Trustee comprises a corporate Trustee upon the appointment of a receiver or liquidator in respect of the Trustee or the approval by a court of a scheme of arrangement providing for its dissolution;
- 7.3.5 The Trustee dies;
- 7.3.6 The Trustee becomes in the opinion of the other Trustees mentally or physically incapable of fulfilling their Trustee duties.

A vacancy in the office of the Trustees shall be filled as soon as practicable.

7.4 Regulation of Trustee Proceedings

7.4.1 The Trustees may subject to the provisions and requirements of the Applicable Standards:

7.4.1.1 Regulate their meetings as they see fit;

7.4.1.2 Determine a Quorum of Trustees;

7.4.1.3 Act by way of resolution passed by an absolute majority of 75% of Trustees.

7.4.1.4 Appoint one Trustee to act as chairman of Trustees and replace the Chairman whenever they see fit.

7.4.2 The Trustees shall keep proper minutes and keep records of their proceedings in such manner as they see fit. Each Trustee present in person at a meeting of Trustees or via a proxy vote shall have one deliberative vote on any question.

7.5 Remuneration of Trustees

If remunerating the Trustees for acting in that capacity would not cause a breach of the Applicable Standards or the Fund to fail to satisfy any of its obligations the Trustees shall be entitled to remuneration (if any) for acting as Trustees as may be agreed from time to time with the Members.

7.6 Fund vested in Trustees

The Fund shall be vested in the Trustees upon the terms and conditions and subject to the trusts powers and authorities contained in this Deed and shall be managed, administered and applied by the Trustees in accordance with the provisions of this Deed.

8. COVENANTS

The Trustee must:

8.1 Act honestly in relation to all matters concerning the Fund;

8.2 Exercise, in relation to all matters affecting the Fund, the same degree of care, skill and diligence as an ordinary prudent person would exercise in dealing with property of another for whom the person felt morally bound to provide;

8.3 Ensure that the Trustees duties and powers are performed and exercised in the best interests of the Members;

8.4 Keep the property of the Fund separate from property that is held by the Trustee personally;

- 8.5 Formulate and give effect to an investment strategy or investment strategies that has or have regard to the whole of the circumstances of the Fund and the ages and circumstances of the Members including, but not limited to the following:
- 8.5.1 The risk involved in making, holding and realising and the likely return from the Investments having regard to the objectives and expected cash flow requirements of the Fund;
 - 8.5.2 The composition of the Investments as a whole including the extent to which the investments are diverse or involve the Fund in being exposed to risks from inadequate diversification;
 - 8.5.3 The liquidity of the Investments having regard to its expected cash flow requirements;
 - 8.5.4 The ability of the Fund to discharge its existing and prospective liabilities.
- 8.6 Provide Members with access to any prescribed information and documents in accordance with the Applicable Standards.

9. POWERS OF TRUSTEES

9.1 General

- 9.1.1 The powers conferred on or exercisable by the Trustees under this Deed are additional to and not in substitution for the powers conferred on or exercisable by the Trustees at law.
- 9.1.2 The Trustees shall have absolute discretion in carrying out any acts in connection with the Fund and may do all acts and things which they consider necessary for the proper administration, maintenance and preservation of the Fund and in the exercise and performance of their powers and obligations under this Deed.
- 9.1.3 Unless otherwise required under this Deed or under the Applicable Standards the Trustee is not obliged to give reasons for its actions or omissions.
- 9.1.4 The Trustee may exercise any of its powers notwithstanding the Trustee is a Member, an Associate of a Member or Employer or has a direct interest in or will receive a benefit from exercising that power so long as the power is exercised in a bona fide way in accordance with the Applicable Standards.

