



self managed super specialists

# **DOCUMENTS TO BE SIGNED & RETURNED TO VIRTU SUPER**

**PO BOX 83, MOUNT GRAVATT, QLD, 4122**

**Phone 07 3349 1452 or Email [admin@virtusuper.com.au](mailto:admin@virtusuper.com.au)**

## **ACTION REQUIRED:**

- Prior to signing the documents in this package, you should review them and ensure that they are in order.
- Once all documents have been signed, would you please return this complete section to us as soon as possible.

***Please return this complete package.***

5 May 2021

The Trustees  
The Cubit Superannuation Fund  
Villa 307 Ruby Gardens  
225 Logan Road  
Eagleby QLD 4207

Marsh Tincknell  
PO Box 83  
MOUNT GRAVATT QLD 4122

Dear Sir / Madam,

**Trustee Representation**  
**The Cubit Superannuation Fund**

We refer to your audit of our superannuation fund for the 2020 financial year. As trustees of the fund we make these representations to you in connection with your audit. We believe that to the best of our knowledge:

1. The fund is not a reporting entity and the special purpose financial report is for distribution to fund members. The preparation of the financial report satisfies the requirements of the *Superannuation Industry (Supervision) Act 1993* (SIS Act) and the SIS Regulations (SISR);
2. The financial statements of The Cubit Superannuation Fund for the year ended 30 June 2020 are presented fairly in all material aspects, in accordance with the accounting policies adopted and as set out in the notes to the accounts; and
3. The operations of the fund during the income year ended 30 June 2020 were conducted in accordance with the requirements of the SIS Act and SISR.

This letter is provided in connection with your audit of the financial statements and your determination of The Cubit Superannuation Fund's compliance with the SIS Act and SISR for the year ended 30 June 2020. This letter should aid you in expressing an opinion as to whether:

- The financial statements are, in all material aspects, presented fairly and in accordance with the accounting principles adopted by the fund and as set out in the notes to the financial statements; and
- Whether The Cubit Superannuation Fund has complied, in all material aspects, with the SIS Act and SISR.

We acknowledge our responsibility for:

- Ensuring the financial statements are in accordance with the financial policies set out in the notes to the financial statements and that the financial report is free of material misstatement (including omissions); and
- Ensuring the fund is maintained in accordance with the provisions of the SIS Act and SISR.

**Financial Statements**

We confirm, to the best of our knowledge and belief, the following representations:

**Accounting policies**

All the significant accounting policies of the fund are adequately described in the financial statements and notes to the accounts. The applicable policies are consistently applied. If in the event that there are exceptions, these are noted below.

**Financial records, related data and minutes**

- All financial statements, records and related data have been made available to you, including minutes of the trustees' meetings and the Trust Deed.

## **Fraud, error and non-compliance**

There has been no:

- Fraud, error, or non-compliance with the laws and regulations by persons who are involved in the internal management of the The Cubit Superannuation Fund;
- Fraud, error, or non-compliance with laws and regulations that could have a material effect on the financial reports of The Cubit Superannuation Fund; and
- Communications from regulatory agencies concerning non-compliance with or deficiencies in the financial reporting practices of The Cubit Superannuation Fund.

## **Internal controls**

We acknowledge our responsibility for the design and implementation of internal controls to prevent and detect errors in the financial reports of The Cubit Superannuation Fund. We have established adequate internal controls and maintained these controls. There are no material transactions that have not been properly recorded in the records underlying the financial report.

## **Investments**

Investments are carried in the books at market value. These amounts are considered reasonable in the present circumstances.

There are no commitments, fixed or contingent, for the purchase or sale of investments.

## **Related parties**

Related party transactions and related amounts receivable or payable have been properly recorded and identified in the financial statements.

Any transactions that occur with related parties are conducted at arm's length.

## **Subsequent events**

No events or transactions have occurred since 30 June 2020 that would require adjustment and/or disclosure in the notes to the financial reports. We have no plans or intentions that may materially affect the carrying values or classification of assets and liabilities of the fund as they are reported at 30 June 2020.

Where we are aware of such an event or transaction occurring, we will notify the Auditor.

## **Requirements of the SIS Act**

We confirm, to the best of our knowledge and belief, the following representations:

### **Sole purpose of the fund**

The sole purpose of the fund is to provide retirement and/or death benefits to its members and/or beneficiaries.

### **Asset form**

The fund's assets are held in a form suitable for the benefit of the members of the fund and are in line with the investment strategy of the fund.

### **Ownership and pledging of assets**

- The fund has satisfactory title to all assets appearing in the balance sheet. Investments are registered in the name of the trustees as trustee for The Cubit Superannuation Fund
- No assets of the fund have been pledged to secure liabilities of the fund or of others.
- The trustees are not aware of any assignment or charge over the Fund's assets.

### **Trustees covenants**

The trustees have complied with all the Trustee Covenants set out in section 52 of the SIS Act. These trustee covenants require the trustees to:

- Act honestly in all matters affecting the fund;
- Exercise a degree of care, skill and diligence as an ordinary prudent person;
- Act in the best interests of the beneficiaries;

- Keep fund assets separate from other assets, i.e. separate from the trustee's personal assets;
- Do not do anything that would impede the proper performance and function of trustee powers;
- Formulate and give effect to an investment strategy;
- Manage any fund reserves responsibly; and
- Allow beneficiaries access to certain information.

#### Investment strategy

Investment transactions and the investments held by the fund are in accord with the investment strategy. The investment strategy has been determined with due regard to risk, return, liquidity and diversity. Consideration has been given for the need to hold insurance for the fund members. The trustees have reviewed the appropriateness of the investment strategy.

#### Trustees not disqualified persons

The trustees of the superannuation fund are not disqualified persons as defined by section 120 of the SIS Act.

#### Governing rules

The fund is managed in accordance with its Trust Deed and governing rules. There were no amendments to the Trust Deed during the year except as notified to you.

#### Legislative requirements

The fund is managed in accordance with the SIS Act and the SISR. We have complied with the requirements to retain all accounting records and financial statements for 5 years, minutes and records of trustees' meetings for 10 years, and signed trustee declarations in the approved form for each trustee appointed after 30 June 2007 as required by the SIS Act.

#### Contributions

The trustees of The Cubit Superannuation Fund confirm that the fund's members, for whom contributions were received, were:

- Under 65 years of age; or
- 65 to 74 years of age and gainfully employed for at least 40 hours in a consecutive 30 day period.
- Mandated employer contributions

#### Fund residency

The trustees confirm the fund satisfies the requirements to be an Australian Superannuation fund, the central management and control of the fund is ordinarily located in Australia and contributions have been accepted in accordance with the residency requirements.

#### Outstanding legal action

The trustees confirm that there is no outstanding legal action or claims against the fund.

Acknowledged on behalf of The Cubit Superannuation Fund by:

**SIGN**  
  
 Terrence Cubit  
 Trustee

**SIGN**  
  
 Judith Cubit  
 Trustee

Dated        /        /

# The Cubit Superannuation Fund

## Trustee Declaration

In the opinion of the Trustees of the The Cubit Superannuation Fund.

The Fund is not a reporting entity and this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to these financial statements.

- (i) the financial statements and notes to the financial statements for the year ended 30 June 2020 present fairly the financial position of the Fund at 30 June 2020 and the results of its operations for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements; and
- (ii) the financial statements and notes to the financial statements have been prepared in accordance with the requirements of the Trust Deed; and
- (iii) the operation of the Fund has been carried out in accordance with its Trust Deed and in compliance with the requirements of the Superannuation Industry (Supervision) Act 1993 during the year ended 30 June 2020.

Signed in accordance with a resolution of the trustees by:

**SIGN**



**Judith Cubit**  
Trustee

Dated: ...../...../.....

**SIGN**



**Terrence Cubit**  
Trustee

Dated: ...../...../.....

**MINUTES OF THE MEETING OF THE TRUSTEES OF  
THE CUBIT SUPERANNUATION FUND  
HELD ON 05 MAY 2021 AT  
VILLA 307 RUBY GARDENS 225 LOGAN ROAD, EAGLEBY QLD**

**PRESENT**

Judith Cubit

Terrence Cubit

**APPROVAL OF  
PREVIOUS MINUTES:**

It was resolved that the minutes of the previous meeting be signed as a true and correct record.

**ALLOCATION OF  
CONTRIBUTION:**

It was resolved that the contributions received during the year be allocated to members as follows:

<b>Member Name/Contribution type</b>	<b>Amount</b>
<i>Mrs Judith Cubit</i>	
Employer	25,000
Member	100,000
<i>Mr Terrence Cubit</i>	
Employer	25,000
Member	100,000

The contributions will be subject to normal preservation and payment rules under the *Superannuation Industry (Supervision) Regulations 1994 (SISR)*

**PAYMENT OF BENEFITS:**

The trustee has ensured that any payment of benefits made from the fund meet the requirement of the fund's deed and do not breach the superannuation laws in relation to:

1. making payment to members; and
2. breaching the fund's or the member's investment strategy.

The trustees have reviewed the payment of benefits and received advice that the transfer is in accordance with the deed and the superannuation laws. As such the trustee has resolved to allow the payment of the following benefits on behalf of the members:

<b>Member Name/Payment Type</b>	<b>Amount</b>
<i>Mrs Judith Cubit</i>	
Pension	59,536
<i>Mr Terrence Cubit</i>	
Lump Sum	100,000
Pension	63,627

**PURCHASE OF ASSETS:**

It was resolved that having regard to the composition, risk and return of the fund's existing investments, the fund's investment objectives and its present liquidity, the purchase of the assets identified below during the year ended 30 June 2020 hereto be confirmed and are in line with the investment strategy of the fund.

