

DISCLOSURE STATEMENT

I, Justin Paul Hetherington of 9 Gleniffer Avenue, Brighton East Vic 3187 hereby acknowledge and declare as follows:

1. I am an initial Member of the MG & JH Superannuation Fund (the Fund). I am also a director of the trustee of the Fund.
2. I have not been induced to become a Member and Trustee of the Fund as a result of any representation or statement made by any Members or Trustees of the fund or any other person.
3. I have decided to become a Member and Trustee of the Fund based solely upon my own investigation and inquiries.
4. Having considered the financial strategy, responsibilities, risks, possible gains and benefits, costs of entry and administration, the rules of the Fund and taxation matters, I am satisfied that it is appropriate for me to invest in and become a Member and Trustee of the Fund.
5. I have had and will have access to all documents relating to the Fund including:
 - a. source documents (investments confirmations, invoices and receipts);
 - b. banking records;
 - c. financial strategies;
 - d. financial reports and taxation records;
 - e. minutes of meetings and resolutions of trustees;
 - f. Trust Deed and trust register;
 - g. incoming and outgoing correspondence
6. I am aware that investing money on behalf of myself and others carries significant risks of loss and that the Trustees of the Fund are not professional investors or experts in that field.
7. I have had the opportunity to seek independent financial, legal and taxation advice before making my decision to establish and invest in the Fund.


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Justin Paul Hetherington

Date: 27/07/2015

DISCLOSURE STATEMENT

I, Mandy Goudge of 9 Gleniffer Avenue, Brighton East Vic 3187 hereby acknowledge and declare as follows:

1. I am an initial Member of the MG & JH Superannuation Fund (the Fund). I am also a director of the trustee of the Fund.
2. I have not been induced to become a Member and Trustee of the Fund as a result of any representation or statement made by any Members or Trustees of the fund or any other person.
3. I have decided to become a Member and Trustee of the Fund based solely upon my own investigation and inquiries.
4. Having considered the financial strategy, responsibilities, risks, possible gains and benefits, costs of entry and administration, the rules of the Fund and taxation matters, I am satisfied that it is appropriate for me to invest in and become a Member and Trustee of the Fund.
5. I have had and will have access to all documents relating to the Fund including:
 - a. source documents (investments confirmations, invoices and receipts);
 - b. banking records;
 - c. financial strategies;
 - d. financial reports and taxation records;
 - e. minutes of meetings and resolutions of trustees;
 - f. Trust Deed and trust register;
 - g. incoming and outgoing correspondence
6. I am aware that investing money on behalf of myself and others carries significant risks of loss and that the Trustees of the Fund are not professional investors or experts in that field.
7. I have had the opportunity to seek independent financial, legal and taxation advice before making my decision to establish and invest in the Fund.


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Mandy Goudge

Date: 27/07/2015

NOTICE OF MEMBER'S BENEFITS MG & JH SUPERANNUATION FUND

INTRODUCTION

As a member of the Superannuation Fund, benefits will be accruing for financial security in your retirement. Your rights to receive benefits from the Fund are secured by the Trust Deed held and administered by the Trustees in accordance with the Rules.

CONTRIBUTIONS

You, your employer and any person permitted by the Rules may contribute to the Fund at any time. Each contribution is credited to your Accumulated Benefit. Contributions for a member will vest 100% immediately in favour of the member.

BENEFIT ENTITLEMENTS

Your benefit entitlement will depend on a number of factors including the contributions made to the Fund on your behalf, the Trustees' discretion to vest, rollover payments and net investment earnings and from which is deducted any benefit payments, costs and insurance costs. Expenses will usually be allocated at least annually proportionally among Member' balances but the Trustees are empowered to allocate expenses disproportionately if there is good reason.

The Fund is conducted as an accumulation fund (under superannuation law called "an accumulation interest") where Benefits accumulate in distinct accounts for Members out of which a lump sum, a pension, or an annuity may be paid.

The Deed specifies when entitlements to Benefits arise. This will usually be on retirement, attaining a specified age, death or total and permanent disability. You may be entitled to a benefit upon attaining your preservation age even though you may continue in employment.

