

Deed of Trust **Stuart Grant Superannuation Fund**

(Self Managed Superannuation Fund)

McKays
Solicitors Unique.Focus

P 07 4963 0888 W www.mckayslaw.com

Mackay | Brisbane | Gold Coast | Surat Basin



McKays NQ Pty Ltd ABN 85 604 643 709 is a member
of the McKays Group – an alliance of independently owned
legal practices operating under the name McKays

Liability limited by a scheme approved
under Professional Standards Legislation.

Reference Schedule

Name of Fund: Stuart Grant Superannuation Fund

Date of Deed: 9th July 2018

Trustee/s: (1) Stuart Grant Super Pty Ltd (ACN 627 385 979) of c/- Coastal Accounting Service Shop 4/73 Broad Street, Sarina QLD 4737

Member/s: (1) Stuart Alan Grant of 62 Grendon Street, North Mackay QLD 4740

Table of Contents

1.	Interpretation	3
2.	Basic Rules for Self Managed Superannuation Funds.....	4
3.	Membership	5
4.	Accounts	7
5.	Contributions	11
6.	Payment of Benefits	13
7.	Payment of Pensions.....	18
8.	Lump Sum Payments	19
9.	Incoming Rollovers and Transfers	19
10.	Outgoing Rollovers or Transfers.....	20
11.	The Trustee.....	21
12.	Trustee Disclosure	24
13.	Trustee Covenants	24
14.	Powers of the Trustee	26
15.	Investment.....	32
16.	Restricted Investments	34
17.	Meeting of Trustees.....	34
18.	Meetings of Members	36
19.	Complaints or Queries.....	38
20.	Provisions Relating to Family Law.....	38
21.	Administration of the Fund.....	39
22.	Winding Up.....	42
23.	General Matters.....	43
	Schedule 1 - Definitions	46

Deed of Trust of Stuart Grant Superannuation Fund

This Deed is made on the date specified in the Reference Schedule

Parties: Stuart Grant Super Pty Ltd (ACN 627 385 979) of c/- Coastal Accounting Service
Shop 4/73 Broad Street, Sarina QLD 4737 ("Trustee")

And: Stuart Alan Grant of 62 Grendon Street, North Mackay QLD 4740 ("Member")

Background:

- A. The Trustee has given a written consent to act as trustee and provided a declaration stating that the Trustee is not a Disqualified Person and understands the duties of a trustee of a SMSF.
- B. The Trustee will establish the Fund, which is to be operated and maintained as an indefinitely continuing self-managed superannuation fund for the purpose of providing superannuation benefits (old age pensions) to its Members.
- C. The Trustee has consented to hold the Fund as from the date of this Deed upon the trusts and subject to the terms set out in this Deed.
- D. The Members have applied to be the Initial Members of the Fund.

Operative Part:

1. Interpretation

1.1. Definitions

The Definitions appear in Schedule 1 to this Deed.

1.2. Prescribed Law to Prevail

This Deed will be interpreted and governed in accordance with the Prescribed Law. To the extent of any inconsistency between the provisions of this Deed and the Prescribed Law, the Prescribed Law shall prevail. By way of clarification, if the interpretation of, or the inclusion of any clause (or part thereof) in this Deed or the exercise of any power by the Trustee pursuant to any clause means that the Fund will become a non-complying SMSF then such clause (or part thereof) shall be:

- (a) Given the interpretation which ensures that the arrangement does comply with the Prescribed Law; or
- (b) If it is not possible to give the clause (or part thereof) an interpretation to ensure compliance with the Prescribed Law then such clause (or part thereof) shall be severed from this Deed without invalidating or affecting the remaining clauses of this Deed in which case the Trustee must seek to amend the Deed by including a clause so that it complies with the Prescribed Law and yet strives to give effect to the intent behind the clause or part of the clause that was severed from this Deed.

1.3. Interpretation Rules

In this Deed, unless the context requires otherwise:

- (a) Terminology used in this Deed which is not otherwise defined in this Deed has the same meaning as under the Prescribed Law;
- (b) A reference to a word includes the singular and the plural of the word and vice versa;
- (c) A reference to a gender includes any gender;
- (d) A term which refers to a natural person includes a company, a partnership, an association, a corporation, a body corporate or a joint venture;
- (e) Headings are included for convenience only and do not affect interpretation;
- (f) A reference to a document includes a reference to that document as amended, novated, supplemented, varied or replaced;
- (g) Includes, means includes without limitation;
- (h) A reference to a part, clause, part, annexure, exhibit or schedule is a reference to an item of that type in or to this Deed;
- (i) A reference to this Deed includes any annexure and any schedule (if any) to this Deed;
- (j) A reference to a statute or statutory provision includes but is not limited to a statute or statutory provision which amends, extends, consolidates or replaces the statute or statutory provision;
- (k) A covenant or an agreement between more than one person binds them jointly and severally;
- (l) A reference to any legislation (including subordinate legislation) in this Deed shall include any amendments, variations or new legislation replacing the legislation from time to time;
- (m) Any reference to "State" includes a reference to "Territory"; and
- (n) If any term or provision of the Deed is unenforceable or inconsistent with the Prescribed Law then it shall be severed from the Deed or read down but so as to maintain all other terms of this Deed so far as it is possible to do so.

2. Basic Rules for Self Managed Superannuation Funds

2.1. Conditions of an SMSF

This Fund shall be established and at all times operated and maintained as a Self-Managed Superannuation Fund under the Prescribed Law.

2.2. Sole Purpose

It is a requirement of this Deed that:

- (a) The trustee of the Fund must be a Constitutional Corporation; or
- (b) Where the trustee is a natural person or persons, that the sole or primary purpose of this Fund is to provide Old Age Pensions to its Members.

2.3. Sub-Plans

The Trustee may, for any objective it considers reasonable and prudent, break up the Fund into one or multiple sub-plans provided that no Member's Benefits or entitlements are reduced without informed, written consent being given from the Member.

The Trustee must maintain the Memberships, Contributions, Assets and Liabilities in the sub-plan for payment of Benefits separately from the remainder of the Fund.

3. Membership

3.1. Initial Members of the Fund

The Initial Members of the Fund shall be those persons named in the Reference Schedule. Each of the Initial Members are members of the Fund and bound by the provisions of this Deed.

3.2. Additional Members

- (a) Application by Additional Members

The Trustee may at anytime admit additional person/s as Members to the Fund provided that:

- (i) Each of the Applicants have completed and submitted a Membership Application; and
- (ii) By accepting the new member, it would not cause the maximum number of members for a compliant SMSF permitted by the Act to be exceeded.

- (b) Eligible Members

The Trustee may admit as a Member, any person who is or has at any time been an Employee or a Child of a Member and/or any other person acceptable to the Trustee and Regulator. In determining whether an Applicant is acceptable, the Trustee may request in writing such information as the Trustee thinks necessary for this purpose. If the Applicant fails to provide the requested information, then the Trustee may decline to accept the Applicant as a Member of the Fund.

- (c) Trustee May Refuse Members

The Trustee may, for any reason and in its sole discretion, refuse to accept a Membership Application received.

- (d) Additional Member who is a Minor

A Minor's parent or guardian may make application for the Minor to become a Member of the Fund by completing a Membership Application on behalf of the Minor. The parent or guardian of the minor shall make all decisions regarding the Minor's membership in the Fund until the Minor reaches the age of eighteen (18) years. Once the Minor reaches the age of eighteen (18) years then the Minor will become a Trustee of the Fund.