<b>Asset / Date</b>	<b>Price</b>	<b>Units</b>	<b>Consideration</b>
<i>Listed Securities Market</i>			
<i>Australia And New Zealand Banking Group Limited</i>			
01 Jul 2019	27.7900	54.00	1,501
18 Dec 2019	25.0300	61.00	1,527
<i>Future Generation Investment Company Limited</i>			
25 Oct 2019	1.1393	2014.00	2,294
28 Apr 2020	0.9226	2751.00	2,538
<i>Insurance Australia Group Limited</i>			
30 Sep 2019	7.9930	490.00	3,917
25 Mar 2020	6.5815	304.00	2,001
<i>National Australia Bank Limited</i>			
03 Jul 2019	25.9300	116.00	3,008
12 Dec 2019	25.7900	121.00	3,121
<i>Origin Energy Limited</i>			
27 Sep 2019	7.7800	168.00	1,307
27 Mar 2020	5.4000	246.00	1,328
<i>Pengana International Equities Limited</i>			
19 Nov 2019	1.0870	2319.00	2,521
30 Apr 2020	0.9700	1916.00	1,858
<i>Sydney Airport - Fully Paid Stapled Securities Us Prohibited</i>			
15 Aug 2019	7.9986	502.00	4,015
14 Feb 2020	8.8432	466.00	4,121
<i>Transurban Group - Ordinary Shares/Units Fully Paid Triple Stapled</i>			
09 Aug 2019	15.1549	604.00	9,154
14 Feb 2020	15.4949	623.00	9,653
<i>Vanguard Australian Shares Index ETF - Exchange Traded Fund Units Fully Paid</i>			
16 Jul 2019	83.7150	10.00	837
16 Oct 2019	84.7658	12.00	1,017
17 Jan 2020	84.6322	9.00	762
20 Apr 2020	64.1655	11.00	706
<i>Woolworths Limited</i>			
30 Sep 2019	37.0462	32.00	1,185
09 Apr 2020	37.4593	27.00	1,011

**DISPOSAL OF ASSETS:**

It was resolved that having regard to the composition, risk and return of the fund's existing investments, the fund's investment objectives and its present liquidity, the disposal of the assets identified below during the year ended 30 June 2020 hereto be confirmed and are in line with the investment strategy of the fund.

<b>Asset / Date</b>	<b>Price</b>	<b>Units</b>	<b>Consideration</b>
<i>Unlisted Market</i>			
<i>Rigid Non-Vented Bins</i>			
25 May 2020	0.0000	1.00	0
30 Jun 2020	0.0000	1.00	0

**ALLOCATION OF NET  
INCOME:**

It was resolved that the income of the fund be proportionally allocated to members based on the members' daily weighted average balances. The following amounts of income, and related amounts of tax, are to be credited to / debited from member accounts:

	<b>Income</b>	<b>Fund Tax</b>	<b>Conts Tax</b>	<b>Direct Tax</b>
<i>Mrs Judith Cubit</i>				
Accumulation	7,736	(120)	3,750	0
01.07.2014	1,822	(3,306)	0	0
Pension				
Account				
1.7.2015	997	(1,809)	0	0
Pension				
Account				
1.7.2016	506	(917)	0	0
Pension Account				
1.7.2017	76	(137)	0	0
Pension				
Account				
1.7.2018	160	(290)	0	0
Pension				
Account				
1.7.2019	(453)	(473)	0	0
Pension				
Account				
<i>Mr Terrence Cubit</i>				
Accumulation	7,736	(120)	3,750	0
01.07.2014	(545)	(3,699)	0	0
Pension				
Account				
1.7.2015	617	(1,119)	0	0
Pension				
Account				
1.7.2016	427	(775)	0	0
Pension				
Account				
1.7.2017	555	(1,006)	0	0
Pension				
Account				
1.7.2018	173	(314)	0	0
Pension				
Account				
1.7.2019	(457)	(467)	0	0
Pension				
Account				

**REPORTING ENTITY  
CONCEPT:**

It was resolved that, in the opinion of the trustee, the fund is not a reporting entity because it is unlikely that users exist who are unable to command the preparation of reports tailored so as to satisfy specifically all their information needs.

Therefore, the financial statements for the fund are to be prepared on the basis of the fund being a "non-reporting entity", and will therefore take the form of Special Purpose Financial Reports.



**REPORTS AND STATEMENTS:**

The Financial Reports consisting of Statement of Financial Position, Operating Statement and Notes to the Financial Statements, Trustee's Declaration, Compilation Report and Member Statement for the period ended 30 June 2020 were tabled for consideration at the meeting.

It was resolved that the financial statements be adopted in their present format and that the statement by the trustees attached to the financial reports be signed by the Trustees, stating that:

1. the financial statements are drawn up so as to present fairly the financial position of the fund as at 30 June 2020, the benefits accrued as a result of operations and its cash flow for the year then ended;
2. the financial statements have been prepared in accordance with the requirements of the trust deed and Australian Accounting Standards as noted in Note 1 to the Financial Statements and
3. the fund has operated substantially in accordance with the trust deed and the requirements of the *Superannuation Industry (Supervision) Act 1993 (SISA)*, during the year ended 30 June 2020.

**INCOME TAX RETURN:**

The completed Self-Managed Superannuation Fund Annual Return for the financial year ended 30 June 2020 was tabled for consideration at the meeting.

It was resolved that:

1. the particulars contained in the 2020 income tax return and the relevant records used to ascertain the taxable income, as shown, derived by the fund from all sources in and out of Australia during the year of income are true and correct and;
2. the fund satisfies the statutory requirements and conditions applicable to be classified as a 'Regulated Superannuation Fund/Complying Superannuation Fund' for the year of income and;
3. the income tax return be adopted in its present format and that the Return be signed by the Trustees.

**REVIEW OF INVESTMENT  
STRATEGY:**

The fund's investment performance for the year ended 30 June 2020 and existing investment strategy have been reviewed by the Trustees, after considering:

1. the risk involved in making, holding and realising, and the likely return from, the fund's investments having regard to its objectives and its expressed cash flow requirements;
2. the composition of the fund's investments as a whole including the extent to which the investments are diverse or involve the funds being exposed to risks from inadequate diversification;
3. the liquidity of the fund's investments having regard to its expected cash flow requirements;
4. the ability of the fund to discharge its existing and prospective liabilities;
5. whether the fund should hold a contract of insurance that provides insurance cover for members of the fund; and
6. the effect of the fund's investments on the above requirements and all matters relating to the prudential nature of the investment being continuously monitored, regularly reviewed and to make sure they adhere to fund's investment objectives and relevant legislation.

It was resolved that the aims and objectives of the investment strategy were being achieved and that the said investment strategy requires no further modification or adoption at this time.

**TRUSTEE AND MEMBER  
STATUS:**

Each of the trustee(s) confirmed that they are qualified to act as trustee(s) of the fund and that they are not disqualified persons as defined by Section 120 of the S/SA.

**TAX AGENT:**

It was resolved that

Mr David Tincknell  
of  
VIRTU SUPER PTY LTD  
1454 Logan Road  
Mount Gravatt, QLD 4122

act as the tax agent of the fund for the next financial year.

**CLOSURE:**

There being no further business the meeting was closed.

**SIGN**



Terrence Cubit  
Chairperson

Dated: ...../...../.....

# Loan Facility Agreement

This Agreement is made on 22 April 2020

## Between:

Cubit Superannuation Fund (the "Lender")

## And

FCN Logistics Pty Ltd (A.C.N. 618 130 724) (the "Borrower")

## Background:

The parties have agreed that the Cubit Superannuation Fund (Lender) will provide funds to FCN Logistics Pty Ltd (Borrower) as a loan on the terms and arrangements as set out in this Agreement.

The funds provided shall be provided for the purpose of assisting the cashflow in the business.

## 1. Definitions

"Interest rate" is the amount applied per annum and divided by twelve to obtain the equivalent monthly interest rate.

"Principal" is the total amount provided by the Lender to the Borrower for loan purposes.

"Term" is defined as the number of months over which the loan and interest is to be paid.

"Repayment" is the amount to be paid each month into the account of the Lender.

## 2. Term

The Term of the loan is 10 months (*period of time*) commencing from 22 April 2020 and to be repaid by 8 January 2021 (*repayment date*). The loan may be terminated early by agreement without penalty through payment of outstanding loan amounts.

## 3. Interest

The Interest Rate used for this loan is Division 7A benchmark interest rate.

Interest is calculated on the daily closing balance of the account after deducting the repayment made during the day.

## 4. Principal

The Principal provided by the Lender shall be no more than \$50,000.00.

## 5. Repayments

The amount is to be repaid by the end of the term period.

If the Borrower fails to meet the repayment due date, then the Lender may seek damages or compensation for loss of Interest on the amount outstanding.

## 6. Defaults

If the Borrower is in default of this Agreement the Lender may seek to recover damages including seeking the immediate payment of the final amount owing under this agreement plus any other damages.

Payment in full is the final amount owing without any set off, counterclaim or deduction.

## 7. Notices

All communications between the Lender and Borrower must be in writing.

Signed by:

SIGN

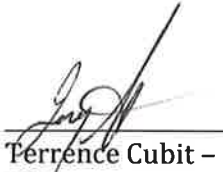


Terrence Cubit – Trustee  
Cubit Superannuation Fund

\_\_\_ / \_\_\_ / \_\_\_

Date

SIGN



Terrence Cubit – Director  
FCN Logistics Pty Ltd

\_\_\_ / \_\_\_ / \_\_\_

Date

# Loan Facility Agreement

This Agreement is made on 20 June 2019

## Between:

Cubit Superannuation Fund (the "Lender")

## And

Cubanks Pty Ltd (A.C.N. 105 704 961) (the "Borrower")

## Background:

The parties have agreed that the Cubit Superannuation Fund (Lender) will provide funds to Cubanks Pty Ltd (Borrower) as a loan on the terms and arrangements as set out in this Agreement.

The funds provided shall be provided for the purpose of assisting the cashflow in the business.

## 1. Definitions

"Interest rate" is the amount applied per annum and divided by twelve to obtain the equivalent monthly interest rate.

"Principal" is the total amount provided by the Lender to the Borrower for loan purposes.

"Term" is defined as the number of months over which the loan and interest is to be paid.

"Repayment" is the amount to be paid each month into the account of the Lender.

## 2. Term

The Term of the loan is 1 year and 5 months (*period of time*) commencing from 21 June 2019 and to be repaid by 21 November 2020 (*repayment date*). The loan may be terminated early by agreement without penalty through payment of outstanding loan amounts.

## 3. Interest

The Interest Rate used for this loan is Division 7A benchmark interest rate.

Interest is calculated on the daily closing balance of the account after deducting the repayment made during the day.