Benefits are payable as follows:

* **Retirement**

On retirement and as permitted by the Regulator, you are entitled to:

1. an account based pension which provides a minimum payout set by the Regulator and paid out of the Member's Accumulated Benefit;
2. a non-account based pension calculated and paid in accordance with the Relevant Requirements out of the Member's Accumulated Benefit;
3. A lump sum paid out of the Member's Accumulated Benefit;
4. an annuity which meets the Regulator's requirements purchased out of the Member's Accumulated Benefit;

* **Attaining Preservation Age**

Upon attaining your Preservation Age, and as permitted by the Regulator, you are entitled to a non-commutable transition to retirement income stream calculated and paid in accordance with the Relevant Requirements out of the Member's Accumulated Benefit.

* **Permanent Disablement**

If you cease employment on the grounds of Permanent Disablement, the benefits are the same as those payable on retirement. The benefit will include the amount received by the Trustees from a policy of insurance (if any) as a result of your Permanent Disablement.

* **Temporary Disablement**

If you are in employment and the Trustee has taken out a policy of insurance and you qualify as being Temporary Disabled with the meaning of that policy, then you will be entitled to the amount payable under that policy as an income benefit.

* **Death**

In the event of your death, the Trustees shall pay the full amount standing to the credit of your Accumulated Benefit and any other entitlements to your Dependents or Estate as either a lump sum or as a pension. The benefit may include the amount received by the Trustees under an insurance policy (if any) as a result of your death.

* **Early Retirement from Employment**

The benefit payable on retirement from employment in circumstances other than as a result of Retirement (as defined in the Relevant Requirements) Death or Permanent Disablement is the full amount standing to the credit of your Accumulated Benefit and any entitlement out of the reserves, if any.

* **Unrestricted Non-Preserved Benefits**

You may withdraw any amount of your Unrestricted Non-Preserved Benefits in the Fund by giving notice to the Trustees.

* **Terminal Illness**

You may also receive a benefit payment from the fund if you are suffering a terminal illness.

OTHER INFORMATION

Preservation

Government preservation rules generally require certain superannuation benefits to be held within the Superannuation system until your retirement or until Death or Permanent Disablement or if you permanently emigrate overseas.

You may transfer your benefits to another approved Superannuation Fund, approved Deposit Fund or Deferred Annuity.

Trustee

The Trust Deed sets out procedures for the appointment and removal of Trustees and the powers and duties of the Trustee. As a member of the Fund, you will be required to be a Trustee or a director of a company that acts as the Trustee of the Fund. If you are removed or resign as a Trustee or a director of a corporate trustee, you cannot remain as a Member of the Fund.

Death Benefit

You are able to nominate which of your Dependents (as defined) are to receive your superannuation entitlements in the event of your death. When applying for membership of the Fund you were offered the choice of a Nomination binding on the Fund Trustees or a Non Binding Nomination. You should consider carefully the type of Nomination you make.

Unclaimed Benefits

In the event that the Trustee is unable to contact you and you are entitled to benefit payment the Trustees will either rollover your entitlements to an Eligible Rollover Fund (if appropriate) or transfer the benefit to unclaimed monies.

Product Disclosure Statement (PDS)

Under the Corporations Act Superannuation Funds are required to provide a new members with a PDS. SMSF's are able to claim an exemption to this requirement where the trustees think that the new member has access to, and knows they have access to, ALL the information that would be required to be included in a PDS. The Trustees will need to decide if they are required to provide a PDS to you and if they decide that a PDS is required then it will be attached to this New Member Benefit Statement.

Availability of Other Information

Other information is available upon request from the Contact Person.