(e) Additional Member to Consent to be Trustee

Unless the Member's LPR is acting in compliance with the Prescribed Law, each Applicant must consent to becoming a Trustee of the Fund or in the case of a Corporate Trustee, a Director unless the Applicant is disqualified from acting as Trustee.

(f) Bound by Deed

Each Applicant of the Fund who completes and submits a Membership Application to the Trustee is deemed to be bound by the provisions of this Deed (as if the Applicant was an initial Member under this Deed).

(g) Comply with SMSF Rules

When admitting new Members to the Fund, the Trustee must ensure that it does not offend the rules for SMSF as set out in clause 2.

(h) Commencement of Membership

The Applicant's commencement as a Member of the Fund shall be such date as specified by the Trustee or if no date is specified and provided the Application has not been rejected by the Trustee/s, shall be seven (7) days from the date which the Applicant submitted his or her Membership Application to the Trustee. The Applicant will become a Trustee of the Fund on the same date as the Applicant becomes a Member of the Fund.

(i) Conditions on Membership

The Trustee may impose such conditions on the Applicant's membership and may alter the conditions at anytime.

3.3. Member Disclosure

A Member must immediately notify the Trustee if:

- (a) The Member becomes an Employee of another Member who is not a Relative of the Member;
- (b) The Member's circumstances have changed such that the Member is disqualified from acting as Trustee.

If the Trustee receives notice of either of the above events, then the Trustee must ensure that the Member ceases to be a Member of Fund within six (6) months of the event having occurred.

3.4. Classes of Members

The Trustee may split the Members into different classes as it deems appropriate and attach different conditions, criteria, Benefits and entitlements to each class provided that the split does not cause any Member's Benefits or entitlements to be reduced without consent.

3.5. Ceasing of Membership

A person will cease to be a Member of the Fund upon any of the following events:

- (a) The Member's death; or
- (b) The Member ceasing to be Trustee of the Fund or in the case of a Corporate Trustee, ceasing to be a Director unless the Prescribed Law does not require the ceasing of membership in that instance (for example, where the Member has lost capacity); or
- (c) When Benefits payable to or for the Member cease to be payable; or
- (d) When the whole of the Member's Benefits are paid to the Member or to an Approved Arrangement in favour of the Member; or
- (e) The Prescribed Law deems or require that the membership must cease.

4. Accounts

4.1. Trustees' General Ability

Subject to complying with the Prescribed Law, the Trustee/s may from time to time, as they deem fit, establish and maintain accounts and/or reserves and develop processes for managing same, as appropriate for the benefit of the Members.

The Trustee must formulate and give effect to a strategy for the prudential management of any reserves consistent with the Investment Strategy and its capacity to discharge liabilities as and when they fall due.

4.2. Accumulation Account

- (a) Establish Accumulation Account

The Trustee must establish an Accumulation Account for each new Member of the Fund.

- (b) Credits to Accumulation Account

The Trustee must credit to a Member's Accumulation Account:

- (i) All Contributions made by, for, or in respect of a Member;
- (ii) All Contributions allocated to the Member's Accumulation Account from the Non-Compulsory Contributions Reserve;
- (iii) All Benefits and entitlements which are rolled-over or transferred to the Fund in respect of a Member pursuant to this Deed;
- (iv) All income which is allocated to the Member's Accumulation Account, earned from investments of the Fund or in respect of a sub-plan (where a Member is a member of a sub-plan);
- (v) Any amount allocated to the Member's Accumulation Account by the Trustee from any reserves held by the Fund or sub-plan (where the Member is a member of a sub-plan);
- (vi) The proceeds of any insurance policy or annuity effected by the Trustee for a Member or a Beneficiary which the Trustee deems appropriate to credit to the Member's Accumulation Account;

- (vii) Any refunds of overpaid tax, levies or other charges together with interest accrued on such sums (if any) in circumstances where the tax, levies or other charges were directly deducted from the Contributions made by, for or in respect of a member; and
- (viii) Any other amount that the Trustee thinks appropriate to credit to the Member's Accumulation Account.

(c) Deductions from Accumulation Account

The Trustee must debit from a Member's Accumulation Account, where necessary:

- (i) Such proportion as the Trustee deems appropriate of:
 - (A) The expenses associated with setting up, operating, and winding up the Fund;
 - (B) Any administrative costs associated with the setting up, operating, and winding up of the Fund;
 - (C) The premiums of any group insurance policies taken out by the Trustee for a number of or class of Members and/or Beneficiaries;
 - (D) Any tax payable in respect of any income derived by the Fund and credited to the Member's Accumulation Account;
- (ii) Any taxation assessed on the Member's Contributions, payment of Benefits to the Member or Member's Beneficiaries or as a consequence of a rollover, commutation or transfer which are required to be taken directly from a Member's Contributions;
- (iii) Any amounts required to be paid to the Regulator as a consequence of a Member failing to provide the Member's Tax File Number;
- (iv) Any amounts required to be paid by the Fund for overpayment of the Government Co-Contribution;
- (v) Any amount rolled-over or transferred out of the Fund in respect of a Member;
- (vi) The costs of any annuity or premiums on any policy of insurance effected for a Member by the Trustee;
- (vii) Any amount allocated to a Pension Account of a Beneficiary; and
- (viii) An amount to be allocated and credited to another Member's Accumulation Account pursuant to a Contributions-Split accepted by the Trustee;
- (ix) Any other amount that the Trustee thinks appropriate to debit from the Member's Accumulation Account.

Where a Trustee has discretion to determine what proportion of amounts should be debited from a Member's Accumulation Account, the Trustee must exercise that discretion in a just, reasonable and consistent fashion, taking into consideration any extraordinary circumstances of

any Members which may affect the allocation of debits from a Member's Accumulation Account. The Trustee's decision as to the allocation of amounts to be debited shall be final.

4.3. Pension Account

(a) Credits to Pension Account

If the Trustee decides to pay a Pension to a Member or Beneficiary, the Trustee must transfer or allocate amounts/assets to one or multiple Pension Accounts established in order to pay the pension, up to the Transfer Balance Cap where applicable.

(b) Debits to Pension Account

All expenses incurred in establishing or administering a Pension Account including taxes, levies or other outgoings associated with the Pension Account may be deducted from the Pension Account balance.

4.4. Accounts for Non-Member Spouses

(a) Family Court Orders

If an order is made under the *Family Law Act* with respect to any Member's Superannuation Interest, the Trustee may be required to:

- (i) Establish and maintain a new Accumulation Account for a Non-Member Spouse;
- (ii) Transfer or rollover a Non-Member Spouse's Superannuation Interest to another Approved Fund;
- (iii) Split with the Non-Member Spouse, the sum standing to the credit of a Member's Accumulation Account;
- (iv) Classify or categorise part of a Member's Superannuation Interest which is to be paid to a Non-Member Spouse;
- (v) Notify the Members and the Non-Member Spouse of any orders requiring a Payment Split.

(b) Costs

The Trustee may deduct any costs of complying with the order from the Non-Spouse's Interest including any costs incurred through the Trustee seeking professional advice.

4.5. Non-Compulsory Contributions Reserve

(a) Non-Mandated Contributions

The Trustee may establish a Non-Compulsory Contributions Reserve for the Fund or for each sub-plan (where there are sub-plans within the Fund) to which the Trustee may credit all Non-Mandated Contributions.