## 4. Principal

The Principal provided by the Lender shall be no more than \$60,000.00.

## 5. Repayments

The amount is to be repaid by the end of the term period.

If the Borrower fails to meet the repayment due date, then the Lender may seek damages or compensation for loss of Interest on the amount outstanding.

## 6. Defaults

If the Borrower is in default of this Agreement the Lender may seek to recover damages including seeking the immediate payment of the final amount owing under this agreement plus any other damages.

Payment in full is the final amount owing without any set off, counterclaim or deduction.

## 7. Notices

All communications between the Lender and Borrower must be in writing.

Signed by:

**SIGN**  


Terrence Cubit – Trustee  
Cubit Superannuation Fund

\_\_\_ / \_\_\_ / \_\_\_  
Date

**SIGN**  


Terrence Cubit – Director  
Cubanks Pty Ltd

\_\_\_ / \_\_\_ / \_\_\_  
Date

## INVESTMENT OBJECTIVES AND STRATEGIES

### Investment Objective:

The sole purpose of the fund is to provide benefits to Members upon their retirement, attaining a specified age, death or on health or financial reasons.

The objective of the Fund is to achieve reasonable long term growth with moderate fluctuations in return. The average investment return for the plan should be at least 1.0% per annum above inflation (CPI) when measured over a three year period.

### Investment Strategy:

The trustees, have set the following strategy and guidelines for investment of funds belonging to the Fund having regard to the following:

- the risk of the investment;
- the diversity of investments of the Fund as a whole;
- the liquidity of the investment; and
- the ability of the fund to discharge its present and future liabilities.

The overall strategy is to invest in either cash, real property, shares, unit trusts or a combination thereof for the purpose of providing the members of the plan with long term growth. Whilst the trustees are conscious of the need to provide the members of the plan with capital gains over the medium to long term, they are also conscious of the need to diversify and spread the risk associated with investment in growth assets.

In making a decision on the types of investments made by the Fund, the Trustees have consulted with the members in this regard. They have taken into account the members overall risk profile and their concerns about various investment opportunities.

With this in mind, the trustees will, from time to time, seek professional investment advice in order to assist in the process of determining what investments are suitable for the Fund and also taking into account the concerns of the members.

The trustees also acknowledge the need to invest in areas where some assets can be readily converted to cash, thus allowing benefits to be paid when they fall due.

Taking the above into account, the trustees have determined that the following guidelines should be adhered to in placing and reviewing investments by the Fund in the coming 12 month period.

	From		To
Australian Equities	30%	-	80%
Australian Fixed Interest	0%	-	20%
Cash	0%	-	30%
Direct Property	2%	-	40%
International Equities	0%	-	20%
International Fixed Interest	0%	-	10%
Listed Property	0%	-	2%
Mortgages		-	
Other	0%	-	40%

This plan's strategy will be reviewed on occasion and updated if any modifications are required.


In addition, the trustees have held discussions with each of the members and considered whether or not it is appropriate for the fund to provide any of the following types of insurance cover for each member:

- Life insurance
- Total & Permanent Disablement (TPD) insurance
- Income Protection Insurance

Each member's individual insurance needs will be considered by the trustees on an annual basis

(Approved at meeting of Trustees dated 21/07/2020)

Signed: .

**SIGN**  
  
 .....  
 Mrs Judith Cubit  
 Trustee

**SIGN**  
  
 .....  
 Mr Terrence Cubit  
 Trustee

Date: 21/07/2020

Terry Cubit  
Villa 307  
Ruby Gardens  
225 Logan Road  
Eagleby Qld 4207

5 April 2020

The Trustees  
The Cubit Superannuation Fund  
Villa 307  
Ruby Gardens  
225 Logan Road  
Eagleby Qld 4207

Dear Trustees

**ELIGIBILITY TO MAKE SUPERANNUATION CONTRIBUTIONS AFTER AGE 65**

I declare that:

- a) I have been "gainfully employed" for at least 40 hours in a period of not more than 30 consecutive days for the financial year ended 30 June 2020. I confirm that this work test has been satisfied prior to the first contribution being made.

*"Gainfully Employed" means being employed or self employed for gain in any business, trade, profession, vocation, calling, operation or employment. "Gain or reward" is the receipt of remuneration such as wages, business income, bonuses and commissions in return for personal exertion from these activities. It does not include the passive gaining of income, such as receipt of rent or dividends.*

OR

- b) The only contributions made during the year were compulsory contributions made under an award agreement or the Superannuation Guarantee provisions.

Yours sincerely,

SIGN

  
Terry Cubit  
Member



Judith Cubit  
Villa 307  
Ruby Gardens  
225 Logan Road  
Eagleby Qld 4207

5 April 2020

The Trustees  
The Cubit Superannuation Fund  
Villa 307  
Ruby Gardens  
225 Logan Road  
Eagleby Qld 4207

Dear Trustees

**ELIGIBILITY TO MAKE SUPERANNUATION CONTRIBUTIONS AFTER AGE 65**

I declare that:

- c) I have been "gainfully employed" for at least 40 hours in a period of not more than 30 consecutive days for the financial year ended 30 June 2020. I confirm that this work test has been satisfied prior to the first contribution being made.

*"Gainfully Employed" means being employed or self employed for gain in any business, trade, profession, vocation, calling, operation or employment. "Gain or reward" is the receipt of remuneration such as wages, business income, bonuses and commissions in return for personal exertion from these activities. It does not include the passive gaining of income, such as receipt of rent or dividends.*

OR

- d) The only contributions made during the year were compulsory contributions made under an award agreement or the Superannuation Guarantee provisions.

Yours sincerely,



Judith Cubit  
Member

**SIGN**

Terry Cubit  
Villa 307  
Ruby Gardens  
225 Logan Road  
Eagleby Qld 4207

7 July 2020

The Trustees  
The Cubit Superannuation Fund  
Villa 307  
Ruby Gardens  
225 Logan Road  
Eagleby Qld 4207

Dear Trustees

#### ELIGIBILITY TO MAKE SUPERANNUATION CONTRIBUTIONS AFTER AGE 65

I declare that:

- a) I have been "gainfully employed" for at least 40 hours in a period of not more than 30 consecutive days for the financial year ended 30 June 2021. I confirm that this work test has been satisfied prior to the first contribution being made.

*"Gainfully Employed" means being employed or self employed for gain in any business, trade, profession, vocation, calling, operation or employment. "Gain or reward" is the receipt of remuneration such as wages, business income, bonuses and commissions in return for personal exertion from these activities. It does not include the passive gaining of income, such as receipt of rent or dividends.*

OR

- b) The only contributions made during the year were compulsory contributions made under an award agreement or the Superannuation Guarantee provisions.

Yours sincerely,

SIGN



Terry Cubit  
Member

Judith Cubit  
Villa 307  
Ruby Gardens  
225 Logan Road  
Eagleby Qld 4207

9 July 2020

The Trustees  
The Cubit Superannuation Fund  
Villa 307  
Ruby Gardens  
225 Logan Road  
Eagleby Qld 4207

Dear Trustees

**ELIGIBILITY TO MAKE SUPERANNUATION CONTRIBUTIONS AFTER AGE 65**

I declare that:

- c) I have been "gainfully employed" for at least 40 hours in a period of not more than 30 consecutive days for the financial year ended 30 June 2021. I confirm that this work test has been satisfied prior to the first contribution being made.

*"Gainfully Employed" means being employed or self employed for gain in any business, trade, profession, vocation, calling, operation or employment. "Gain or reward" is the receipt of remuneration such as wages, business income, bonuses and commissions in return for personal exertion from these activities. It does not include the passive gaining of income, such as receipt of rent or dividends.*

OR

- d) The only contributions made during the year were compulsory contributions made under an award agreement or the Superannuation Guarantee provisions.

Yours sincerely,



Judith Cubit  
Member

# Transfer Balance Account Report Declaration

This declaration is to be completed and provided to a tax agent who is lodging a transfer balance account report (TBAR) statement on a fund's behalf. It is the responsibility of the fund trustee(s) to keep a record of the declaration for five years after the declaration has been made.

THIS FORM CANNOT BE LODGED WITH THE ATO

## Fund Details

Name:

The Cubit Superannuation Fund

ABN

55968604768

## Trustee Declaration

- I am authorised to make this declaration;
- I declare that the information provided in this statement is true and correct; and
- I authorise the agent to lodge the fund's TBAR statement to the ATO.

SIGN



Terrence Cubit  
Chairperson

Dated: ...../...../.....

Period From:

01/07/2020

To:

25/02/2021

## Reportable events for Mrs Judith Ann Cubit

Account Type	Account Name	Account Number	Event Type	Event Date	Value
IS1	01.07.2014 Pension Account	1	Member Commutation	15/07/2020	37,460.91
IS1	1.7.2017 Pension Account	5	Member Commutation	15/07/2020	28,000.00
IS1	15.7.2020 Pension Account	8	Superannuation Income Stream	15/07/2020	220,796.05

## Reportable events for Mr Terrence Roderick Cubit

Account Type	Account Name	Account Number	Event Type	Event Date	Value
IS1	01.07.2014 Pension Account	1	Member Commutation	16/07/2020	68,954.12
IS1	16.7.2020 Pension Account	8	Superannuation Income Stream	16/07/2020	225,655.35

15 JULY 2020

THE TRUSTEES  
THE CUBIT SUPERANNUATION FUND  
VILLA 307  
RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207

Dear Sir/Madam,

**RE: PAYMENT OF MY ACCUMULATED BENEFITS IN THE CUBIT SUPERANNUATION FUND**

I, TERRENCE RODERICK CUBIT, am currently a member of THE CUBIT SUPERANNUATION FUND and, being entitled to receive payment of my accumulation benefits in the amount listed below, request that the Trustee(s) of the Fund commence to pay these benefits from the Fund as an account-based pension.

My relevant details are as follows:-

**Full Name:** TERRENCE RODERICK CUBIT

**Address:** VILLA 307  
RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207

**Date of Birth:** 31 OCTOBER 1949

**Amount of My Account Balance  
to be used to Fund the Pension:** 100%

Please do all necessary things to commence payment of my pension on or as soon as possible after the 16 JULY 2020.