9.2 Powers of Trustees

The Trustee shall have power to:

- 9.2.1 Settle, compromise, commence, carry on or defend proceedings or submit to arbitration any claims, matters or things, relating to this Deed, the Fund or to the rights of Members;

- 9.2.2 Pay all disbursements;
- 9.2.3 Subject to compliance with the Applicable Standards to borrow money for temporary financing purposes, to secure the payment of Benefits or to settle securities or for any other purposes permitted under the Applicable Standards;
- 9.2.4 Insure and re-insure any risks, contingencies or liabilities of the Fund with any insurance company, mortgage insurance company, re-insurance company or superannuation fund. This may include maintaining insurance on the lives and working capabilities of the Members and in respect of Trustee liabilities. The insurance costs may be met from the Fund property;
- 9.2.5 Sell, vary improve renovate or repair any investment and may exchange any investment for another investment;
- 9.2.6 Acquire and maintain any specific investments or money for the purposes of paying Lump Sum Benefits, Pension Benefits, other benefits permitted under the Applicable Standards or acquiring annuities for any Members;
- 9.2.7 Open accounts with banks and other financial institutions and to make regulations for the operation, including the signing and endorsing of cheques in connection with those accounts;
- 9.2.8 Retain the services of and to act on the advice or opinion of any Qualified Adviser (whether or not the advice or opinion was obtained by the Trustees) in relation to the management administration or investment of the Fund or any relevant matter or question without being liable to any person in respect of anything done or omitted to be done by the Trustees in good faith based on the advice or opinion;
- 9.2.9 Give undertakings and indemnities, enter into contracts and deeds and incur all obligations relating to the Fund or any part of the Fund as the Trustees think fit;
- 9.2.10 Deduct any Tax from any Benefit payable to or in respect of a Member;
- 9.2.11 Delegate to any person, persons or corporation the powers as the Trustees shall see fit from time to time to delegate;
- 9.2.12 Pay out of the Fund all costs, charges, Taxes and other amounts as may be required from time to time;
- 9.2.13 Sell the assets of the Fund by private sale or public auction, for cash or on terms and in any other manner and on any other terms as the Trustees see fit;
- 9.2.14 Make an election to become a regulated self managed superannuation fund pursuant to the Applicable Standards;
- 9.2.15 Take or apply any part of the Fund towards satisfaction of any entitlement in the Fund;

9.2.16 Generally do any other act or thing as the Trustees consider necessary or expedient in respect of the management and administration of the Fund.

9.3 Limitations

The Trustees shall not be empowered to :

9.3.1 Make loans to members;

9.3.2 Borrow money;

9.3.3 Acquire property from a Member or relative of a Member;

9.3.4 Make loans to or investments in an Employer or an Associate

unless authorised by the Applicable Standards.

9.4 Trustee shall not discriminate

The Trustee shall not discriminate against any person on the grounds of that persons sex or marital status or in any other manner that may infringe the Sex Discrimination Act 1984 (C'th) or any other law concerned with discrimination.

9.5 Indemnity of Trustees

9.5.1 The Trustee or Director of a Corporate Trustee is only liable for:

9.5.1.1 Failing to act honestly;

9.5.1.2 Wilfully or recklessly failing to exercise, in relation to a matter affecting the Fund, the degree of care and diligence that was reasonably required;

9.5.1.3 A monetary penalty imposed under a civil penalty order pursuant to the Applicable Standards.

9.5.2 The Trustees are entitled to be fully indemnified out of the Fund for the costs of managing and administering the Fund and all liabilities incurred on behalf of the Fund.

10. INVESTMENTS OF THE FUND

10.1 Subject to the Applicable Standards the Trustee shall ensure that the property of the Fund is invested in appropriate investments as the Trustee thinks fit including investments:

10.1.1 in insurance;

10.1.2 in Trustee investments;

- 10.1.3 in the purchase, improvement or mortgage of real property;
- 10.1.4 on deposit with any bank, building society or other financial institution;
- 10.1.5 in shares, stocks, options, debentures, bonds, managed funds, or other securities;
- 10.1.6 in units of any unit trust including units in a pooled superannuation trust;
- 10.1.7 in options hedging contracts futures contracts and other financial instruments;
- 10.1.8 in any other investment that the Trustee in its absolute discretion may consider appropriate for the Fund to the extent permissible under the Applicable Standards

PROVIDED THAT the Trustee shall not, save as is otherwise permitted by this Deed or the Applicable Standards, invest moneys forming part of the Fund unless they and the other party to the transaction are dealing with each other at arm's length.