(b) Allocation of Funds from Non-Compulsory Contributions Reserves

Upon any amounts being received into the Non-Compulsory Contributions Reserve, the Trustee must, in the Trustee's discretion, either:

- (i) Use the reserve for the Fund's activities; or
 - (ii) Within twenty-eight (28) days after the end of the month (or if not reasonably practicable, such longer period as is reasonable in the circumstances), allocate the amounts to the Members' Accumulation Accounts in such proportions as the Trustee shall determine.
- (c) Direct Allocation from Non-Compulsory Contributions Reserves to Accumulation Accounts

Notwithstanding the above, nothing in this clause shall prevent the Trustee from allocating and crediting any Non-Mandated Contributions received directly to the Members' Accumulation Accounts (rather than to the Non-Compulsory Contributions Reserve).

4.6. Income Reserve

- (a) Credit Income to Income Reserve

Subject to the Prescribed Law, the Trustee may credit:

- (i) Any income earned by the Fund or by a sub-plan (where a sub-plan exists in the Fund) through investments; and
- (ii) Any proceeds of an insurance policy that the Trustee decides not to credit immediately to the Members' Accumulation Accounts or Pension Reserves;

to an Income Reserve.

- (b) Application of Income Reserves

The Trustee, in its discretion, may use the Income Reserves for such purposes of the Fund as the Trustee deems fit including (but not limited) to smoothing out investment earnings being allocated to Member's Accumulations Accounts and partially or fully satisfying any debts owing by the Fund.

- (c) Allocation of Income Reserve to Accumulation Accounts

The Trustee may allocate part or all of the remaining Income Reserve:

- (i) Where the income is earned by the Fund's investments - to the Member's Accumulation Accounts; or
- (ii) Where the income is earned by the Fund attributable to investments for a sub-plan - to the Accumulation Accounts of Members of the sub-plan;

in such proportions as the Trustee, in its sole discretion, may decide.

- (d) Exercise of Discretion

The Trustee must exercise its discretion in a just, reasonable and consistent fashion, taking into consideration any extraordinary circumstances of any Members which may affect the allocation

of Income Reserves to a Member's Accumulation Account. The Trustee's decision as to the proportion of Income Reserves allocated to Member's Accumulation Accounts shall be final.

(e) Tax from Income Reserve

The Trustee must ensure payment is made of any tax assessable in respect of income earned by the Fund and deduct any taxation assessed from the Income Reserves or the Member's Accumulation Accounts as is required.

4.7. Other Reserves

(a) Credits to Other Reserves

The Trustee may, if it desires, transfer or allocate amounts to one or multiple other reserves as the Trustee may establish from time to time.

(b) Debits to Other Reserves

All expenses incurred in establishing or administering any other reserve including taxes, levies or other outgoings associated with the reserve may be deducted from the reserve balance.

4.8. Transfer between Accounts or Reserves

The Trustee may transfer amounts between the Member's Accumulation Accounts, Income Reserves, Pension Account and other accounts and reserves as the Trustee thinks fit provided the Trustee does so in a just, reasonable and consistent fashion and does not infringe the Prescribed Law (particularly in respect of the Transfer Balance Cap).

5. Contributions

5.1. When Contributions May be Accepted

Unless a Prohibited Contribution, the Trustee may accept Contributions from any Member.

5.2. Trustee May Reject

The Trustee, in its sole discretion, may refuse to accept a Contribution from Member.

5.3. Prohibited Contribution

The Trustee must not accept a Contribution if:

- (a) To do so would breach the Prescribed Law;
- (b) Where the Member has not provided their Tax File Number;
- (c) It would cause the Member's relevant contribution cap to be exceeded;
- (d) It would cause the Fund to become non-complying;
- (e) The Trustee is directed not to accept the Contribution by the Regulator, a Court or Tribunal; or

- (f) It is In Specie and would cause a contravention of the Restricted Investment rules, unless an exemption applies under the Prescribed Law.

5.4. Carry Forward of Contributions

If permitted by, and subject to any conditions, under the Prescribed Law, a Member may 'carry forward' any unused amounts on their concessional contributions cap.

5.5. Government Co-Contributions

Subject to the Prescribed Law, the Trustee may accept Contributions received in respect of a Member under the Co-Contribution Act.

5.6. Contribution for Spouse or Child

The Trustee may accept Eligible Spouse Contributions or Child Contributions subject to the rules in Regulation 7.04.

5.7. Splitting-Contributions

The Trustee may accept Splitting-Contributions in accordance with clause 5.11.

5.8. Contributions from Employers

The Trustee may accept Contributions from any Employer, even if such Employer has not given written notice of their agreement to the terms and conditions in Deed.

5.9. Allocation of Funds

The Trustee must allocate Contributions received by, from or in respect of Members within twenty-eight (28) days after the end of the month or, if not reasonably practicable, within such longer period as is reasonable in the circumstances.

5.10. Return of Contributions

Where a Contribution is:

- (a) A Prohibited Contribution; or
- (b) An Excess Contribution; or
- (c) Has been rejected by the Trustee; then

the relevant Contribution (or part thereof) ("Return Contribution") must be returned to the person or entity who made the Contribution as soon as is practicable, provided that the Trustee may first deduct any taxation incurred/payable in respect of the Return Contribution and the costs and expenses associated with receiving and/or returning the Return Contribution.

Until such time as the Return Contribution has been returned/refunded/transferred back to the person or entity who made the Contribution, it shall be deemed to be held on a sub-trust for the particular Member it is intended to benefit.

5.11. Contribution-Splitting

(a) Application to Trustee

A Member may apply to the Trustee to rollover, transfer or allot an amount of Benefits for the benefit of the Member's Spouse. An application to the Trustee may be made in the Approved Form (as at the date of this Deed - a 'Superannuation Contributions Splitting Application') or subject to the Prescribed Laws, as otherwise approved by the Trustee.

(b) Contributions Able to be Split

The Trustee may only split Splittable Contributions in accordance with the Prescribed Law. The Member may apply for the rollover, transfer or allotment of the amount of Splittable Contributions made by or on behalf of the Member in:

- (i) The last financial year that ended before the application (ie. a Member can only request a contributions split from 1 July for Contributions made in the year up to the previous 30 June); or
- (ii) The financial year in which the application is made but only where the Member's entire Benefit is to be rolled-over or transferred in that year.

(c) Trustee's Decision

A Trustee may decide whether it will accept or reject the Splitting Application.

Provided however that a Trustee may only accept a Member's Contribution-Splitting application if all of the following requirements are satisfied:

- (i) The application complies with the Prescribed Law;
- (ii) The Trustee has no reason to believe that the Receiving Spouse's Statement is untrue; and
- (iii) The application relates to an amount that is not more than the Maximum Splittable Amount for the Year.

The decision as to whether to accept a Member's Contribution Splitting application is at the sole discretion of the Trustee and the Trustee may accept an application subject to any terms and conditions it wishes to impose (subject to the Prescribed Law).

If the Trustee accepts a Member's Contribution Splitting application, then the Trustee must rollover, transfer or allot the amount within ninety (90) days of receiving the Benefit.

6. Payment of Benefits

6.1. Prescribed Law to Prevail

The Trustee may pay benefits to the Members or other entitled persons in accordance with the Prescribed Law. To the extent that any of the provisions of this Deed may be inconsistent with the Prescribed Law, the Prescribed Law shall prevail.

6.2. Cashing Restriction “Nil”

If the Cashing Restriction with respect to any of the Benefits above is “nil” then, then subject to any restrictions in this Deed and the Prescribed Law, the Benefits may be cashed as one or multiple Lump sums, one or multiple Pensions or a combination.

6.3. Payment of Death Benefit

(a) When Payable

As soon as is reasonably practicable after the death of a Member, the Trustee must determine and pay the Member’s Death Benefit in accordance with this clause and the Prescribed Law.