I am aware that amounts which the Trustee(s) deem are applicable to the establishment and maintenance of this pension are chargeable against my Member's account.

Please note that I also wish the pension to be paid with a 100% reversionary entitlement to JUDITH ANN CUBIT in the event of my death.

Yours Sincerely,

  
TERRENCE RODERICK CUBIT

SIGN

---

**MINUTES OF A MEETING OF  
THE TRUSTEES  
AS TRUSTEE FOR:-  
THE CUBIT SUPERANNUATION FUND  
HELD AT: VILLA 307  
RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207**

**ON: 15 JULY 2020**

---

**PRESENT:**                   TERRENCE CUBIT (Chairman)  
                                  JUDITH CUBIT

**ACCOUNT-BASED  
PENSION  
REQUEST:**

The Chairman tabled a letter from TERRENCE RODERICK CUBIT, a Member of THE CUBIT SUPERANNUATION FUND, requesting that 100% of the Member's accumulation benefit commence to be paid in the form of an account-based pension. The member has also requested that the pension include a 100% reversionary element to JUDITH ANN CUBIT.

The Chairman also tabled the most recent fund records available, confirming that:-

- (a)     The Member is of an age when benefits may commence to be paid to the Member.
- (b)     The Member has sufficient benefits in the Member's Accumulation Account which have met a Condition of Release (pursuant to the Superannuation Industry Supervision Regulations) to meet the requested amount.
- (c)     The Member has sufficient benefits which have a nil cashing restriction, or the payment of an account-based pension is within the relevant cashing restriction (pursuant to the Superannuation Industry Supervision Regulations) to meet the requested amount.
- (d)     The Fund's Governing Rules allows the payment of account-based pensions to Members.

**RESOLVED:**

That the Trustee approves the payment of an account-based pension, representing 100% from TERRENCE RODERICK CUBIT's Accumulation Amount with a 100% reversionary element to JUDITH ANN CUBIT, and that the Trustee take the following steps to execute this resolution:-

1.       Calculate the minimum annual amount payable as an account-based pension for the current year to TERRENCE RODERICK CUBIT pursuant to Regulation 1.06(9A)(a) of the SIS Regulations.

2. Write to the Member outlining the terms on which an account-based pension may be paid under the SIS Act and Regulations.
3. Register as a PAYG withholder with the Australian Taxation Office if required.
4. Review the Fund's Investment Strategy, in view of the fact that it now has a regular cash outflow requirement to be funded.

**CLOSURE:**

There being no further business, the meeting was declared closed.

---

Signed as a Correct Record

**SIGN**

TERRENCE CUBIT

15 JULY 2020

THE TRUSTEES  
THE CUBIT SUPERANNUATION FUND  
VILLA 307  
RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207

TERRENCE RODERICK CUBIT  
VILLA 307  
RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207

Dear Member,

**RE: PAYMENT OF YOUR BENEFITS IN THE CUBIT SUPERANNUATION FUND**

The Trustees have met and have approved payment of 100% of your accumulation benefit in THE CUBIT SUPERANNUATION FUND as an account-based pension.

Your pension is subject to certain minimum standards, as set down in Regulation 1.06(9A)(a) of the Superannuation Industry Supervision Regulations. A copy of these conditions is attached.


As part of these requirements, there is a minimum amount which must be paid to you each financial year. For the present financial year, a minimum amount of **\$5,410.00** of your account balance must be paid.

The Trustees are obliged to withhold income tax in relation to certain pension payments made before age 60. Your pension may therefore be net of any taxes required to be withheld, from time to time. Where tax has been withheld, you will receive a PAYG Payment Summary at the end of each financial year outlining this amount, for inclusion with your personal income tax return for that year. The trustee is not required to withhold any PAYG tax from benefits paid to a member who is 60 years of age or over for the entire tax year and PAYG Payment Summaries are not required.

The trustees have also approved the pension with a 100% reversionary element, giving an entitlement for JUDITH ANN CUBIT to continue to receive this pension in the event of your death.

Please be aware there are certain costs attached to calculating and paying your account-based pension, including professional fees and other costs.

Yours Sincerely,

  
.....  
TERRENCE CUBIT

SIGN



## SUMMARY OF FEATURES OF YOUR ACCOUNT-BASED PENSION

Your Benefit, the subject of the attached letter, is an account-based **pension**. Account-based pensions have the following characteristics:-

- I. the pension payments are no less than the amount calculated in accordance with Regulation 1.06(A)(a) of the SIS Regulations (except that where a pension starts on or after 1 June in a given year, the minimum levels do not have to be met in that year).
- II. payments are made at least annually (but may be more regularly).
- III. Payments to beneficiaries between 55 and 59 years of age are taxed at a concessional rate. Payments to beneficiaries 60 years of age and over are exempt from tax.
- IV. the capital or income of the pension cannot be used as security for borrowings.
- IV. In the event of the pensioner's death, the reversion cannot be transferred to anyone other than the reversionary beneficiary and an adult child cannot be the recipient of a reversionary pension (i.e. death benefits to adult children can only be paid as lump sums).

The **minimum payment** is worked out using the following formula:-

$$\text{Account Balance} \times \text{Percentage Factor}$$

**Account Balance** means:

the value of the annuity or pension:

- A. on 1 July in the financial year in which the payment is made; or
- B. if that year is the year in which the annuity or pension payments commence - on the commencement day,

being the total amount paid as consideration to purchase the annuity or pension, as increased by returns on investments and as decreased by fees, charges, applicable taxes, payments to the annuitant or pensioner and payments made under a Splitting Order.

**Percentage Factor** means:

the percentage factor specified in Table 1, below, that applies to the beneficiary because of the beneficiary's age on:

- A. 1 July in the financial year in which the payment is made; or
- B. if that is the year in which the annuity or pension payments commence - the commencement day.

**Table 1**

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

The minimum payment amount will need to be recalculated on 1 July each year. Therefore the minimum amount payable to the pensioner will change from year to year.

If the primary beneficiary or a reversionary beneficiary dies, the Pension cannot be transferred to a Child of that person (but may be paid as a lump sum), unless the Child:

- A. is less than 18 years of age; or
- B. is greater than 18 years of age, but less than 25 years of age and is financially dependent on the Member; or
- C. has a disability of the kind described in subsection 8(1) of the *Disability Services Act 1986*,

and, except in the case of a Child described in paragraph C above, such a Pension must cease no later than the Child attaining 25 years of age.

# PRODUCT DISCLOSURE STATEMENT

## MEMBER COMMENCING A PENSION

Name of Superannuation Fund: THE CUBIT SUPERANNUATION FUND

Date of Notice: 15 JULY 2020

Name of Member: TERRENCE RODERICK CUBIT

Address of Member: VILLA 307  
RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207

This Product Disclosure Statement (PDS) may be required by Part 7.9 of the *Corporations Act 2001*, as amended, to be given to members of superannuation funds changing from growth to pension phase or being issued with an interest in the above superannuation fund (the "Fund") for the first time, when the purpose of membership is to commence to receive a pension. A new interest in this Fund is considered to be granted upon the acceptance of your initial application for membership, as well as upon the making of an election to change from an accumulation or growth phase, to pension phase.

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

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

- Information of which you are already aware (e.g. your address and contact details for the above SMSF).
- Information which your duties and responsibilities as a trustee of the above SMSF require that you be aware of, prior becoming a trustee (e.g. the terms of the trust deed and governing rules of the above SMSF).
- Where the Fund is a newly established superannuation fund, information which has not come into existence at the date of this PDS being issued (e.g. fees and charges, investment strategy and returns, etc.)

It is important to note that this information relates to your pension, not to your obligations as a trustee of the Fund. It is up to you to 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 a trustee or director of a corporate trustee of the Fund. You should separately familiarize yourself with your trustee duties.

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

### **Name and Contact Details of the Product Issuer**

The above SMSF is the issuer of this PDS. The Fund's contact details are determined by you and (where applicable) your co-trustee(s) (or director(s) of a corporate trustee). They will either be your own address, or an address to which you have previously agreed and been made aware of.

### **Benefits**

The benefits available to you are set out in the above SMSF's trust deed. As a member of a SMSF, with the agreement of your co-trustee(s), you can choose any form or combination of retirement benefits legally available – you have as much flexibility as is possible.

Your primary form of retirement benefit is a "pension", as that term is defined in the *Superannuation Industry (Supervision) Regulations 1994*, however you may choose a lump sum benefit, by request

made in writing at the time you wish to take your benefits. Other benefits potentially available to you include: death benefits, total and permanent disablement benefits and total and temporary disablement benefits.

Once you have "Retired" after age 55 years, you will be entitled to commence to take your superannuation benefits. Any decision (except for the option to take a lump sum) may be verbal, but should preferably be in writing. 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, we strongly recommend that you seek professional advice, prior to taking any benefits.

It is important to note that this SMSF is not the only fund which is capable of paying you a pension. This PDS also lists other types of superannuation funds which may offer pensions of the type which you have chosen.