- 10.2 The Trustee may dispose of, vary, transpose, replace or encumber investments to the extent permitted by the Applicable Standards.

11. MEMBERSHIP OF FUND

11.1 Eligibility

Subject to the Applicable Standards the Trustee may admit any one or more of the following applicants to Membership:

- 11.1.1 An employee;
- 11.1.2 A self employed person who is Gainfully Employed;
- 11.1.3 Any person who is appointed a Trustee or a director of a corporate Trustee;
- 11.1.4 An Eligible Spouse;
- 11.1.5 Any Relative of a Member or a deceased Member;
- 11.1.6 Any other person

11.2 Admission of Members

Upon:

- 11.2.1 A Contribution being made by or on behalf of a person to the Fund;
- 11.2.2 A person being appointed as a Trustee or a director of a corporate Trustee;

- 11.2.3 A person making an application to become a member of the Fund in the manner prescribed by the Trustee;
- 11.2.3 Any amount being credited to an account in the Fund in the name of a Relative of a Member

the person shall become a Member of the Fund provided that admitting the person as a Member is in accordance with the Applicable Standards and the Fund would be a self-managed superannuation fund under the SIS Legislation after the admission of the Member.

11.3 Trustees' statement to new Members

Upon the admission of a new Member to the Fund the Trustees shall forward to that new Member as soon as practicable after that admission a written statement containing details of the kinds of Benefits provided to Members under the Fund, the conditions relating to those Benefits, the method of determining the entitlements of Members and further details and information, in the form and at the times as may be necessary to satisfy any relevant requirement of the Applicable Standards.

11.4 New Members bound by Deed

Upon having been admitted by the Trustees to Membership of the Fund a Member agrees to be bound by the Deed.

11.5 Cessation of Membership

A person ceases to be a Member:

- 11.5.1 Upon his or her death;
- 11.5.2 When all benefits which are or may be payable to the Member have been paid;
- 11.5.3 When a transfer is made to another Fund in satisfaction of all the Members entitlement to benefits;
- 11.5.4 When the Trustee requires that a Member cease his or her membership of the Fund to comply with the Applicable Standards;
- 11.5.5 When the Trustee shall otherwise determine in its absolute discretion.

12. CONTRIBUTIONS

12.1 Member Contributions

A Member may pay contributions into the Fund in respect of the Member or the Spouse of the Member. Contributions may be in the form of money, securities or other property so long as the contributions are permitted under the Applicable Standards.

12.2 Employer Contributions

An Employer may contribute to the Fund (including satisfying the Superannuation Guarantee Charge) mandated and non mandated employer contributions, eligible spouse contributions and any other contributions permitted by the Applicable Standards.

12.3 Trustees may refuse to accept Contributions

The Trustees may refuse to accept all or part of any Contributions made, in their absolute discretion. Contributions so rejected shall be returned to the contributor as soon as practicable.

12.4 Deduction from Contributions

The Trustees may deduct from any contribution or other payment made to the Fund any Tax that is payable and any expense of the Fund that is attributable to the Member for whom such contribution or payment is being made. Any amount so deducted by the Trustee shall be held by the Trustee upon trust for the Fund to be paid in the manner and at the direction and times determined by the Trustees.

12.5 No Contributions after Benefit becomes payable

No Contributions shall be payable by or on behalf of a Member after the date on which a Benefit becomes payable from the Fund unless the Member is in Gainful Employment or the Spouse of a Member or is otherwise permitted by the Applicable Standards.