(b) Trustee’s Discretion as to Recipient

Subject to any valid Reversionary Pension Nomination, Binding Death Benefit Nomination or Non-Binding Death Benefit Nomination by the deceased Member, the Trustee shall, in its sole discretion elect, having due regard to any wishes of the Member contained in a Preferential Death Nomination or an invalid or failed Reversionary Pension Nomination, Binding Death Benefit Nomination or Non-Lapsing Binding Death Benefit Nomination:

- (i) Which of the following persons shall receive the Member’s Death Benefit (noting that the Trustee may decide to pay the entire Death Benefit to only one of these persons) – the Member’s Legal Personal Representative and the Member’s Dependants;
- (ii) In what proportions the beneficiaries will receive the benefits; and
- (iii) How the benefits will be paid (form).

By way of clarity, if a Member has made a Reversionary Pension Nomination and either a Binding Death Benefit Nomination or Non-Binding Death Benefit Nomination which conflict (e.g. nominate different Beneficiaries or methods by which they are to take the Death Benefit), then the latest in time will prevail.

(c) Notifying Death Benefit Beneficiary

If on a Member’s death, the Death Benefit is payable to a person or persons other than the deceased Member’s LPR, then the Trustee must notify such person or persons as to why the death benefits are payable to them, the sums payable and any conditions on which the sums are to be paid.

(d) Lost Death Benefit Beneficiary

If the Trustee, after exhausting all reasonable efforts, is unable to locate a Dependant to whom death benefits are payable, then the Trustee may, in its sole discretion, decide to pay such part of the death benefits as the lost Dependant was to receive to the deceased Member’s LPR or other remaining Dependants. The Trustee shall not be liable or subject to any claim or action as a result of exercising this discretion, provided the Trustee has exhausted all reasonable efforts to locate the lost Dependant.

(e) Method of Payment

The Trustee may pay the Death Benefit in the form of a Lump sum, one or more Pensions (subject to clauses 7.2 and 7.3) or combination as the Trustee in its sole discretion thinks fit.

(f) Discharge of Trustee

The receipt of the Death Benefit (or any part of it) by a Dependant, LPR or other person discharges the Trustee from liability insofar as the Trustee is not responsible to see to its proper application.

6.4. Preferential Death Nomination

(a) Giving of Notice

At any time, a Member may provide the Trustee with a Preferential Death Nomination informing the Trustee of how the Member would prefer his or her Death Benefit to be paid but leaving the final decision as to whom the Death Benefit will be paid to the discretion of the Trustee.

(b) Trustee's Discretion

On the death of a Member who has provided a Preferential Death Nomination, the Trustee retains its discretion regarding payment of the Death Benefit (as in clause 6.3) but must make the eventual decision having given careful and due consideration to the Member's stated intention contained in the Preferential Death Nomination and all the other relevant circumstances.

This in no way restricts the Trustee's ability to make a decision as to the payment of the Death Benefit which departs from a Member's Preferential Death Nomination.

(c) Requirements

A Preferential Death Nomination must:

- (i) Be in writing; and
- (ii) Be signed and dated by the Member making the Preferential Death Nomination; and
- (iii) Be delivered to the Trustee; and
- (iv) Only list the Member's Legal Personal Representative or Dependents as potential nominees.

A Preferential Death Nomination does not have to be witnessed.

6.5. Binding Death Benefit Nomination

(a) Giving of Notice

At any time, the Member may provide the Trustee with a Binding Death Benefit Nomination, directing the Trustee of the Fund where to pay some or all of the Member's Death Benefit. A Member may vary or revoke a Binding Death Benefit Nomination at anytime by written notice to the Trustee.

(b) When Trustee Bound

Unless the Binding Death Benefit Nomination is invalid, has lapsed, been revoked by the Member, is overturned by a Court or contravenes the Prescribed Law, the Trustee will be bound to pay the Member's Death Benefit in accordance with the notice. However, the Trustee will not be required to follow the Binding Death Benefit Nomination if the Trustee is aware that the paying the Death Benefit in accordance with the Binding Death Benefit Nomination would breach a Court Order.

(c) Lapse

A Binding Death Benefit Nomination will lapse, if not renewed, three (3) years from the date it is made.

(d) Requirements for Valid Notice

For a Binding Death Benefit Nomination to be valid:

- (i) It must be in writing; and
- (ii) It must be signed and dated by the Member making the Binding Death Benefit Nomination in the presence of two (2) witnesses who are both over the age of eighteen (18) and not a person mentioned in the Binding Death Benefit Nomination; and
- (iii) It must contain sufficient detail to identify the Member making the Binding Death Benefit Nomination; and
- (iv) It must contain a declaration by the witnesses which is signed and dated, stating that the Binding Death Benefit Nomination was signed by the Member in their presence; and
- (v) It must be delivered to the Trustee; and
- (vi) Each nominee under the Binding Death Benefit Nomination must be a LPR or Dependant of the Member making the Binding Death Benefit Nomination; and
- (vii) The allocation of the Death Benefit among the nominees must be clear; and
- (viii) It must not have lapsed.

A Member may also nominate successive beneficiaries (backups or alternative recipients), being either the Member's LPR or one or more of the Member's Dependents, to receive all or part of the Death Benefit in the event that the initial or subsequent nominations should fail.

(e) Trustee Must Supply Information

The Trustee must supply the Member with information that the Trustee believes the Member requires to allow the Member to make an informed decision on the making of a Binding Death Benefit Nomination. The Member should seek independent legal advice prior to making such a nomination.

6.6. Non-Lapsing Binding Death Benefit Nomination

(a) Giving of Notice

At any time, the Member may provide the Trustee with a Non-Lapsing Binding Death Benefit Nomination, directing the Trustee of the Fund where to pay some or all of the Member's Death Benefit. A Member may vary or revoke a Non-Lapsing Binding Death Benefit Nomination at anytime by written notice to the Trustee.

(b) When Trustee Bound

Unless the Non-Lapsing Binding Death Benefit Nomination is invalid, has been revoked by the Member, has been overturned by a Court, or contravenes the Prescribed Law, the Trustee will be bound to pay the Member's Death Benefit in accordance with the notice. However, the Trustee will not be required to follow the Non-Lapsing Binding Death Benefit Nomination if the Trustee is aware that the paying of the Death Benefit in accordance with the Binding Death Benefit Nomination would breach a court order.

(c) Requirements for Valid Notice

For a Non-Lapsing Binding Death Benefit Nomination to be valid:

- (i) It must be in writing; and
- (ii) It must be signed and dated by the Member making the Non-Lapsing Binding Death Benefit Nomination in the presence of two (2) witnesses who are both over the age of eighteen (18) and not a person mentioned in the Non-Lapsing Binding Death Benefit Nomination; and
- (iii) It must contain a declaration by the witnesses which is signed and dated, stating that the Non-Lapsing Binding Death Benefit Nomination was signed by the Member in their presence; and
- (iv) It must be delivered to the Trustee; and
- (v) It must be accepted by the Trustee (with such acceptance of a valid Non-Lapsing Binding Death Benefit Nomination not to be unreasonably withheld); and
- (vi) Each nominee under the Non-Lapsing Binding Death Benefit Nomination must be a LPR or Dependant of the Member making the Non-Lapsing Binding Death Benefit Nomination; and
- (vii) The allocation of the Non-Lapsing Death Benefit among the nominees must be clear; and
- (viii) It must state that the notice will not lapse by passing of time.