### **Account-based Pensions**

You have chosen to receive an account-based Pension. Account-based Pensions have the following essential characteristics:-

- There are minimum pension amounts which you must receive each year, but no maximum pension amount. The pension payments can be made at any frequency you wish, including in a single, annual payment. These amounts are determined by referring to the table at Regulation 1.06(9A)(a) of the *Superannuation Industry (Supervision) Regulations 1994*. The amount is recalculated each year, based on the capital value of your account and your age at the start of the financial year. The amounts are gross of any tax which might need to be withheld from your pension by the Fund.
- You may cancel your Account-based Pension at any time, by writing to the trustee(s) of the Fund. You may choose to return those funds to accumulation mode, take the benefits out as a lump sum, or to start a different pension with those benefits (or a combination of the two). Cancelling an account-based Pension may have adverse tax consequences and should only be done after seeking professional advice.
- You can make partial capital withdrawals from your Account-based Pension, should you wish, however you cannot add new capital sums to your pension. Should you be entitled to make further contributions to the Fund, with a view to having them paid as a pension, you will need to start a new pension with those moneys. You can have multiple pensions running from the same superannuation fund, however the administrative costs may be somewhat higher. You can stop an existing Account-based Pension, add new contributions to it and immediately restart it with the combined balance. Should you wish to partially withdraw capital from your Account-based Pension, there may be taxation consequences. If you wish to either make further contributions or make a partial withdrawal, you should seek professional advice.
- The taxation consequences to you, personally, in relation to your pension payments are too complex to be thoroughly addressed in a PDS and should be discussed with your professional advisor, prior to commencing these payments. In summary, pension payments to members 60 years of age or older are tax-free, while pension payments to those below 60 years of age may be subject to tax, albeit at a concessional rate. In this regard, amounts considered to be a gradual return of any non-concessional contributions (previously variously referred to as undeducted contributions, post-June 1994 invalidity components, pre-1 July 1983 components, CGT concessional amounts) will be tax-free, however other amounts will be included in your normal assessable income, less a 15% rebate. The following will be taxed, but subject to a rebate: amounts considered to be from contributions for which someone (yourself or your employer) have in the past received a tax deduction; amounts which are considered to be sourced from earnings on your superannuation benefits over the years. Your advisor can discuss the taxation consequences of any pension paid to you, in your particular circumstances.
- Depending upon the Fund's trust deed and the decision of the trustee(s), any costs incurred by the Fund for establishing and maintaining your pension may be deducted from your member's account. These costs include (but may not be limited to) administrative, accounting and advice costs regarding establishment and ongoing administrative,

accounting and actuarial costs which the Fund would not be required to undertake, if your Account-based Pension was not being paid.

- Should you die while in receipt of your Account-based Pension, your spouse and people meeting the definition of financial dependants (if any) have the option to continue to receive this pension in your place (called a "reversionary" pension option). It should be noted that benefits remaining in the Fund cannot be retained within the fund, if the beneficiary is a person other than a spouse or financial dependant. For example, benefits paid to non-dependant adult children must be paid out as a lump sum. Non-dependant adult children will be subject to tax on some or all of the benefits which they receive.
- Death benefits are paid in the following order: in accordance with a binding death benefit nomination (if any); in accordance with a non-binding direction from the member (subject to the trustee considering the needs of respective beneficiaries); at the discretion of the trustee, after the trustee has considered all potential beneficiaries' needs. It should note that the trustee may elect to distribute proceeds to the member's estate, for distribution in accordance with the member's Will, if the trustee is not bound.

These are the characteristics of Account-based Pensions which are important to you as a member receiving such a pension. There are additional considerations and information which will be important to you in your capacity as a trustee of the Fund, which you will need to be familiar with. You should discuss these issues with your professional advisor.

### **Nominating Beneficiaries**

You may make two different types of nominations in relation to the payment of your benefits upon your death. The first is contained in your Application for Membership of the Fund. This nomination is not binding on the trustee and may be open to challenge by any potential beneficiaries. Nevertheless, the trustee must give this nomination serious consideration and would require good reasons not to distribute in accordance with these wishes.

The second type of nomination is called a Binding Beneficiary Nomination. This nomination must meet certain forms, including being signed by two independent witnesses and at least once every three years being confirmed, modified or repealed by notice in writing from you to the trustee. The requirements to be followed in relation to Binding Beneficiary Nominations are to be found in the trust deed. 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. As such, it is important that you seek professional advice, prior to submitting a Binding Beneficiary Nomination.

### **Risks**

This SMSF is an accumulation fund. 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 you as trustee and any of your co-trustees/co-directors 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 accumulation account. 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 your co-trustee(s)/co-director(s) control any amounts which might be payable for the issue of pension from 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 co-trustee(s)/co-director(s) control any appointments of financial professionals and investments into products which might include commissions.

### **Dispute Resolution**

The dispute resolutions mechanisms available to members are found in the Fund's trust deed. As a trustee, it is reasonable to presume that you have familiarized yourself with the contents of the trust deed. As such, pursuant to Section 1013F of the *Corporations Act 2001*, as amended, detailed

information concerning the dispute resolution mechanisms available 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 will make a determination as to how these taxes are to be deducted from an individual member's account. The trustee is required to determine this in an equitable manner, as between the members.

Depending on your personal taxable income in a given year, there may also be a liability for the superannuation contribution surcharge tax in respect of any tax-deductible contributions made by your employer or yourself. Where surcharge is payable, this amount will be directly deducted from your member's account.

The income and capital gains of a superannuation fund which is paying one or more pensions will be exempt from tax, to the extent that the assets of the Fund are considered to be supporting those pensions (and taxable to the extent that those assets are considered to be supporting continuing accumulations and reserves). The amount of tax which you as trustee and your co-trustee(s)/co-director(s) consider to be a reasonable and equitable allocation for each member each year will be deducted from the balance of your member's accumulation account.

The rules regarding personal taxation of superannuation benefits are far too complex to address 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.

### **Cooling-off Period**

There is a fourteen (14) day cooling-off period from the date you commence your pension from the above SMSF, during which time you may cancel your pension. Note that the trustee must receive notification of your cancellation prior to the expiry of this period, in order for it to be considered effective. Note also that the cooling off period relates to your pension only and does not give you a right to resile from your duties as a trustee of the Fund (including payment for the establishment of pension).

### **Insurance**

There is no obligation for the trustee of the Fund to take out life or other insurances on your behalf. Obviously, however, as a trustee of the Fund, you are in a position to make 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 member's accumulation account.

### **Alternative Types of Superannuation Funds**

You should be aware that there are a number of alternative forms of superannuation available to you that can pay you a pension, each of which have different characteristics. You should consider your own situation carefully, prior to commencing a pension from 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 are normally 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 purchase insurance (life, total and permanent disablement and sometimes total and temporary disablement) 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 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 will normally 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, etc. 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 close 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 will make the choice to contribute to such a fund, without reference to you as an employee).

#### **Other Information**

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

This PDS addresses issues which relate to your proposed pension from 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 familiarize 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*, as amended, 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:-

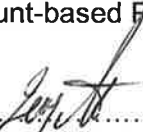
- The Fund's investment strategy; and

- 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.

I have read and understood this Product Disclosure Statement, prior commencing my Account-based Pension:-

SIGN

  
.....  
TERRENCE RODERICK CUBIT

...../...../.....



15 JULY 2020

THE TRUSTEES  
THE CUBIT SUPERANNUATION FUND  
VILLA 307 RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207

Dear Sir/Madam,

**RE: COMMUTATION OF MY ACCOUNT-BASED PENSION IN THE CUBIT SUPERANNUATION FUND**

I request the commutation of my benefit currently being paid to me as account-based pension, back to accumulation phase in the amounts and as at the date set out below.


My relevant details are as follows:-

<b>Full Name:</b>	TERRENCE RODERICK CUBIT
<b>Address:</b>	VILLA 307 RUBY GARDENS 225 LOGAN ROAD EAGLEBY QLD 4207
<b>Date of Birth:</b>	31 OCTOBER 1949
<b>Start Date of my Account-based Pension:</b>	1 JULY 2014
<b>Date of Commutation:</b>	16 JULY 2020
<b>Amount of my Pension to be Commuted:</b>	\$68,954.12

Please do all necessary things to arrange the commutation as soon as possible.

I am aware that amounts which the Trustee(s) deem are applicable to the changes to and maintenance of this pension are chargeable against my Member's account.

Yours Sincerely,

  
.....  
TERRENCE RODERICK CUBIT

**SIGN**

---

**MINUTES OF A MEETING OF  
THE TRUSTEES  
AS TRUSTEE FOR:-  
THE CUBIT SUPERANNUATION FUND  
HELD AT: VILLA 307 RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207**

**ON: 15 JULY 2020**

---

**PRESENT:**               TERRENCE CUBIT (Chairman)  
                              JUDITH CUBIT

**PENSION  
COMMUTATION  
REQUEST:**

The Chairman tabled a letter from TERRENCE RODERICK CUBIT, a Member of THE CUBIT SUPERANNUATION FUND, requesting that \$68,954.12 of the Member's Accumulated Benefit, currently being paid as account-based pension, be commuted back to accumulation phase on the 16 JULY 2020.

The Chairman also tabled the most recent fund records available, confirming that:-

- (a)       \$68,954.12 of the Member's Account-based Pension balance is to be commuted on the 16 JULY 2020.
- (b)       The Fund's Governing Rules allows the commutation of Account-based Pensions.

**RESOLVED:**           That the Trustee approves the commutation of \$68,954.12 of the capital value of the Account-based Pension currently being paid to TERRENCE RODERICK CUBIT in accordance with the Member's request.

**CLOSURE:**            There being no further business, the meeting was declared closed.

---

Signed as a Correct Record

**SIGN**

  
.....  
TERRENCE CUBIT

15 JULY 2020

THE TRUSTEES  
THE CUBIT SUPERANNUATION FUND  
VILLA 307 RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207

TERRENCE RODERICK CUBIT  
VILLA 307 RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207

Dear Member,

**RE: COMMUTATION OF YOUR ACCOUNT-BASED PENSION IN THE CUBIT SUPERANNUATION FUND**

The Trustees have met and have approved the commutation of \$68,954.12 of your accumulated benefit in THE CUBIT SUPERANNUATION FUND currently being paid to you as account-based pension, back to accumulation phase.

Please be aware there are certain costs attached to commutation of your pension, including professional fees and other costs.

Yours Sincerely,

  
.....  
TERRENCE CUBIT

SIGN

14 JULY 2020

THE TRUSTEES  
THE CUBIT SUPERANNUATION FUND  
VILLA 307  
RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207

Dear Sir/Madam,

**RE: PAYMENT OF MY ACCUMULATED BENEFITS IN THE CUBIT SUPERANNUATION FUND**

I, JUDITH ANN CUBIT, am currently a member of THE CUBIT SUPERANNUATION FUND and, being entitled to receive payment of my accumulation benefits in the amount listed below, request that the Trustee(s) of the Fund commence to pay these benefits from the Fund as an account-based pension.

My relevant details are as follows:-

<b>Full Name:</b>	JUDITH ANN CUBIT
<b>Address:</b>	VILLA 307 RUBY GARDENS 225 LOGAN ROAD EAGLEBY QLD 4207
<b>Date of Birth:</b>	11 AUGUST 1950
<b>Amount of My Account Balance to be used to Fund the Pension:</b>	100%

Please do all necessary things to commence payment of my pension on or as soon as possible after the 15 JULY 2020.