12.6 Crediting of Contributions by Trustees

All Mandated Employer Contributions and Contributions received by the Trustees on behalf of or from a Member shall unless the Trustees shall not be required so to do by the Applicable Standards be credited to the Member's Account. All contributions not required to be credited to a Members account shall be credited to an Account of the Fund as the Trustee determines and to the extent permitted by the Applicable Standards.

12.7 Trustees may accept Eligible Termination Payments as Contributions

The Trustees may accept as Contributions made by or on behalf of a Member any Eligible Termination Payment paid to the Trustees by way of roll-over in accordance with the provisions of the Income Tax Act.

13. BENEFITS

13.1 Value of Benefits

The value of the Benefit payable to or for a Member is the balance of the Members Account at the date of the occurrence of the event that gave rise to the Benefit.

13.2 Minimum Benefit

Notwithstanding any other provision in this Deed, a Members minimum benefits are as set out in the Applicable Standards.

13.3 Form of Benefits

Benefits may be paid to Members either in money or in any other form of property so long as the Benefits are paid in accordance with the Applicable Standards.

13.4 Trustee Discharge

The Trustees are discharged from all liability for a Benefit where they pay it in good faith.

13.5 Benefit Type

The Trustee may where permitted by the Applicable Standards and having regard to a Members election whether or not in writing (without being bound to any such Member election), provide a Benefit payable to a Member:

13.5.1 As a Pension Benefit;

13.5.2 As a Lump Sum Benefit;

13.5.3 By acquiring an annuity from an Approved Fund;

13.5.4 A mixture of the above;

13.5.5 In any other form as prescribed by the Applicable Standards.

13.6 Payment of Benefits

13.6.1 Payment of Benefits on Retirement

Benefits are payable to or for a Member upon the Retirement of the Member on or after the Normal Retirement Age of that Member.

13.6.2 Payment of Benefits on Death

13.6.2.1 Upon the death of a Member and subject to the Applicable Standards the Trustees shall be bound by any nomination by the Member to have his or her Benefits paid to a Nominated Dependant the amount of his or her Benefit in accordance with the nomination.

13.6.2.2 To the extent that a nomination has not been made by the Member or is not permitted by the Applicable Standards, the Trustee in its absolute discretion may pay a Members death benefit to one or more of the Members Dependents or legal personal representative in proportions decided by the Trustee.

13.6.2.3 Where in the Trustees opinion the Member left no Dependants and a legal representative of the Member has not been appointed the amount otherwise payable as a death benefit may be applied as the Trustee determines in its absolute discretion to the extent permitted by the Applicable Standards.

A benefit payable on the death of a Member may be paid by way of Lump Sum Benefit, Pension Benefit, Purchased Annuity, or any other manner as permitted by the Applicable Standards.

13.6.3 Payment of Benefits due to Financial Hardship

Benefits are payable to or for a Member as a result of severe financial hardship to the extent approved by the Trustee and permitted by the Applicable Standards.

13.6.4 Payment of Benefits classified as a Restricted Non Preserved Benefit

Benefits are payable on the termination by the Member of Gainful Employment whether or not before the Normal Retirement Age, where the Members benefit is a restricted non preserved benefit as defined under the Applicable Standards.

13.6.5 Payment of Benefits classified as an Unrestricted Non Preserved Benefit

Benefits are payable where the benefit is an unrestricted non preserved benefit as defined under the Applicable Standards.

13.6.6 Payment of Benefits on the Temporary Disablement of a Member

Benefits are payable on the Temporary Disablement of a Member so long as the Benefit is provided only to replace the income of a Member as a non commutable income stream with no residual capital value over a period not to exceed the period of Temporary Disablement which may be indexed and paid at least monthly in accordance with the Applicable Standards

13.6.7 Payment of Benefits on the Total and Permanent Disablement of a Member

Benefits are payable upon the Retirement of a Member before the Normal Retirement Age of the Member as a result of the Total and Permanent Disablement of the Member. The entitlement of the Member shall be the same as the entitlement of a Member upon Retirement and those provisions as to the payment of the Benefit to the Member including the option of the Member for payment of a Pension Benefit shall apply.