A Member may also nominate successive beneficiaries (backups or alternative recipients), being either the Member's LPR or one or more of the Member's Dependents, to receive all of part of the Death Benefit in the event that the initial or subsequent nominations should fail.

(d) Trustee Must Supply Information

The Trustee must supply the Member with information that the Trustee believes the Member requires to allow the Member to make an informed decision on the making of a Non-Lapsing Binding Death Benefit Nomination. The Member should seek independent legal advice prior to making such a nomination.

6.7. Automatic Revocation of Nomination

Any valid Preferential Death Nomination, Binding Death Benefit Nomination or Non-Lapsing Binding Death Benefit Nomination by a Member is automatically revoked by a later Binding Death Benefit Nomination or Non-Lapsing Binding Death Benefit Nomination, regardless of whether or not the same type of nomination is made.

6.8. Suspended or Terminated Benefits

(a) Circumstances Causing Suspension or Termination

Subject to the Prescribed Law, a Beneficiary's Benefits payable out of the Fund will be suspended while or terminated if the Beneficiary:

- (i) Attempts to assign, alienate or charge all or part of their Benefit entitlement other than in accordance with the Prescribed Law;
- (ii) Has their Benefits or entitlements vested in or made payable to another person or a government or public authority;
- (iii) Commits an act of bankruptcy or is or becomes insolvent;
- (iv) In the Trustee's opinion, is incapable of managing his/her own affairs;
- (v) Has been found guilty of fraud or dishonesty;

(b) Dealing with Suspended or Terminated Benefits

If all or any part of a Beneficiary's Benefits become payable during a period when the Benefits have been suspended or terminated, then the Trustee may, in its ultimate discretion, pay or apply the Benefits to:

- (i) The Beneficiary; or
- (ii) A Pension for the sole objective of applying the Benefits for the Beneficiary or their Dependants;

on the basis that the payment or application of the Benefits will be an absolute discharge to the Trustee and the Fund. After the payment or application, the Trustee is not responsible to see to the proper application of the Benefits.

7. Payment of Pensions

7.1. Manner of Payment of Benefits

- (a) Although this Deed primarily contemplates payment of Pensions, the Trustee is not prevented from making lump sum payments of Benefits.
- (b) The Trustee may pay any Pension permitted by the Prescribed Law to its Members, having regard to any restrictions, terms or conditions imposed on the type of Pension by the Prescribed Law.

7.2. Reversionary Pension Nomination

A Member taking a Pension may make a Reversionary Pension Nomination when they commence a Pension from the Fund providing that upon the Member's death, the Pension is to continue to be paid to an eligible reversionary Beneficiary under the Prescribed Law.

7.3. Deceased Member's Pension to Spouse

If a Member dies during a period in which they were receiving a Pension from the Fund, then the Member's Spouse, on application to the Trustee, may request to have the Pension continued, but only if the person was the Member's Spouse before the Member retired. The continuing Pension must comply with the Prescribed Law.

7.4. Restriction on Death Benefit Pensions to Children

If the Member's Death Benefit is to be paid to a Dependant Child, then the Death Benefit may only be paid as a Pension if the Child:

- (a) Is under the age of eighteen (18); or
- (b) Is aged between eighteen (18) years and twenty-five (25) years and either was financially dependant on the Member or has a disability under the *Disability Services Act 1986* (Cth).

7.5. Actuarial Certificate

If required, the Trustee must obtain an Actuarial Certificate in relation to any Pension to be paid pursuant to the Prescribed Law.

8. Lump Sum Payments

The Trustee may, on written request, commute any amount or pay any Benefit (other than a Total or Temporary Disablement Benefit) as a lump sum in one or more instalments to a person who is entitled to receive a Pension from the Fund (other than a Transition to Retirement Pension) to the extent permitted by this Deed or the Prescribed Law.

9. Incoming Rollovers and Transfers

9.1. Trustee's Discretion to Accept or Reject

On a Member's request, the Trustee has the power (refer clause 14.23) to accept or reject, in full or part, a rollover or transfer of benefits or entitlements. In reaching such decision, the Trustee may have regard to:

- (a) The balance of the Member's Accumulation Account prior to and following the rollover or transfer;
- (b) Restrictions on payment of Benefits to the Member;
- (c) The existing conditions under which the Benefits or entitlements are being held;
- (d) Any other relevant matters.

9.2. Restrictions on Rollovers or Transfers

The Trustee must not accept any Benefits or entitlements for a Member that would result in a breach under this Deed or the Prescribed Law. The Trustee must preserve the Benefits and entitlements pursuant to this Deed and the Prescribed Law and only deal with or pay the Benefits pursuant to this Deed and the Prescribed Law.

9.3. Rolled-Over or Transferred Benefits Status

Any Benefits or entitlements which are rolled-over or transferred to the Fund shall retain their same status and nature as they had in the previous transferring/rolling-over entity.

10. Outgoing Rollovers or Transfers

10.1. When Benefits may be Transferred/Rolled-Over

Where permitted by the Prescribed Law, the Trustee may transfer or rollover all or part of a Member's or a Beneficiary's Benefits and entitlements to an Approved Arrangement.

10.2. Conditions

Unless otherwise required by the Prescribed Law or a Regulator, Court or Tribunal, the Trustee may refuse to complete a rollover request from a Member or Beneficiary unless the following requirements are met:

- (a) A written request to transfer or rollover a Member's Benefits and entitlements has been received from the Member or the Member's LPR; and
- (b) The proposed fund or entity to receive rollover or transfer is an Approved Arrangement; and
- (c) The rollover would not cause a breach of the Prescribed Laws or the Fund become non-compliant.

10.3. Member to Provide Necessary Information

Before the Trustee can process a Member's request to rollover or transfer Benefits and entitlements, the Member must provide to the Trustee such information as is required to be given in a 'Request to Transfer Whole Balance of Super Benefits Between Funds' form as contained in Schedule 2A or 2B (as applicable) of the Regulations or such other information as may be required under the Prescribed Law from time to time or by the Trustee.

By way of clarification, a request to rollover or transfer an amount that is the whole of the Member's Benefits and entitlements may be made by simply delivering a completed 'Request to Transfer Whole Balance of Super Benefits Between Funds' form to the Trustee.

10.4. Timing of the Rollover or Transfer

Unless otherwise required by the Prescribed Law or this Deed, the Trustee must ordinarily complete the rollover or transfer of a Member's Benefits and entitlements as soon as is practicably possible once all conditions are fulfilled, whilst acting in the best interests of the Members as a whole and considering factors such as the liquidity of the assets of the Fund and the Investment Strategy.

10.5. Rollover or Transfer of Non-Member Spouse's Superannuation Interest

On request given by a Non-Member Spouse, or by decision made by the Trustee in its sole discretion, the Trustee may rollover or transfer a Non-Member Spouse's Superannuation Interest provided that the Trustee complies with the requirements of this clause.

Prior to attending to a rollover or transfer of a Non-Member Spouse's Superannuation Interest, the Trustee may first deduct any costs and expenses incurred (or expected to be incurred) by the Fund in completing the rollover or transfer.

10.6. Discharge of Trustee

The receipt of an authorised person (or apparent authorised person) of the Approved Arrangement of the rollover/transfer of a Member's or Beneficiary's benefits shall be a good and sufficient discharge to the Trustee.

11. The Trustee

11.1. Appointment of Trustees

(a) New Trustee

The Members of the Fund may, by majority vote at a Member's Meeting appoint:

- (i) One or more individual trustees; or
- (ii) A Corporate Trustee;

provided that in no case shall the appointment of Trustee contravene the basic rules for a SMSF (as set out in Clause 2) to render the Fund non-compliant.