I am aware that amounts which the Trustee(s) deem are applicable to the establishment and maintenance of this pension are chargeable against my Member's account.

Please note that I also wish the pension to be paid with a 100% reversionary entitlement to TERRENCE RODERICK CUBIT in the event of my death.

Yours Sincerely,

**SIGN**

  
.....  
JUDITH ANN CUBIT

---

**MINUTES OF A MEETING OF  
THE TRUSTEES  
AS TRUSTEE FOR:-  
THE CUBIT SUPERANNUATION FUND  
HELD AT: VILLA 307  
RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207**

**ON: 14 JULY 2020**

---

**PRESENT:**                   TERRENCE CUBIT (Chairman)  
                                  JUDITH CUBIT

**ACCOUNT-BASED  
PENSION  
REQUEST:**

The Chairman tabled a letter from JUDITH ANN CUBIT, a Member of THE CUBIT SUPERANNUATION FUND, requesting that 100% of the Member's accumulation benefit commence to be paid in the form of an account-based pension. The member has also requested that the pension include a 100% reversionary element to TERRENCE RODERICK CUBIT.

The Chairman also tabled the most recent fund records available, confirming that:-

- (a)     The Member is of an age when benefits may commence to be paid to the Member.
- (b)     The Member has sufficient benefits in the Member's Accumulation Account which have met a Condition of Release (pursuant to the Superannuation Industry Supervision Regulations) to meet the requested amount.
- (c)     The Member has sufficient benefits which have a nil cashing restriction, or the payment of an account-based pension is within the relevant cashing restriction (pursuant to the Superannuation Industry Supervision Regulations) to meet the requested amount.
- (d)     The Fund's Governing Rules allows the payment of account-based pensions to Members.

**RESOLVED:**               That the Trustee approves the payment of an account-based pension, representing 100% from JUDITH ANN CUBIT's Accumulation Amount with a 100% reversionary element to TERRENCE RODERICK CUBIT, and that the Trustee take the following steps to execute this resolution:-

1.       Calculate the minimum annual amount payable as an account-based pension for the current year to JUDITH ANN CUBIT pursuant to Regulation 1.06(9A)(a) of the SIS Regulations.

2. Write to the Member outlining the terms on which an account-based pension may be paid under the SIS Act and Regulations.
3. Register as a PAYG withholder with the Australian Taxation Office if required.
4. Review the Fund's Investment Strategy, in view of the fact that it now has a regular cash outflow requirement to be funded.

**CLOSURE:**

There being no further business, the meeting was declared closed.

---

Signed as a Correct Record

**SIGN**

  
.....  
TERRENCE CUBIT

14 JULY 2020

THE TRUSTEES  
THE CUBIT SUPERANNUATION FUND  
VILLA 307  
RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207

JUDITH ANN CUBIT  
VILLA 307  
RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207

Dear Member,

**RE: PAYMENT OF YOUR BENEFITS IN THE CUBIT SUPERANNUATION FUND**

The Trustees have met and have approved payment of 100% of your accumulation benefit in THE CUBIT SUPERANNUATION FUND as an account-based pension.

Your pension is subject to certain minimum standards, as set down in Regulation 1.06(9A)(a) of the Superannuation Industry Supervision Regulations. A copy of these conditions is attached.

As part of these requirements, there is a minimum amount which must be paid to you each financial year. For the present financial year, a minimum amount of **\$5,310.00** of your account balance must be paid.

The Trustees are obliged to withhold income tax in relation to certain pension payments made before age 60. Your pension may therefore be net of any taxes required to be withheld, from time to time. Where tax has been withheld, you will receive a PAYG Payment Summary at the end of each financial year outlining this amount, for inclusion with your personal income tax return for that year. The trustee is not required to withhold any PAYG tax from benefits paid to a member who is 60 years of age or over for the entire tax year and PAYG Payment Summaries are not required.

The trustees have also approved the pension with a 100% reversionary element, giving an entitlement for TERRENCE RODERICK CUBIT to continue to receive this pension in the event of your death.

Please be aware there are certain costs attached to calculating and paying your account-based pension, including professional fees and other costs.

Yours Sincerely,

  
.....  
TERRENCE CUBIT

**SIGN**

## SUMMARY OF FEATURES OF YOUR ACCOUNT-BASED PENSION

Your Benefit, the subject of the attached letter, is an account-based **pension**. Account-based pensions have the following characteristics:-

- I. the pension payments are no less than the amount calculated in accordance with Regulation 1.06(A)(a) of the SIS Regulations (except that where a pension starts on or after 1 June in a given year, the minimum levels do not have to be met in that year).
- II. payments are made at least annually (but may be more regularly).
- III. Payments to beneficiaries between 55 and 59 years of age are taxed at a concessional rate. Payments to beneficiaries 60 years of age and over are exempt from tax.
- IV. the capital or income of the pension cannot be used as security for borrowings.
- IV. In the event of the pensioner's death, the reversion cannot be transferred to anyone other than the reversionary beneficiary and an adult child cannot be the recipient of a reversionary pension (i.e. death benefits to adult children can only be paid as lump sums).

The **minimum payment** is worked out using the following formula:-

$$\text{Account Balance} \times \text{Percentage Factor}$$

**Account Balance** means:

the value of the annuity or pension:

- A. on 1 July in the financial year in which the payment is made; or
- B. if that year is the year in which the annuity or pension payments commence - on the commencement day,

being the total amount paid as consideration to purchase the annuity or pension, as increased by returns on investments and as decreased by fees, charges, applicable taxes, payments to the annuitant or pensioner and payments made under a Splitting Order.

**Percentage Factor** means:

the percentage factor specified in Table 1, below, that applies to the beneficiary because of the beneficiary's age on:

- A. 1 July in the financial year in which the payment is made; or
- B. if that is the year in which the annuity or pension payments commence - the commencement day.

**Table 1**

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



The minimum payment amount will need to be recalculated on 1 July each year. Therefore the minimum amount payable to the pensioner will change from year to year.

If the primary beneficiary or a reversionary beneficiary dies, the Pension cannot be transferred to a Child of that person (but may be paid as a lump sum), unless the Child:

- A. is less than 18 years of age; or
- B. is greater than 18 years of age, but less than 25 years of age and is financially dependent on the Member; or
- C. has a disability of the kind described in subsection 8(1) of the *Disability Services Act 1986*,

and, except in the case of a Child described in paragraph C above, such a Pension must cease no later than the Child attaining 25 years of age.

# PRODUCT DISCLOSURE STATEMENT

## MEMBER COMMENCING A PENSION

Name of Superannuation Fund: THE CUBIT SUPERANNUATION FUND

Date of Notice: 14 JULY 2020

Name of Member: JUDITH ANN CUBIT

Address of Member: VILLA 307  
RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207

This Product Disclosure Statement (PDS) may be required by Part 7.9 of the *Corporations Act 2001*, as amended, to be given to members of superannuation funds changing from growth to pension phase or being issued with an interest in the above superannuation fund (the "Fund") for the first time, when the purpose of membership is to commence to receive a pension. A new interest in this Fund is considered to be granted upon the acceptance of your initial application for membership, as well as upon the making of an election to change from an accumulation or growth phase, to pension phase.

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

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

- Information of which you are already aware (e.g. your address and contact details for the above SMSF).
- Information which your duties and responsibilities as a trustee of the above SMSF require that you be aware of, prior becoming a trustee (e.g. the terms of the trust deed and governing rules of the above SMSF).
- Where the Fund is a newly established superannuation fund, information which has not come into existence at the date of this PDS being issued (e.g. fees and charges, investment strategy and returns, etc.)

It is important to note that this information relates to your pension, not to your obligations as a trustee of the Fund. It is up to you to 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 a trustee or director of a corporate trustee of the Fund. You should separately familiarize yourself with your trustee duties.

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

### **Name and Contact Details of the Product Issuer**

The above SMSF is the issuer of this PDS. The Fund's contact details are determined by you and (where applicable) your co-trustee(s) (or director(s) of a corporate trustee). They will either be your own address, or an address to which you have previously agreed and been made aware of.

### **Benefits**

The benefits available to you are set out in the above SMSF's trust deed. As a member of a SMSF, with the agreement of your co-trustee(s), you can choose any form or combination of retirement benefits legally available – you have as much flexibility as is possible.

Your primary form of retirement benefit is a "pension", as that term is defined in the *Superannuation Industry (Supervision) Regulations 1994*, however you may choose a lump sum benefit, by request made in writing at the time you wish to take your benefits. Other benefits potentially available to you

include: death benefits, total and permanent disablement benefits and total and temporary disablement benefits.

Once you have "Retired" after age 55 years, you will be entitled to commence to take your superannuation benefits. Any decision (except for the option to take a lump sum) may be verbal, but should preferably be in writing. 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, we strongly recommend that you seek professional advice, prior to taking any benefits.

It is important to note that this SMSF is not the only fund which is capable of paying you a pension. This PDS also lists other types of superannuation funds which may offer pensions of the type which you have chosen.