13.6.8 Payment of Benefits otherwise permitted by the Applicable Standards

Benefits are payable in such other circumstances as are permitted or required by the Applicable Standards.

13.7 Mandatory Payment of Benefits

The Trustee shall in the following circumstances (subject to the Applicable Standards) pay, commence to pay or transfer to an Approved Fund for the purpose of payment of a Members Benefits:

- 13.7.1 Where the Member reaches the age of 65 years or any other age prescribed by the Applicable Standards for the compulsory cashing of Benefits and the Member is not Gainfully Employed on either a Full time or Part time basis;
- 13.7.2 Where the Member reaches the age of 70 years or any other age prescribed by the Applicable Standards for the compulsory cashing of Benefits and the Member is not Gainfully Employed on a Full Time Basis.

13.8 Compulsory Preservation of Benefits

Notwithstanding any provision in this Deed, if the Trustees consider that all or part of a Benefit must be preserved in order to comply with the Applicable Standards the Trustees must:

- 13.8.1 Retain that part of the Benefit until the Applicable Standards permit it to be paid;
or
- 13.8.2 Ensure that the Benefit is transferred to an Approved Fund; or
- 13.8.3 Otherwise deal with the Benefit in accordance with the Applicable Standards.

13.9 Forfeiture of Benefits

13.9.1 Where:

- 13.9.1.1 A Member or any other person who is entitled to a Benefit from the Fund is insolvent or commits an act of bankruptcy, the amount of the Benefit;
- 13.9.1.2 A Member or any other person who is entitled to a Benefit from the Fund becomes of unsound mind or incapable of managing his or her own affairs, the amount of the Benefit;
- 13.9.1.3 The aggregate of a Members Benefit is in excess of the pension Reasonable Benefits Limit and forfeiture will not cause a breach of the Applicable Standards, the amount of the excess;

shall be deemed to have been forfeited.

13.9.2 Any Benefit or amount which is forfeited pursuant to this Deed shall be credited to a Miscellaneous Reserve Account and shall be held and applied in accordance with this Deed.

13.10 Voluntary Preservation of Benefits

If a Member who is entitled to a Benefit requests deferral of the payment, the Trustees may if the Applicable Standards permit defer the payment of all or part of the benefit.

13.11 Moneys remaining in Fund after payment of Benefit

Any moneys remaining in the Fund in respect of a Member after payment of the Benefit payable to the Member under this Deed shall be applied at the discretion of the Trustee to the extent permitted by the Applicable Standards.

14. BENEFITS PAYABLE AS A PENSION

14.1 Pension Benefits

At such time as a Benefit or part of a Benefit becomes payable to a Member or any other person under the terms of this Deed the Trustee may at the request of the Member or Beneficiary but otherwise in its absolute discretion determine to pay a Pension from the Fund to the Member or Beneficiary (as the case might be) to the extent permitted by the Applicable Standards.

14.2 Establishment of Pension Account

Where the Trustee determines to pay all or any part of the Benefit to the Member or any other person as a Pension, the Trustee may establish one or more Pension Accounts in respect of the Member or the Beneficiary. The Trustee may transfer amounts to and from this Pension Account in its absolute discretion in order to provide the Benefits as a Pension and provided such transfers are permitted by the Applicable Standards.

14.3 Payment Frequency

Any Benefit to which a Member or any other person is entitled from the Fund which is a Pension Benefit shall be paid by instalments at the intervals and in the manner that the Trustees may determine to ensure that there is no contravention of the Applicable Standards.

14.4 Purchase of Annuity in satisfaction of Pension

The Pension Benefit payable may be satisfied by the Trustees by the purchase of an Annuity for a price equal to the amount of the Benefit payable on the date of Retirement of that Member calculated at the annuity rates applicable on that date of Retirement. Upon the completion of the purchase of an Annuity by the Trustees the Pension Benefit payable shall be deemed to be satisfied in full and the relevant Member shall be deemed to cease to be a Member of the Fund.

