

Written Resolutions in respect of the Trustee of the J & P Byrne Superannuation Fund ("the Fund")

1. Purpose of resolution

The purpose of this resolution is to formally confirm and record the decision by the Trustee not to opt out of the SUPERCentral Governing Rules Update – Version 08/14 which was notified to the Trustee (or its information agent) and which will apply (if the update is not rejected by the Trustee within the notice period) on and from 27 August 2014.

2. Notice of update and information received

Noted that the Trustee (or its information agent for this purpose) had received:

- (a) a notice issued by Super Governing Rules Pty Ltd of the replacement of the current version of the SUPERCentral Governing Rules Version 11/13 with the updated Version 08/14;
- (b) an electronic link to the SUPERCentral Governing Rules Version 08/14;
- (c) an electronic link to a marked up version of the SUPERCentral Governing Rules Version 08/14; and
- (d) a link to an information sheet on the changes made to the SUPERCentral Governing Rules (a copy of which is attached to this Resolution).

3. Consideration of changes made to the SUPERCentral Governing Rules as set out in Version 08/14

Noted that the information sheet identified, amongst other changes, the changes which have been made to the SUPERCentral Governing Rules which are summarised below:

3.1. Release Authorities

The authority of the Trustee to implement Release Authorities issued by the ATO will be updated. A Release Authority is an authorisation given by the ATO which permits the Trustee to pay money to the ATO or to the relevant member in respect of the liability of the member relating to excess concessional contributions which are allocated to the member and for the member's tax liability in respect of additional tax for deductible contributions.

3.2. Commutations of complying pensions

The authority of the Trustee to commute complying pensions for the sole purpose of implementing Release Authorities have been revised and updated. Complying pensions (unlike account-based pensions) have cashing restrictions and they cannot, in general, be "cashed out". Consequently the Governing Rules must expressly permit the Trustee to commute a complying pension in relation to Release Authorities. Complying pensions include defined benefit pensions and market linked pensions (also known as term allocated pensions) and usually have special Centrelink assets test treatment.

3.3. SuperStream payments and data standards

The Government is imposing on superannuation entities a system for the electronic transfer of contributions and rollovers to and between funds as well as the information relating to the contributions and rollovers. While

there are exceptions to and transitional provisions to the application of the SuperStream to self managed superannuation funds, they will eventually be required to participate in the system if they are to receive employer contributions from unrelated employers and also benefit transfers and rollovers. Self managed superannuation funds will participate in the system by engaging a messaging service provider to receive data and payments on behalf of the fund. The Governing Rules will be amended to expressly authorise the trustee to engage messaging service providers.

3.4. Member initiated changes in trustee

The Governing Rules will be amended to permit the members to remove and replace trustees. Any replaced trustees must consent to act and not be disqualified from acting. The removal and appointment is by way of member resolution which must either be unanimous or passed by members whose account balances constitute at least 75% majority of all member account balances.

3.5. Conditional death benefit allocations

The Governing Rules will be amended to permit members (by making a binding death benefit nomination) and trustees (when allocating a death benefit) to make nomination or allocation conditional upon the primary beneficiary sharing the benefit with the secondary beneficiary. Sharing is only possible where both the primary and secondary beneficiaries are SIS Act dependants and could otherwise have received the benefit unconditionally. Conditional nominations/allocation may permit members to achieve more tax efficient allocations of benefits.

3.6. Unwinding holding trusts

Where a superannuation fund has borrowed to acquire an investment asset, the asset must be held in a holding trust (also called a security trust or a custodian trust). Previously once the borrowed money had been repaid the investment asset either had to be transferred to the trustee of the fund or sold. The relevant law has now been changed and the investment asset can be retained in the holding trust after the borrowed money has been repaid. The Governing Rules will be amended to permit the investment asset to be retained in the holding trust, if the trustee so wishes.

3.7. Insurance arrangements – direct, cross and unallocated cover

The provisions of the Governing Rules relating to the authority of the trustee to take out insurance cover on the lives of members will be amended and re-expressed to explicitly permit the trustee to take cover for the purpose of directly increasing the benefit of a member (direct cover); to take out cover for the purpose of increasing another member's cover (cross cover) and to take out cover for the purpose of increasing the liquidity of the fund to reduce debt, or to provide cash to pay benefits rather than having to sell key fund assets (such as property leased to an associated business) or to permit the quick payment of benefits rather than to sell assets (direct cover).

3.8. Other changes

These changes are to improve expression, correct typographical errors, update legislative and cross references or are consequential to the principal changes identified above.

Resolved that the proposed amendment of the SUPERCentral Governing Rules by the replacement of the current Version 11/13 with Version 08/14 is in the best interests of the members of the Fund and, consequently, no objection should be made to the proposed amendment as it applies to the Superannuation Fund.

Noted that Version 08/14 automatically applies to the Superannuation Fund.

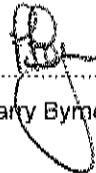
Resolved that a copy of the information sheet issued in respect of the proposed amendment be provided to each member of the Fund.

Signing & Dating – Trustees/Directors

For the purposes of this Part "Trustee" means the company which acts as trustee or the group of individuals which constitute the trustee (as the case may be).

Signed as a Written Resolution J & P Byrne Super Pty Ltd 168 162 632 as Trustee of J & P Byrne Superannuation Fund


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Judith Anne Byrne


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Paul Barry Byrne

Dated:/...../20.....