### **Account-based Pensions**

You have chosen to receive an account-based Pension. Account-based Pensions have the following essential characteristics:-

- There are minimum pension amounts which you must receive each year, but no maximum pension amount. The pension payments can be made at any frequency you wish, including in a single, annual payment. These amounts are determined by referring to the table at Regulation 1.06(9A)(a) of the *Superannuation Industry (Supervision) Regulations 1994*. The amount is recalculated each year, based on the capital value of your account and your age at the start of the financial year. The amounts are gross of any tax which might need to be withheld from your pension by the Fund.
- You may cancel your Account-based Pension at any time, by writing to the trustee(s) of the Fund. You may choose to return those funds to accumulation mode, take the benefits out as a lump sum, or to start a different pension with those benefits (or a combination of the two). Cancelling an account-based Pension may have adverse tax consequences and should only be done after seeking professional advice.
- You can make partial capital withdrawals from your Account-based Pension, should you wish, however you cannot add new capital sums to your pension. Should you be entitled to make further contributions to the Fund, with a view to having them paid as a pension, you will need to start a new pension with those moneys. You can have multiple pensions running from the same superannuation fund, however the administrative costs may be somewhat higher. You can stop an existing Account-based Pension, add new contributions to it and immediately restart it with the combined balance. Should you wish to partially withdraw capital from your Account-based Pension, there may be taxation consequences. If you wish to either make further contributions or make a partial withdrawal, you should seek professional advice.
- The taxation consequences to you, personally, in relation to your pension payments are too complex to be thoroughly addressed in a PDS and should be discussed with your professional advisor, prior to commencing these payments. In summary, pension payments to members 60 years of age or older are tax-free, while pension payments to those below 60 years of age may be subject to tax, albeit at a concessional rate. In this regard, amounts considered to be a gradual return of any non-concessional contributions (previously variously referred to as undeducted contributions, post-June 1994 invalidity components, pre-1 July 1983 components, CGT concessional amounts) will be tax-free, however other amounts will be included in your normal assessable income, less a 15% rebate. The following will be taxed, but subject to a rebate: amounts considered to be from contributions for which someone (yourself or your employer) have in the past received a tax deduction; amounts which are considered to be sourced from earnings on your superannuation benefits over the years. Your advisor can discuss the taxation consequences of any pension paid to you, in your particular circumstances.
- Depending upon the Fund's trust deed and the decision of the trustee(s), any costs incurred by the Fund for establishing and maintaining your pension may be deducted from your member's account. These costs include (but may not be limited to) administrative, accounting and advice costs regarding establishment and ongoing administrative, accounting and actuarial costs which the Fund would not be required to undertake, if your Account-based Pension was not being paid.

- Should you die while in receipt of your Account-based Pension, your spouse and people meeting the definition of financial dependants (if any) have the option to continue to receive this pension in your place (called a “reversionary” pension option). It should be noted that benefits remaining in the Fund cannot be retained within the fund, if the beneficiary is a person other than a spouse or financial dependant. For example, benefits paid to non-dependant adult children must be paid out as a lump sum. Non-dependant adult children will be subject to tax on some or all of the benefits which they receive.
- Death benefits are paid in the following order: in accordance with a binding death benefit nomination (if any); in accordance with a non-binding direction from the member (subject to the trustee considering the needs of respective beneficiaries); at the discretion of the trustee, after the trustee has considered all potential beneficiaries’ needs. It should note that the trustee may elect to distribute proceeds to the member’s estate, for distribution in accordance with the member’s Will, if the trustee is not bound.

These are the characteristics of Account-based Pensions which are important to you as a member receiving such a pension. There are additional considerations and information which will be important to you in your capacity as a trustee of the Fund, which you will need to be familiar with. You should discuss these issues with your professional advisor.

### **Nominating Beneficiaries**

You may make two different types of nominations in relation to the payment of your benefits upon your death. The first is contained in your Application for Membership of the Fund. This nomination is not binding on the trustee and may be open to challenge by any potential beneficiaries. Nevertheless, the trustee must give this nomination serious consideration and would require good reasons not to distribute in accordance with these wishes.

The second type of nomination is called a Binding Beneficiary Nomination. This nomination must meet certain forms, including being signed by two independent witnesses and at least once every three years being confirmed, modified or repealed by notice in writing from you to the trustee. The requirements to be followed in relation to Binding Beneficiary Nominations are to be found in the trust deed. 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. As such, it is important that you seek professional advice, prior to submitting a Binding Beneficiary Nomination.

### **Risks**

This SMSF is an accumulation fund. 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 you as trustee and any of your co-trustees/co-directors 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 accumulation account. 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 your co-trustee(s)/co-director(s) control any amounts which might be payable for the issue of pension from 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 co-trustee(s)/co-director(s) control any appointments of financial professionals and investments into products which might include commissions.

### **Dispute Resolution**

The dispute resolutions mechanisms available to members are found in the Fund’s trust deed. As a trustee, it is reasonable to presume that you have familiarized yourself with the contents of the trust deed. As such, pursuant to Section 1013F of the *Corporations Act 2001*, as amended, detailed information concerning the dispute resolution mechanisms available 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 will make a determination as to how these taxes are to be deducted from an individual member's account. The trustee is required to determine this in an equitable manner, as between the members.

Depending on your personal taxable income in a given year, there may also be a liability for the superannuation contribution surcharge tax in respect of any tax-deductible contributions made by your employer or yourself. Where surcharge is payable, this amount will be directly deducted from your member's account.

The income and capital gains of a superannuation fund which is paying one or more pensions will be exempt from tax, to the extent that the assets of the Fund are considered to be supporting those pensions (and taxable to the extent that those assets are considered to be supporting continuing accumulations and reserves). The amount of tax which you as trustee and your co-trustee(s)/co-director(s) consider to be a reasonable and equitable allocation for each member each year will be deducted from the balance of your member's accumulation account.

The rules regarding personal taxation of superannuation benefits are far too complex to address 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.

### **Cooling-off Period**

There is a fourteen (14) day cooling-off period from the date you commence your pension from the above SMSF, during which time you may cancel your pension. Note that the trustee must receive notification of your cancellation prior to the expiry of this period, in order for it to be considered effective. Note also that the cooling off period relates to your pension only and does not give you a right to resign from your duties as a trustee of the Fund (including payment for the establishment of pension).

### **Insurance**

There is no obligation for the trustee of the Fund to take out life or other insurances on your behalf. Obviously, however, as a trustee of the Fund, you are in a position to make 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 member's accumulation account.

### **Alternative Types of Superannuation Funds**

You should be aware that there are a number of alternative forms of superannuation available to you that can pay you a pension, each of which have different characteristics. You should consider your own situation carefully, prior to commencing a pension from 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 are normally 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 purchase insurance (life, total and permanent disablement

and sometimes total and temporary disablement) 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 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 will normally 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, etc. 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 close 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 will make the choice to contribute to such a fund, without reference to you as an employee).

#### **Other Information**

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

This PDS addresses issues which relate to your proposed pension from 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 familiarize 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*, as amended, 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.

I have read and understood this Product Disclosure Statement, prior commencing my Account-based Pension:-

SIGN

*Judith Ann Cubit*

.....  
JUDITH ANN CUBIT

...../...../.....

14 JULY 2020

THE TRUSTEES  
THE CUBIT SUPERANNUATION FUND  
VILLA 307 RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207

Dear Sir/Madam,

**RE: COMMUTATION OF MY ACCOUNT-BASED PENSION IN THE CUBIT SUPERANNUATION FUND**

I request the commutation of my benefit currently being paid to me as account-based pension, back to accumulation phase in the amounts and as at the date set out below.

My relevant details are as follows:-

<b>Full Name:</b>	JUDITH ANN CUBIT
<b>Address:</b>	VILLA 307 RUBY GARDENS 225 LOGAN ROAD EAGLEBY QLD 4207
<b>Date of Birth:</b>	11 AUGUST 1950
<b>Start Date of my Account-based Pension:</b>	1 JULY 2014
<b>Date of Commutation:</b>	15 JULY 2020
<b>Amount of my Pension to be Commuted:</b>	\$37,460.91

Please do all necessary things to arrange the commutation as soon as possible.

I am aware that amounts which the Trustee(s) deem are applicable to the changes to and maintenance of this pension are chargeable against my Member's account.

Yours Sincerely,

**SIGN**

  
.....  
JUDITH ANN CUBIT



---

**MINUTES OF A MEETING OF  
THE TRUSTEES  
AS TRUSTEE FOR:-  
THE CUBIT SUPERANNUATION FUND  
HELD AT: VILLA 307 RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207**

**ON: 14 JULY 2020**

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**PRESENT:**               TERRENCE CUBIT (Chairman)  
                              JUDITH CUBIT

**PENSION  
COMMUTATION  
REQUEST:**

The Chairman tabled a letter from JUDITH ANN CUBIT, a Member of THE CUBIT SUPERANNUATION FUND, requesting that \$37,460.91 of the Member's Accumulated Benefit, currently being paid as account-based pension, be commuted back to accumulation phase on the 15 JULY 2020.

The Chairman also tabled the most recent fund records available, confirming that:-

- (a)       \$37,460.91 of the Member's Account-based Pension balance is to be commuted on the 15 JULY 2020.
- (b)       The Fund's Governing Rules allows the commutation of Account-based Pensions.

**RESOLVED:**           That the Trustee approves the commutation of \$37,460.91 of the capital value of the Account-based Pension currently being paid to JUDITH ANN CUBIT in accordance with the Member's request.

**CLOSURE:**            There being no further business, the meeting was declared closed.

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Signed as a Correct Record

**SIGN**

.....  
TERRENCE CUBIT

14 JULY 2020

THE TRUSTEES  
THE CUBIT SUPERANNUATION FUND  
VILLA 307 RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207

JUDITH ANN CUBIT  
VILLA 307 RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207

Dear Member,

**RE: COMMUTATION OF YOUR ACCOUNT-BASED PENSION IN THE CUBIT SUPERANNUATION FUND**

The Trustees have met and have approved the commutation of \$37,460.91 of your accumulated benefit in THE CUBIT SUPERANNUATION FUND currently being paid to you as account-based pension, back to accumulation phase.

Please be aware there are certain costs attached to commutation of your pension, including professional fees and other costs.

Yours Sincerely,

  
.....  
TERRENCE CUBIT

SIGN

14 JULY 2020

THE TRUSTEES  
THE CUBIT SUPERANNUATION FUND  
VILLA 307 RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207

Dear Sir/Madam,

**RE: COMMUTATION OF MY ACCOUNT-BASED PENSION IN THE CUBIT SUPERANNUATION FUND**

I request the commutation of my benefit currently being paid to me as account-based pension, back to accumulation phase in the amounts and as at the date set out below.

My relevant details are as follows:-

<b>Full Name:</b>	JUDITH ANN CUBIT
<b>Address:</b>	VILLA 307 RUBY GARDENS 225 LOGAN ROAD EAGLEBY QLD 4207
<b>Date of Birth:</b>	11 AUGUST 1950
<b>Start Date of my Account-based Pension:</b>	1 JULY 2017
<b>Date of Commutation:</b>	15 JULY 2020
<b>Amount of my Pension to be Commuted:</b>	\$28,000.00

Please do all necessary things to arrange the commutation as soon as possible.

I am aware that amounts which the Trustee(s) deem are applicable to the changes to and maintenance of this pension are chargeable against my Member's account.