Where a Company is acting as Trustee of the Fund, the directorship must reflect the rules for a self managed superannuation fund under the Act.

(b) Written Consent

Each Trustee must provide a written consent to act as Trustee, or in the case of a Corporate Trustee, a written consent to act as Director of the Company. Upon providing a written consent, the Trustee (or director as the case may be) is deemed to be bound by the provisions of this Deed.

(c) Not Disqualified Person

Each Trustee or in the case of a Corporate Trustee, the Director/s, must provide a declaration stating that he or she or it is not a Disqualified Person.

(d) Declaration

Within twenty-one (21) days of appointment, the Trustee or in the case of Corporate Trustee, the Director/s, must sign a declaration in the Approved Form stating that he or she understands their duty as trustee of a SMSF. The Declaration must be retained for the later of ten (10) years from the date upon which they were appointed Trustee or Director, or for the period that the person holds office as Trustee or Director.

By way of clarity and to avoid any doubt though, if the Trustee or the Directors of a Corporate Trustee do not adhere to requirements in this subclause 11.1(d) then it shall not affect the validity of the Trustees' or Directors' appointment.

11.2. Vesting of Fund in Trustees

The entire Fund is vested in the Trustees who must manage the Fund in accordance with this Deed and the Prescribed Law. Subject to the provisions of this Deed, no other person or body has any legal or beneficial interest in the Fund.

11.3. Multiple Trustees

Where there is more than one (1) Trustee, then the Trustees must exercise their duties, powers and responsibilities jointly and are jointly and severally liable for all acts.

11.4. Removal, Dismissal or Suspension of Trustee

(a) Individual

An individual Trustee or Director (in the case of Corporate Trustee) ceases to be Trustee of the Fund or Director of the Corporate Trustee, as relevant, if the person:

- (i) Becomes a Disqualified Person;
- (ii) Dies;
- (iii) Becomes incapable of managing his/her affairs; or
- (iv) Suffers an Insolvency Event.

(b) Company

A Corporate Trustee ceases to be Trustee of the Fund if the Company:

- (i) Becomes a Disqualified Person;
- (ii) Is otherwise disqualified from office as Trustee;
- (iii) Is de-registered or otherwise lacks full capacity;
- (iv) Suffers an Insolvency Event.

(c) By Regulator

The Regulator may also dismiss or suspend a Trustee under Part 17 of the Act.

(d) By Members

The Members may, by majority vote at general meeting, resolve to dismiss/remove a Trustee. The Trustee must then be provided with written notice of the dismissal.

(e) Vesting of Fund

The continuing Trustee/s must take steps to vest the Fund in the continuing Trustees and the outgoing Trustee must deliver up to the continuing Trustee/s all records and other books in his or her or its possession.

11.5. Retirement/Resignation of Trustee

(a) Notice of Retirement/Resignation

The Trustee or Director/s (in the case of a Corporate Trustee) may at any time, by notice in writing to the Members of the Fund, retire or resign as Trustee or Director of a Corporate Trustee of the Fund as the case may be.

(b) Vesting of Fund

The continuing Trustee/s must take steps to vest the Fund in the continuing Trustees and the outgoing Trustee must deliver up to the continuing Trustee/s all records and other books in his/her or its possession.

11.6. Actions after Retirement/Removal of Trustee/Director or Ceasing to be a Member

When a Trustee or Director is removed, dismissed or suspended, the following steps must be taken:

- (a) The Member may need to seek to have one or more new Trustee/s or in the case of a Corporate Trustee, Director/s, appointed on its behalf to ensure compliance with the Act;
- (b) If no alternative trustee is appointed in place of the respective Member who the Trustee/Director represented, then the Member may need to cease being a Member of the Fund to ensure the SMSF does not become non-compliant;
- (c) If a person ceases to become a Member, then:
 - (i) They must immediately resign as Trustee or Director (as the case may be), *unless* the Member is acting as Trustee or Director for and on behalf of another Member in compliance with the Prescribed Law (e.g. as a LPR, attorney or as a second individual trustee, where a sole member fund);
 - (ii) If the trustee is a Corporate Trustee, transfer the shares in the Company for the issue price to the other remaining shareholders or their nominee.
- (d) Each Member irrevocably makes nominates constitutes and appoints the Trustee and the Trustee's nominee or nominees from time to time jointly and each of them severally to be the true and lawful attorney and attorneys of the Member for the Member and in the Member's name and as the Member's act and deed if and when the said attorney or attorneys shall think fit for the purpose of giving full effect to the intentions of this clause 11 including any appointment or resignation of a Trustee or Director or ceasing to become a Member, to ensure that the Fund does not become non-compliant. The Member hereby ratifies confirms and agrees to ratify and confirm whatsoever the said attorney or attorneys shall do or purport to do by virtue of this subclause.

11.7. Discharge of Retiring/Removed Trustee

Where a trustee retires, resigns, ceases or is removed, the members shall not be obliged to appoint a new trustee in place of the trustee that has retired, resigned, ceased to act or been removed provided:

- (a) There is at least one commencing or continuing individual or corporate trustee; and
- (b) The Fund has the appropriate trustee structure to comply with the Prescribed Law and ensure the Fund remains a compliant self-managed superannuation fund.

Where the above conditions are satisfied, the trustee that has retired, resigned, ceased to act or been removed shall be discharged from the trusts contained in this Deed as from the date of retirement, resignation, ceasing or removal despite any legislative requirement or rule of law to the contrary.

12. Trustee Disclosure

12.1. Product Disclosure Statement

The Trustee shall decide whether or not it is appropriate and necessary to provide a Product Disclosure Statement pursuant to section 1012B of the *Corporations Act*. Pursuant to section 1012D(2A) of the *Corporations Act*, the Trustee does not have to give a Product Disclosure Statement if:

- (a) The financial product is an interest in a SMSF; and
- (b) The Trustee believes on reasonable grounds that the Member has received, or has and knows that they have access to all of the information that the Product Disclosure Statement would be required to contain ("Relevant Information").

If the Trustee considers that there is an obligation to give a Product Disclosure Statement, then the Trustee must comply with Part 7.9 of the *Corporations Act* regarding the preparation, content and delivery of the Product Disclosure Statement.

12.2. Disclosure under Prescribed Law

The Trustee of the Fund must ensure that the Interested Parties are provided with such information, records, reports, disclosure, accounts or documents as the Prescribed Law requires and in the manner the Prescribed Law requires.

13. Trustee Covenants

13.1. The Covenants

By consenting to act as Trustee, the Trustee covenants:

- (a) To act honestly in all matters concerning the Fund;
- (b) To exercise, in relation to all matters affecting the Fund, the same degree of care, skill and diligence as an ordinary prudent person would exercise in dealing with property of another for whom the person felt morally bound to provide;
- (c) To ensure that the Trustee's duties and powers are performed and exercised in the best interests of the Members and Beneficiaries;
- (d) To keep the money and other assets of the Fund separate from any money and assets:

- (i) Held by the Trustee personally; or
 - (ii) That are money or assets (as the case may be) of an Standard Employer-Sponsor or their Associate;
- (e) Not to enter into any contract, or do anything else, that would prevent the Trustee from, or hinder the Trustee in, properly performing or exercising the Trustee's functions and powers;
- (f) To formulate and give effect to an Investment Strategy that has regard to the whole of the circumstances of the entity including, but not limited to, the following:
 - (i) The risk involved in making, holding and realising, and the likely return from, the Fund's investments having regard to its objectives and its expected cash flow requirements;
 - (ii) The composition of the Fund's investments as a whole including the extent to which the investments are diverse or involve the entity in being exposed to risks from inadequate diversification;
 - (iii) The liquidity of the Fund's investments having regard to its expected cash flow requirements;
 - (iv) The ability of the Fund to discharge its existing and prospective liabilities;
- (g) If there are any reserves of the Fund—to formulate and to give effect to a strategy for their prudential management, consistent with the Fund's investment strategy and its capacity to discharge its liabilities (whether actual or contingent) as and when they fall due;
- (h) To allow a Beneficiary access to any information or documents which are required to be disclosed or accessible to them by the Prescribed Law;
- (i) To do any such thing as may be prescribed as a covenant by the Regulations for the purposes of s 52(2) of the Act.