14.5 Commutation and variation of Pension Benefits

A Member or any other person who is entitled to receive the instalments in respect of any Pension Benefit which is or has become payable from the Fund pursuant to this Deed may at any time (to the extent permitted by the Applicable Standards) elect:

- 14.5.1 To have the whole or any part of the Pension Benefit commuted to a lump sum benefit;
- 14.5.2 To have the whole or any part of the Pension Benefit altered to a Pension Benefit of a different amount and payable on different terms to those set out in this Deed.

AND the Trustees shall pay the amount of any lump sum benefit and the amount of any altered Pension Benefit in full satisfaction of the payments in respect of the Pension Benefit so commuted or altered to the extent permitted by the Applicable Standards.

14.6 Increases in instalments of Pensions Benefits

The Trustees may from time to time increase the amount of any instalments payable in respect of any Pension Benefit which is being paid from the Fund pursuant to this Deed by the amount as the Trustees determines to the extent permitted by the Applicable Standards.

14.7 Eligible Spouse's or Dependants' Pension

Upon the death of a Pensioner that deceased Pensioner's Pension Benefit may be paid to the Eligible Spouse of the deceased Pensioner or to or for the benefit of one or more of the Dependants of the deceased in the proportions and manner as the Trustees shall in their absolute discretion determine to the extent permitted by the Applicable Standards.

15. TRANSFERS

15.1 Transfers to another fund

The Trustee may upon the written request of a Member or any other person transfer all or part of the Members or person's interest and entitlement in the Fund to another Fund to the extent that the transfer is permitted by the Applicable Standards.

15.2 Transfers from another fund

The Trustee may upon the written request of a Member accept the transfer into the Fund of property (including money) from another Approved Fund in respect of that Member to the extent that the transfer is permitted by the Applicable Standards.

16. RECORDS AND ACCOUNTS

16.1 Trustee to maintain accounts

The Trustee shall keep the Accounts of the Fund including asset, liability, income, expenditure and members accounts and all other accounts or matters specified by the Applicable Standards and retain them for the period specified by the Applicable Standards.

16.2 Receipt and payment of moneys

All moneys or property received by the Trustees on account of the Fund shall be paid or otherwise applied as soon as practicable to the credit of an account in the name of the Fund as the Trustees may determine. All cash payments by the Fund shall be made by cheque or in any other such manner as the Trustee shall determine in its absolute discretion.

16.3 Trustee may establish Reserves

The Trustee may establish and maintain accounts including reserve accounts, including an Accumulation Reserve Account, Investment Reserve Account, Miscellaneous Reserve Account, Pension Reserve Account, Segregated Pension Account any other such other reserve accounts as the Trustee considers appropriate from time to the extent permitted by the Applicable Standards.

16.4 Members Accounts

16.4.1 The Trustee shall establish and maintain in the name of each Member a Member's Account to and in which is to be recorded and credited as the case requires:

16.4.1.2 All Mandated Employer Contributions and Contributions received by the Trustees on behalf of or from a Member unless the Trustees shall not be required to do so by the Applicable Standards.

16.4.1.3 Allocation of earnings;

16.4.1.4 Allocations which may be made from time to time in the Trustees absolute discretion from the Accumulation Reserve Account or any other account of the fund to the extent permitted by the Applicable Standards;

16.4.1.5 The proceeds of policies of insurance or of an annuity which the Trustees consider should be credited to the Member's Account;

16.4.1.6 Amounts transferred from any other superannuation or retirement fund in respect of that Member;

16.4.1.7 Such other amounts as may in the Trustees opinion be properly creditable to the respective Member Account in its absolute discretion to the extent permitted by the Applicable Standards.