Yours Sincerely,

**SIGN**

  
.....  
JUDITH ANN CUBIT

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**MINUTES OF A MEETING OF  
THE TRUSTEES  
AS TRUSTEE FOR:-  
THE CUBIT SUPERANNUATION FUND  
HELD AT: VILLA 307 RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207**

**ON: 14 JULY 2020**

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**PRESENT:**               TERRENCE CUBIT (Chairman)  
                              JUDITH CUBIT

**PENSION  
COMMUTATION  
REQUEST:**

The Chairman tabled a letter from JUDITH ANN CUBIT, a Member of THE CUBIT SUPERANNUATION FUND, requesting that \$28,000.00 of the Member's Accumulated Benefit, currently being paid as account-based pension, be commuted back to accumulation phase on the 15 JULY 2020.

The Chairman also tabled the most recent fund records available, confirming that:-

- (a)     \$28,000.00 of the Member's Account-based Pension balance is to be commuted on the 15 JULY 2020.
- (b)     The Fund's Governing Rules allows the commutation of Account-based Pensions.

**RESOLVED:**           That the Trustee approves the commutation of \$28,000.00 of the capital value of the Account-based Pension currently being paid to JUDITH ANN CUBIT in accordance with the Member's request.

**CLOSURE:**            There being no further business, the meeting was declared closed.

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Signed as a Correct Record

**SIGN**

  
.....  
TERRENCE CUBIT

14 JULY 2020

THE TRUSTEES  
THE CUBIT SUPERANNUATION FUND  
VILLA 307 RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207

JUDITH ANN CUBIT  
VILLA 307 RUBY GARDENS  
225 LOGAN ROAD  
EAGLEBY QLD 4207

Dear Member,

**RE: COMMUTATION OF YOUR ACCOUNT-BASED PENSION IN THE CUBIT SUPERANNUATION FUND**

The Trustees have met and have approved the commutation of \$28,000.00 of your accumulated benefit in THE CUBIT SUPERANNUATION FUND currently being paid to you as account-based pension, back to accumulation phase.

Please be aware there are certain costs attached to commutation of your pension, including professional fees and other costs.

Yours Sincerely,

  
.....  
TERRENCE CUBIT

SIGN

Fund's tax file number (TFN) \*\*\*\*\*

Section K: **Declarations**

Penalties may be imposed for false or misleading information in addition to penalties relating to any tax shortfalls.

**Important**

Before making this declaration check to ensure that all income has been disclosed and the annual return, all attached schedules and any additional documents are true and correct in every detail. If you leave labels blank, you will have specified a zero amount or the label was not applicable to you. If you are in doubt about any aspect of the annual return, place all the facts before the ATO.

**Privacy**

The ATO is authorised by the *Taxation Administration Act 1953* to request the provision of tax file numbers (TFNs). We will use the TFN to identify the entity in our records. It is not an offence not to provide the TFN. However if you do not provide the TFN, the processing of this form may be delayed.

Taxation law authorises the ATO to collect information and disclose it to other government agencies. For information about your privacy go to [ato.gov.au/privacy](http://ato.gov.au/privacy)

**TRUSTEE'S OR DIRECTOR'S DECLARATION:**

I declare that, the current trustees and directors have authorised this annual return and it is documented as such in the SMSF's records. I have received a copy of the audit report and are aware of any matters raised therein. The information on this annual return, including any attached schedules and additional documentation is true and correct.

Authorised trustee's, director's or public officer's signature

**SIGN** 

Date Day / Month / Year

**Preferred trustee or director contact details:**

Title: **MR**

Family name

**Cubit**

First given name

**Terrence**

Other given names

**Roderick**

Phone number

**07**

**33491452**

Email address

Non-individual trustee name (if applicable)

ABN of non-individual trustee

Time taken to prepare and complete this annual return Hrs

**!** The Commissioner of Taxation, as Registrar of the Australian Business Register, may use the ABN and business details which you provide on this annual return to maintain the integrity of the register. For further information, refer to the instructions.

**TAX AGENT'S DECLARATION:**

I declare that the *Self-managed superannuation fund annual return 2020* has been prepared in accordance with information provided by the trustees, that the trustees have given me a declaration stating that the information provided to me is true and correct, and that the trustees have authorised me to lodge this annual return.

Tax agent's signature



Date Day / Month / Year

**Tax agent's contact details**

Title: **MR**

Family name

**Tincknell**

First given name

**David**

Other given names

Tax agent's practice

**VIRTU SUPER PTY LTD**

Tax agent's phone number

**07 33491452**

Reference number

**CUB01S**

Tax agent number

**79673007**

# Electronic lodgment declaration (Form MS)

(for self-managed superannuation funds)

## Part A: Taxpayer's declaration

This declaration is to be completed where the tax return is to be lodged via an approved ATO electronic channel. It is the responsibility of the taxpayer to retain this declaration for a period of five years after the declaration is made, penalties may apply for failure to do so.

### Privacy

The ATO is authorised by the *Taxation Administration Act 1953* to request the provision of tax file numbers (TFNs). The ATO will use the TFNs to identify each partner or beneficiary or entity in our records. It is not an offence not to provide the TFNs. However, you cannot lodge your tax return electronically if you do not quote your TFN.

Taxation law authorises the ATO to collect information and disclose it to other government agencies, including personal information about the person authorised to sign the declaration. For information about privacy go to [ato.gov.au/privacy](http://ato.gov.au/privacy)

### The Australian Business Register

The Commissioner of Taxation, as Registrar of the Australian Business Register, may use the ABN and business details which you provide on this tax return to maintain the integrity of the register.

Please refer to the privacy statement on the Australian Business Register (ABR) website ([www.abr.gov.au](http://www.abr.gov.au)) for further information – it outlines our commitment to safeguarding your details.

### Electronic funds transfer – direct debit

Where you have requested an EFT direct debit some of your details will be provided to your financial institution and the Tax Office's sponsor bank to facilitate the payment of your taxation liability from your nominated account.

### Tax file number

\*\*\*\*\*

### Fund name

The Cubit Superannuation Fund

### Year of return

2020

I authorise my tax agent to electronically transmit this tax return via an approved ATO electronic channel.

**Important:** Before making this declaration please check to ensure that all income has been disclosed and the tax return is true and correct in every detail. If you are in doubt about any aspect of the tax return, place all the facts before the Tax Office. The tax law provides heavy penalties for false or misleading statements on tax returns.

### Declaration

I declare that:

- all of the information I have provided to the agent for the preparation of this document is true and correct
- I authorise the agent to give this document to the Commissioner of Taxation

Signature of  
trustee or  
director



Date

## Part B: Electronic funds transfer consent

This declaration is to be completed when an electronic funds transfer (EFT) of a refund is requested and the tax return is being lodged through an approved ATO electronic channel.

This declaration must be signed by the partner, trustee, director or public officer prior to the EFT details being transmitted to the Tax Office. If you elect for an EFT, all details below must be completed.

### Important:

Care should be taken when completing EFT details as the payment of any refund will be made to the account specified.

### Agent's reference number

79673007

### Account name

Judith Cubit & Terrence Cubit ATF The Cubit Superannuation Fund

I authorise the refund to be deposited directly to the specified account.

Signature of  
trustee or  
director



Date

## Part D: Tax agent's certificate (shared facility users only)

**Declaration:** I declare that:

- I have prepared this tax return in accordance with the information supplied by the trustees;
- I have received a declaration by the trustees that the information provided to me for the preparation of this tax return is true and correct, and;
- I am authorised by the trustees to lodge this tax return, including any applicable schedules.

Signature of  
tax agent



Date

### Agent's contact name

MR David Tincknell

### Agent's phone

07 33491452

### Agent's reference

79673007

### Client's reference

CUB01S

## NOTES FOR PERSONS SIGNING SUPER FUND INCOME TAX RETURNS

These notes should be read carefully by each person signing an income tax return, in light of their knowledge of their own affairs, to ensure there are no inaccuracies in the return.

### RESPONSIBILITIES

Whilst we have exercised due care in preparing the returns from information supplied to us, the provisions of the *Income Tax Assessment Act* place the responsibility for the contents of the returns (including the need to obtain the necessary substantiation records) with the taxpayer. Accordingly, would you please check the details disclosed in the returns to satisfy yourselves that the returns are correct.

### SELF ASSESSMENT

As you would be aware, self assessment system of income tax returns is now in full force for individuals. That is, the Australian Taxation Office will accept and issue assessments based on the income tax return that is lodged, generally without any query.

This does not mean the Australian Taxation Office accepts the information contained in the return and at a later date it may request further information in relation to the claims you have made in your return.

Self assessment has not only shortened lodgement deadlines but has greatly increased the burden of paperwork to be prepared and retained by tax agents. We are now required to prepare detailed work papers which must be retained on our files for production to the Australian Taxation Office if required at a future date.

### TRUE AND FULL DISCLOSURE

Your attention is drawn to the following important considerations to ensure the correctness of each income tax return:

- that income from all sources has been disclosed;
- that all deductions claimed can be justified;
- that all deductions claimed for work, car and travel expenses
- can be substantiated by the required records and receipts;
- that all statements are correct and complete.

### CAPITAL GAINS TAX AND OVERSEAS INCOME

Every sale of property, of any description, should be considered for the possible application of both income tax and capital gains tax.

The world-wide income of Australian resident taxpayers is now taxable in Australia with a credit allowed for the income tax paid in a foreign country on that income.

### FALSE AND MISLEADING STATEMENTS

If an answer to a question or any statement made in an income tax return, or an attached schedule, appears to be incorrect, incomplete or misleading, please provide the information needed to amend the return.

Penalties may be imposed for an incorrect return up to double the amount of additional income tax subsequently assessed. These penalties may apply even if the error was made innocently. Alternatively, in more serious cases, prosecutions may be instituted under the *Taxation Administration Act 1953* and fines imposed by the Courts, if convicted.

### RETENTION OF RECORDS

It is a requirement that you substantiate all deductions claimed in your income tax returns. This includes keeping original documentation to verify the expenditure claimed. This documentation must be retained for 7 years. You should ensure that you retain all the documentation in a safe and secure place in case the Australian Taxation Office wishes to review these documents.

**SIGN**

Signed: .....