Contact Details

Inquiries regarding your benefit entitlements in the Fund should be directed to:

Name of Fund: **MG & JH Superannuation Fund**
Address: **9 Gleniffer Avenue**
Brighton East Vic 3187
Contact Person **Justin Paul Hetherington**

A Product Disclosure Statement is attached to this Notice and should be read in conjunction with this Notice (cross out if inapplicable)

**PRODUCT DISCLOSURE STATEMENT
COVERSHEET
MG & JH SUPERANNUATION FUND**

Member Name:

Member Address:

Notice Date:

I have read and understood this Product Disclosure Statement prior to signing my Membership Application and/or Member's Consent to Amendment of Deed:-

Signature:

Name:

Date:

Please ensure that the following document is attached to this coversheet:-

Product Disclosure Statement comprising 5 pages

Most Recent Financial Statement for Fund <delete if this is for a new fund>

PRODUCT DISCLOSURE STATEMENT

MG & JH SUPERANNUATION FUND

This Product Disclosure Statement (PDS) may be required by Part 7.9 of the *Corporations Act 2001* to be given to superannuation fund Members being issued with an interest in this Superannuation Fund (the "Fund") for the first time. An interest in this Fund includes the acceptance of your Membership application and may also include when you commence a pension.

This PDS applies only for so long as the Fund remains a self-managed superannuation fund (SMSF), pursuant to the *Superannuation Industry (Supervision) Act 1993*.

Much of the information required to be provided in a PDS for a SMSF will fall into one of the following categories:

Information which you already have such as your address and contact details for the Fund.

Information which due to your duties and responsibilities as an individual trustee or as a director of a corporate trustee of the Fund you should know prior to becoming a trustee or director of a corporate trustee such as the governing rules of the Fund.

Where the Fund is newly established, information which has not come into existence at the date this PDS was issued such as fees and charges, investment strategy and returns, etc.

In particular, this PDS must be read in conjunction with the information contained in:

the Notice of Member's Benefits; and

the Statement of Advice provided by your fund advisor or administrator, if any.

It is important to note that this information relates to your Membership of the Fund, not to your obligations as a individual trustee or director of a corporate trustee of the Fund. You must decide whether or not you wish to take on the responsibility of trusteeship of a SMSF. However, you cannot be a Member of a SMSF without also being an individual trustee or director of a corporate trustee of the Fund. As such, a reference to "Trustee(s)" in this Statement is a reference to you and your fellow individual trustee(s) or director(s) of a corporate trustee. You should separately familiarise yourself with your trustee duties.

Pursuant to Section 1013D of the *Corporations Act 2001* the following information is provided to you:

Name and Contact Details of the Product Issuer

The Fund is the issuer of this PDS. The Fund's contact details are determined by the Trustee(s). This will either be your own address or an address to which you have previously agreed.

Benefits

The benefits available to you are set out in the Fund's trust deed. As a Member of a SMSF, with the agreement of the Trustee(s), you can choose any form or combination of retirement benefits legally available and permitted to be provided by a SMSF.

Unless you elect otherwise, your primary form of retirement benefit is a "pension", as defined in the *Superannuation Industry (Supervision) Regulations 1994*. However, at the time you wish to take your benefits, you may elect in writing to choose a lump sum benefit. Other benefits potentially available to you include death benefits, total and permanent disablement benefits and total and temporary disablement benefits.

Once you have "retired", you will be entitled to your superannuation benefits. Any decision or election should be in writing but if legally permitted, it may be verbal. It should be noted that the timing and types of superannuation benefits you may be entitled to take is the subject of regular legislative change. As such, you should check what options are available to you, at the time you are ready to start taking your benefits.

There may be significant taxation and other implications, should you choose to take your retirement benefits in one form or another. The area of benefits design is a complex, but critical area to ensuring the value of your superannuation savings are maximised. As such, it is strongly recommended that you seek professional advice, prior to taking any benefits.

Nominating Beneficiaries

You may make two different types of nominations in relation to the payment of your benefits upon your death. The nominations are contained in your Application for Membership to the Fund. There are restrictions on whom you can nominate as a beneficiary to receive a benefit upon your death.

The first type of nomination is not binding on the Trustee(s) and may be open to challenge by any potential beneficiaries. Nevertheless, the Trustee(s) must give this nomination serious consideration and would require good reasons not to distribute in accordance with these wishes. However, it is possible that a person may receive a benefit that you might not otherwise have wanted them to receive.