16.4.2 The Trustee may debit a Members Account:

16.4.2.1 To pay Benefits to the Member

16.4.2.2 To pay premiums on policies of insurance or the consideration for an annuity;

16.4.2.3 Where any amount is transferred to any other superannuation or retirement fund in respect of that Member;

16.4.2.4 To pay any Tax liability referable to the Member's Account;

16.4.2.5 To pay or provide for such other amounts as may in the Trustees opinion be properly debited to the respective Member Account in accordance with the Applicable Standards.

16.5 Accumulation Reserve Account

16.5.1 The Trustee may establish and maintain an Accumulation Reserve Account in its absolute discretion into which is to be credited:

16.5.1.1 All contributions and assets transferred into the Fund not required to be credited to a Members account as the Trustee determines to the extent permitted by the Applicable Standards;

16.5.1.2 Any other amounts including amounts transferred from other Accounts of the Fund to the extent permitted by the Applicable Standards.

16.5.2 Amounts shall be allocated from the Accumulation Reserve Account to the Members Account or any other account in the Trustees absolute discretion to the extent permitted by the Applicable Standards.

16.6 Investment Reserve Account

16.6.1 The Trustee may establish and maintain an Investment Reserve Account in its absolute discretion into which is to be credited income from investments, gains realised on the sale of investments, transfers from other accounts in the Fund and any other amounts to the the extent permitted by the Applicable Standards.

16.6.2 Amounts shall be allocated from the Investment Reserve Account in a manner that is fair and reasonable having regard to the investment strategies adopted for particular Members and any other matters that the Trustee considers to be relevant to the extent permitted by the Applicable Standards.

16.7 Miscellaneous Reserve Account

- 16.7.1 The Trustee may establish and maintain a Miscellaneous Reserve Account in its absolute discretion into which is to be credited forfeited benefits and any other amounts not credited to any other account of the Fund.
- 16.7.2 Amounts shall be allocated from the Miscellaneous Reserve Account in the Trustees absolute discretion to another account in the Fund to the extent permitted by the Applicable Standards.

16.8 Segregated Pension Accounts

The Trustees may in relation to each Pension payable pursuant to this Deed:

- 16.8.1 Segregate and set apart the assets of the Fund for each Pensioner for the sole purpose of enabling the Fund to discharge the whole or part of any current or non current liability in relation to the payment of the Pension as those liabilities fall due for payment via the establishment of a segregated current pension account or segregated non current pension account as the requires; and to the extent applicable
- 16.8.2 Obtain actuarial certificates in relation to the adequacy of the segregated assets to meet the current and non current liabilities as the Trustee considers necessary in accordance with the Applicable Standards.

16.9 Pension Reserve Account

- 16.9.1 Based on the advice of an actuary, the Trustee may credit the Pension Reserve Account with:
 - 16.9.1.1 Contributions by a Member to the Fund to the extent that the contributions must not be allocated to a Members account and to the extent permitted by the Applicable Standards;
 - 16.9.1.2 Allocation of earnings;
 - 16.9.1.3 Allocations which may be made from time to time in the Trustees absolute discretion from the Accumulation Reserve Account or any other account of the fund to the extent permitted by the Applicable Standards;
 - 16.9.1.4 Insured Benefits in respect of a Member;
 - 16.9.1.5 Such other amounts in the Trustees absolute discretion are properly creditable in respect of a Member.
- 16.9.2 The Trustee may debit this account to pay or provide for any amounts in accordance with the Applicable Standards and actuarial advice.

16.9.3 Subject to the Applicable Standards an amount from the Pension Reserve Account can be transferred to a Member Account or Accumulation Reserve Account where a Complying Pension is to be paid to a Member and the Trustee determines on the advice of an Actuary that the Complying Pension Benefit is over funded.

16.10 Other Accounts

The Trustee shall establish and maintain in the name of each Member such other Accounts as the Trustee considers appropriate from time to time.