In addition to the above, the Trustee and any Investment Manager must fulfil their duties under the Prescribed Law.

13.2. Covenant by Corporate Trustee has Effect as Covenant by Directors

A covenant given by a Corporate Trustee (or deemed given) also operates as a covenant by each of the Directors of the Trustee to exercise a reasonable degree of care and diligence for the purposes of ensuring that the Trustee carries out the above covenants. A 'reasonable degree of care and diligence' is the degree of care and diligence that a reasonable person in the position of a Director of the Trustee would exercise in the Trustee's circumstances. This provision operates as if the Directors were all parties to this Deed.

13.3. Covenant Does Not Restrict Delegation

The covenant in clause 13.1(e) does not prevent the Trustee from engaging or authorising other persons to do acts or things on behalf of the Trustee.

13.4. Direction from Beneficiaries

An Investment Strategy is taken to be in accordance with clause 13.1(f) even if it provides for a respective Beneficiary or class of Beneficiaries to give directions to the Trustee where:

- (a) The directions relate to the strategy to be followed by the Trustee in relation to the investment of a particular asset or assets of the Fund; and
- (b) The directions are given in circumstances covered by Regulations.

14. Powers of the Trustee

The Trustee shall have the power to engage in any transaction on behalf of the Fund as it could do if it were the beneficial owner of the Fund. Without limiting the generality of this power, the Trustee shall have the powers described in this clause in addition to power otherwise conferred upon Trustees by law.

However, all the powers of Trustee are subject to other provisions of this Deed (particularly the provisions relating to Restricted Investments) and the Prescribed Law. The Trustee may not exercise a power herein if the exercise of such power would render the Fund a non-complying SMSF.

14.1. Power to Invest

The Trustee may apply and invest all moneys at any time forming part of the Fund in any investments of whatsoever and upon such terms and conditions as the Trustee shall in its absolute discretion think fit to the same extent as it could do if it were the beneficial owner of the Trust Fund.

Without limiting the broad nature of this power the Trustee may:

- (a) Deposit monies with a bank, building society, financial institution, non-banking financial institution, credit co-operative or trustee company; and
- (b) Engage in hedging, swapping or another similar arrangement, even if not linked to any assets of the Fund; and
- (c) Subscribe for or take up an allotment or issue of any units, shares, stocks, bonds, obligations, options, futures; and
- (d) Purchase or acquire the whole or any part or share or interest in (including a minority part or share or Interest in) any business or partnership and the goodwill and assets thereof; and
- (e) Purchase a policy or annuity from an insurer; and
- (f) Purchase or acquire any real or personal property wherever it may be situated or any part or share or interest therein; and
- (g) Exercise all rights and privileges and perform all duties and obligations appertaining or incidental thereto.

The Trustee shall also have the power to transfer, sell or vary any investment at any time in accordance with this Deed and the Prescribed Law.

14.2. Power to Use Different Forms of Consideration

To purchase or make the investments described herein using any form of consideration whatsoever including (without limiting the generality thereof) cash, the transfer of any part of the Fund in specie, the performance of any service, the supply of any goods or the provision of an annuity or any similar right.

14.3. Power to Blend Fund in Common Investments with others

To blend for the purposes of investment as it may from time to time decide any monies which the Trustee holds upon the trusts herein declared with other moneys (whether or not such moneys are subject to any other settlement or trust and whether or not the Trustee is trustee of such other settlement or trust) and to join with any other person or persons including a trustee of another trust in making common investments including in carrying on any business, partnership or joint enterprise.

14.4. Power to Deal with Property

To hold, use, purchase, construct, demolish, maintain, repair, renovate, reconstruct, develop, improve, sell, transfer, convey, surrender, let, lease, exchange, take and grant options or rights in, alienate, mortgage, charge, pledge, reconvey, release, discharge or otherwise deal with any real or personal property and in particular with shares debentures or securities of any company and with or without deferred restricted qualified or special rights relating thereto upon such terms and conditions as the Trustee shall think fit.

14.5. To Indemnify

To give indemnities to or on behalf of any person the Trustee thinks fit in respect of claims, matters or things related to the Fund (provided the giving of the indemnities by the Trustee does not breach the Prescribed Law).

14.6. Power to Deal in Derivatives

To buy or sell in derivatives such as options and futures contracts.

14.7. Power to Deal in Shares and Debentures

To exercise all rights and perform all duties pertaining to any shares, stock or debentures in any Company or corporation subject to the trusts hereof as the Trustee could do if it was the beneficial owner of the shares stock or debentures or was personally interested or concerned in the corporation or Company.

Without limiting the generality of the foregoing the Trustee may agree to:

- (a) Any arrangement which modifies any rights or duties; or
- (b) Any Scheme or arrangement for the reconstruction or the increase or reduction of the capital of any corporation or Company; or
- (c) The winding up of any corporation or Company; or
- (d) A share buy back of the shares;

and for any of the above purposes the Trustee may deposit, surrender or exchange any of the shares stock or debentures or the title thereto and to pay any calls or contributions or other necessary expenses in connection with any such shares stock or debentures or any title thereto.

14.8. Power to Carry on Business

To carry on anywhere in the world and either alone or in partnership, any trade or business whatsoever and to discontinue the same from time to time provide that this power does not contravene the Prescribed Law (particularly the Sole Purpose Rule).

14.9. Power to Partition or Subdivide Land

To partition or agree to the partition of or to subdivide or agree to the subdivision of any land or other property which, or any interest in which, may for the time being form part of the Fund and to pay any moneys be way of equality of partition.

14.10. Power to Purchase Annuities and Pay Pensions and Income Streams

To purchase annuities and pay pensions and income streams.

14.11. Power to Negotiate and Enter into Contracts

To enter into any negotiations, contracts, transactions, agreements, variations, rescissions or deeds in the name of and on behalf of the Fund whether for sale, lease or other purpose as may be required or expedient from time to time to give effect to this Deed and the purposes of the Fund.

14.12. Power to Transact With Trustee

To sell, transfer, hire, lease or dispose of any real or personal property of the Fund to the Trustee in its capacity as trustee of other trust funds or in its individual capacity or to any company or partnership whatsoever notwithstanding that the Trustee is a shareholder or director or member or partner of such company or partnership or to any Spouse or Child of any Trustee.

14.13. Power to appoint Agent as Custodian

To appoint a Custodian as agent of the Trustee to acquire and hold any property on behalf of the Trustee as Trustee of the Fund and to enter into a deed with the Custodian that sets out the basis upon which property is to be acquired and held.