The second type of nomination is called a Binding Nomination. You should be aware that the trustee cannot deviate from the terms of a valid, binding nomination, even if the consequences of complying with it would result in higher tax than might be possible via other avenues, or where you have changed your mind about the beneficiaries or the amounts they should receive.

It is important that you seek professional advice prior to submitting either type of Nomination.

Risks

This SMSF is an accumulation fund (under superannuation law called "an accumulation interest"). This means that amounts (including contributions, transfers and rollovers and accumulated earnings) are invested as you and your co-trustees (or director(s) of a corporate trustee) see fit.

Depending upon the investment decisions which the Trustee(s) make over time, you will either accumulate investment gains (including capital and income gains) or accumulate investment losses. In some years, gains may arise and in other years, losses may arise. This will affect the balance of your Member's "Accumulated Benefit". As a trustee, you have both the responsibility for and control over the manner in which the Fund's investments are made and, as such, you control the risks associated with the Fund's investments.

Amounts Payable and Fund Expenses

As a trustee of the SMSF, you and the other trustees control any amounts which might be payable for the issue of your Membership in the Fund. Costs and expenses of the Fund may either be shared equitably among Members by way of deduction from their accounts or, where the expense relates to identifiable Members only, from those Members' accounts.

Commissions

As a trustee of the SMSF, you and your trustees control any appointments of financial professionals and investments into products which might include commissions.

Dispute Resolution

There are no formal dispute resolutions mechanisms available to Members. In the event of dispute it is expected that the Founder of the Fund will exercise the discretions available under the terms of the deed to remove and replace Trustee(s). If you are removed as a trustee you also cease to be a Member of the Fund. As a trustee, it is reasonable to presume that you have made yourself aware of the contents of the trust deed. As such, pursuant to Section 1013F of the *Corporations Act 2001* detailed information concerning the role of the Founder under the deed are not included in this PDS.

Taxation Implications

All superannuation funds in the accumulation phase pay 15% tax on their net taxable incomes. Net taxable income includes assessable contributions, plus investment earnings, less deductible expenses. Other rebates and credits, such as franking rebates and imputations credits may reduce the amount of tax which a superannuation fund must pay. Net taxable capital gains of a superannuation fund are taxed at 10%.

Each year, the Trustee(s) will make a determination as to how these taxes are to be deducted from an individual Members account. The Trustee(s) is required to determine this in an equitable manner, as between the Members.

The income and capital gains of a superannuation fund which is paying a benefit after you reach age 60 years will be exempt from tax. Where contributions are in excess of the amount receivable by the Fund for the purposes of concessional tax treatment, the tax liability will be levied on the Member for whom the excessive contribution was made. The Fund will be permitted to release money to pay that liability.

The rules regarding personal taxation of superannuation benefits can depend on the type of benefit being paid and when you receive it and are not addressed in this document. It is strongly advised that you seek professional advice regarding the taxation of your personal superannuation benefits and the options available to you.

Insurance

There is no obligation for the Trustee(s) of the Fund to take out life or other insurances on your behalf. However, there is nothing to prevent you as a trustee making such application. As noted above, benefits can be paid out in similar circumstances to normal insurable events (death, total and permanent disablement, total and temporary disablement), however where the Fund has not undertaken insurance on your behalf, any payments will be limited to the value of your Members' "Accumulated Benefit".

Alternative Types of Superannuation Funds

You should be aware that there are a number of alternative forms of superannuation available to you, each of which have different characteristics. You should consider your own situation carefully prior to becoming a Member of one form of superannuation fund or another, and should seriously consider seeking advice from an authorised representative of an Australian financial services licensee.