16.11 Allocation of Fund Earnings

Earnings may be applied to the Members Accounts, Accumulation Reserve Account, Investment Reserve Account, the accounts established to identify the value of assets segregated to fund pension liabilities, Pension Reserve Account or other Accounts, and to the extent the amount so applied shall not sum to an amount greater than Earnings in a period so ascertained in the Accounts. Earnings may be applied annually or at other times at the absolute discretion of the Trustee to the extent permitted by the Applicable Standards.

17. AUDIT OF RECORDS AND ACCOUNTS

After the end of each Financial Year of the Fund the records and accounts of the Fund shall be audited by the Auditor in the manner required by the Applicable Standards and be signed by the Auditor. The Auditor must give to the Trustees a certificate relating to the accounts and statements.

18. PROVISION OF INFORMATION

The Trustee shall provide information in respect of the Fund as required by the Applicable Standards including the following where necessary:

- 18.1 An appropriate notification upon a person becoming or ceasing to be a Member;
- 18.2 Annual disclosures at the end of each Financial Year in respect of a Member, the Fund or other person;
- 18.3 Changes to the provisions of this Deed;
- 18.4 A copy of the Deed shall be available for inspection for each Member;
- 18.5 All other notifications required under the Applicable Standards.

19. AMENDMENT

- 19.1 The Trustees may by Deed or by resolution amend the Deed provided that no amendment reduces a Member's accrued benefits or imposes any increase on the liability of a Member without the Member's consent.
- 19.2 As soon as practicable after the provisions of this Deed have been altered, added to, replaced or deleted the Trustees shall give to each Member a written statement explaining the nature and purpose of the amendment and the effect (if any) of the amendment on the entitlement of the Member to whom the statement is given.
- 19.3 Notwithstanding any provisions of this Deed, the Deed should not be amended in a way that:
- 19.3.1 an individual would be eligible to be appointed as Trustee of the Fund unless the sole or primary purpose of the Fund is at all times the provision of old age pensions; or
 - 19.3.2 the sole or primary purpose of the Fund would be a purpose other than the provision of old age pensions unless the Trustee of the Fund is a corporation being a trading or financial corporation formed within the limits of the Commonwealth of Australia and subject to the Corporations Law.

20. WINDING-UP OF THE FUND AND DISTRIBUTION OF SURPLUS

- 20.1 The Trustee shall wind up and terminate the Fund when the first of the following events occur:
- 20.1.1 All Members agree to wind up the Fund;
 - 20.1.2 The Trustees give written notice to all Members that the Fund is to terminate;
 - 20.1.3 The Fund is required to be wound up to comply with the Applicable Standards;
 - 20.1.4 The last remaining Member ceases to be a Member of the Fund;
- AND when the first of the above events occur it shall be referred to as the Wind Up date.
- 20.2 Moneys or other assets remaining in the Fund after the payment of any expenses incurred by the Fund in complying with the wind up of the Fund, shall be distributed to the former Members or their Dependants in the proportions as the Trustees consider to be appropriate.

21. COMPLIANCE WITH THE APPLICABLE STANDARDS

The requirements contained in the Applicable Standards with which the Fund must comply shall be deemed to be included in this Deed and in the event of any inconsistency or conflict between the requirements of the Applicable Standards and the provisions of this Deed the Trustees shall act or refrain from acting notwithstanding anything to the contrary or otherwise contained in this Deed, in order to comply with the requirements of the Applicable Standards and the relevant provisions of this Deed shall be deemed to be invalid.

FIRST SCHEDULE

THE TRUSTEES:

Nenad Baic
Melina Baic

NAME OF SUPERANNUATION FUND:

Baic Superannuation Fund

DATE OF ESTABLISHMENT:

5th day of February, 2003

EXECUTED AS A DEED on the 5th day of February, 2003

SIGNED SEALED AND DELIVERED BY

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Nenad Baic

In the presence of:


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WITNESS

SIGNED SEALED AND DELIVERED BY

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Melina Baic

In the presence of:


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WITNESS