Public Offer Superannuation Funds

These funds are managed by a trustee on your behalf. You may have a choice of broad "categories" for investment, such as conservative, balanced, growth, etc., where you have no control over the actual investments which are undertaken by the fund (and, depending upon their reporting, you may never know what those assets are). Certain other funds allow Members (usually only through a financial planner) to select individual investments from a menu of options. An example might be a list of 50 managed funds and shares in the top 200 ASX listed companies. Typically, you will only receive written reports on your share of the fund's performance annually in your Member statement, although you may be able to access interim performance results for the fund (e.g. via a website). Fees will usually be charged on entry and exit from these funds. There will also be contribution fees, administration fees, category switching fees (often only after a certain number of free annual switches) and asset management fees. Some of these fees may be charged as a percentage of your account balance. Many public offer funds will include a commission payable to the advisor who recommends the fund to you. In most cases, the more investment choices you have, the higher the overall level of fees the fund charges. Typically, you can also purchase insurance (life, total and permanent disablement and sometimes total and temporary disablement). Furthermore, public offer funds may restrict the types of benefits which are payable upon your death or retirement (e.g. they may not pay certain types of pensions, or may require you to transfer to another sub-category within their fund before paying pensions).

Industry Superannuation Funds

These funds are managed by a trustee on your behalf. In the past, these funds have only been open to Members of a certain union or industry, however many are now accepting Membership from other parties. You may not have a choice of "categories" for investment in these funds, although many now offer similar choices of categories to public offer funds, such as conservative, balanced, growth, etc. Once again, you have no control over the actual investments which are undertaken by the fund (and, depending upon their reporting, you may never know what those assets are). Typically, you will only receive reports on your share of the fund's performance annually in your Member statement, although you may be able to access interim performance results for the fund (e.g. via a website). Where categories are available, there will normally be restrictions on the frequency with which you can change between categories. Fees will usually be charged on entry and exit from these funds. There may also be contribution fees, administration fees, category switching fees (often only after a certain number of free annual switches) and asset management fees. Some of these fees may be charged as a percentage of your account balance. Industry funds do not normally pay commissions to advisors who recommend the fund to you. Typically, a certain level of "group" insurance (life, total and permanent disablement and sometimes total and temporary disablement) will be provided by industry funds without medical requirements. Additional insurance can be acquired with medical examination. Industry funds may restrict the types of benefits which are payable upon your death or retirement (e.g. they may not pay certain types of pensions, or may require you to transfer to another sub-category within their fund before paying pensions).

Small APRA Funds

These funds are similar to SMSF'S, except that they have an independent trustee. The independent trustee must be an "approved" trustee. Typically, these are large public trustee corporations. They will charge fees for their services and all decisions as to investments, benefit payments and the like must be approved by them. They will normally control the fund's cheque book and appoint the accountants and auditors of the fund. They are normally only chosen when a Member wishes to have investment flexibility similar to that of a SMSF, but for one reason or another, they cannot be a trustee of their own fund (e.g. because they are an undischarged bankrupt and therefore a 'disqualified' person, or because the trustees are leaving Australia for more than two years, which can have adverse tax consequences). Because of the expense of the approved trustee services, these funds are only used in a very limited number of cases.

There are two other types of superannuation fund - employer-sponsored superannuation funds and public sector superannuation schemes - which are not discussed here, as they are not a type of fund which a Member can typically "choose" to join. Your employer may as part of "Super Choice" offer such a Fund which is established by the Employer to which your superannuation contributions are made.

Other Information

The first duty of a Trustee is to familiarise themselves with the terms of and their duties under the trust. Pursuant to Section 17A of the *Superannuation Industry (Supervision) Act 1993* all Members of SMSF's must be trustees or directors of the Fund's corporate trustee.

This PDS addresses issues relating to your proposed Membership of the Fund, not issues which arise in relation to your duties and liabilities as a trustee of the Fund. As a trustee, it is your responsibility to separately familiarise yourself with those duties and liabilities and to be actively involved in the operation of the Fund. As this is a legal obligation, it is reasonable to presume that you have done so. As such, pursuant to Section 1013F of the *Corporations Act 2001* detailed information concerning other matters pertaining to the operation of the Fund are not included in this PDS.

Other Documents Forming Part of This PDS, For Funds Other Than New Funds

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

The Fund's investment strategy; and
The last financial statements prepared in respect of the Fund.

These documents form part of this PDS for funds other than newly established funds. If you have not yet received a copy of these documents, you should not sign this PDS until you have received them.