14.14. Power to Borrow Money and Grant Security

To the extent allowed by the Prescribed Law:

- (a) To borrow and raise money from any Person (including any company, corporation, government or municipal body) in any lawful manner including (without limitation) by drawing, endorsing, accepting or otherwise dealing in any bill of exchange, promissory note or other negotiable instrument on such terms as the Trustee in the Trustee's absolute discretion shall determine.
- (b) For the purpose of securing the payment of any monies or the performance of any obligations for which the Trustee may pursuant to these provisions become liable:
 - (i) To grant any form of security or charge as the Trustee may think fit over the Trustee's interest in any particular assets of the Fund upon such terms as comply with the Prescribed Law;

- (ii) To instruct a Custodian holding any property on behalf of the Trustee as trustee of the Fund to grant any form of security or charge as the Trustee may think fit over the Trustee's interest in any particular assets of the Fund upon such terms as comply with the Prescribed Law.

Without in any way limiting the form of security that may be granted it shall include the power to grant a mortgage, charge (whether fixed, floating or fixed and floating), lien, bill of sale or any other security over real or personal property as the Trustee may elect and it shall also include the power to join with others to grant security over real or personal property in which the Trustee has an interest as Trustee of this Fund (whether in its own name or in the name of a Custodian on behalf of the Trustee).

14.15. Power to Vary Investments

To vary or transpose any investments into or for any other or others of any nature whatsoever and to vary the terms of or property comprised in any security.

14.16. Power to Insure Fund and Individual Member Interests

To insure:

- (a) The Fund or any part thereof for such value as the Trustee may think fit and to insure against such risks as the Trustee may in its absolute discretion think fit including the power to effect public liability insurance; and
- (b) Members' or Beneficiaries' interests in the Fund for the reason of providing benefits under this Deed.

The powers in this subclause include the power for the Trustee to pay all sums payable from time to time for premiums or otherwise for the effecting or maintenance of any policy or policies of insurance (whether owned by the Trustee or otherwise) or for the exercise or enjoyment of any option right or benefit thereunder.

14.17. Power to Provide for Protection of Trust Fund

To take such action as it shall think fit for the adequate protection of any part or parts of the Fund and to do all such other things as may be incidental to the exercise of the powers and authorities conferred on the Trustee by this Deed.

14.18. Power to Pay Benefits

To pay Benefits and entitlements from the Fund to those Members or Beneficiaries who are entitled thereto.

14.19. Power to Credit/Allocate

The Trustee may credit any Contributions, income, reserves or other amounts received or held to the Member's Accumulation Accounts, Contributions Reserve, Income Reserve, Pension Account or other such account and/or reserves as the Trustee thinks fit, subject to this Deed and the Prescribed Law.

14.20. Power to Determine Dependants

To investigate, source information and make a determination as to who are a Member's Dependants when required to give effect to the Deed.

14.21. Power to Enter into Agreements with Members

Subject to this Deed and written consent by the affected Member/s, to make an agreement with a Member:

- (a) Altering the Member's Benefits and entitlement; or
- (b) Altering the Contributions payable in respect of a Member;

in such manner as the Trustee in its ultimate discretion shall decide.

14.22. Power to appropriate

Subject to written consent by the respective Member or Beneficiary, to appropriate any part or parts of the Fund in the actual condition or state of investment thereof (in specie rather than paying cash) to:

- (a) The Member or Beneficiary; or
- (b) An Approved Arrangement for the Member or Beneficiary;

in partial or full satisfaction of a Member's or Beneficiary's Benefits or entitlements under this Deed.

In making such appropriation the Trustee may estimate the value of the component parts of the Fund or employ qualified persons to make such valuation as the Trustee deems proper. Every appropriation so made shall bind all Members and Beneficiaries of the Fund notwithstanding that they may not yet be in existence or may be under a legal disability.

14.23. Power to Transfer/Rollover Benefits and Entitlements

To rollover or transfer a Member's or Beneficiary's Benefits or entitlements to:

- (a) An Approved Arrangement on written request from a Member or Beneficiary provided that the Member or Beneficiary has, or is able to join the Approved Arrangement; or
- (b) An Eligible Rollover Fund; or
- (c) An Approved Arrangement that is a successor fund to this Fund under the Prescribed Law;

provided that the transfer occurs in accordance with the Prescribed Law.

14.24. Power to Receive Transfers/Rollovers

To receive assets from an Approved Arrangement by way of rollover or transfer or as a result of a takeover which represents the interest of a participant of the Arrangement who is, or will become a Member or Beneficiary of the Fund.

14.25. Power to Value Fund Assets

From time to time, the Trustee may undertake a valuation of the assets of the Fund and allocate the valuation sum between such of the Members and Beneficiaries in accordance with this Deed.

14.26. Power to Open Bank Account

To open any account or accounts with any bank, credit union, building society or other financial institution and to operate by and in all usual ways any such account or accounts. This power includes the power to agree to the relevant financial institution debiting the account with interest, charges and expenses pertaining thereto. The Trustee may also make rules about the operation of those accounts such as the signing and endorsement of cheques.

14.27. Power to Deposit Securities

To deposit securities, deeds and other documents belonging or related to the Fund with any lawyer, bank or other financial institution.

14.28. Power to Give Receipts and Determine Those Entitled to Sign

To give effectual receipts, releases and discharges for any moneys received by or on behalf of the Trustee or otherwise relating to any of the acts, matters and things provided for in this Deed. Further, to decide upon those persons who will be entitled to sign receipts, acceptances, endorsements, releases, contracts and documents on behalf of the Fund.

14.29. Power to Delegate Duties

Any Trustee may delegate the exercise of all or any of the powers, discretions or duties conferred on that Trustee to another person or persons provided such delegation is in writing signed by that Trustee. Any Trustee, being the sole Trustee or one of a number of Trustees, may also appoint an attorney to act for that Trustee and to execute any document or do any act on behalf of the Trustee provided the appointment of the attorney is in writing signed by the Trustee.

14.30. Power to Engage, Dismiss or Suspend Auditor, Actuary, Custodian or Accountant

To engage and/or dismiss or suspend an Auditor, Actuary, Custodian or qualified accountant on a permanent or temporary basis for specified or general services and advice and pay such reasonable remuneration or salary from the Fund as the Trustee shall deem fit.

14.31. Power as to Payment of Duties, Fees, Levies and Taxes

To pay out of the Fund all or any part of the duties, levies, fees and taxes which become payable in any part of the world in respect of the Fund or any part thereof including those duties, fees, levies and taxes levied on the death of any of the Members. This power applies notwithstanding that such duties fees or taxes or some part thereof are not or may not be recoverable from the Trustee or from the Fund by legal process in the place where the same becomes payable.

14.32. Power to Pay Management Expenses

To pay out of the Trust Fund or the income thereof all costs, charges and expenses incidental to the management of the Trust Fund or the exercise of any power, authority or discretion herein contained or in carrying out or performing the trusts hereof which the Trustee may at any time incur including:

- (a) Costs in any way connected with the preparation and execution of this Deed; and
- (b) Costs associated with the obtaining of advice or services in respect of the ongoing management, administration and operation of the Fund including (but not limited to) engaging an Investment Manager or Custodian.

14.33. Power to Seek Counsel

To take and act upon the written opinion of any solicitor, barrister or lawyer practicing in any country where the Fund or any part thereof may for the time being be invested in relation to the interpretation or effect of this Deed, the Prescribed Law or any other document or statute or as to the administration of the Trusts hereof without being liable to any of the Beneficiaries in respect of any act done by the Trustee in accordance with such opinion. Nothing in this clause shall prohibit or impede the Trustee from applying to the court if it shall think fit.

14.34. Power to Institute or Compromise Court Proceedings

To institute and defend and join in any proceedings to resolve any dispute including proceedings in a court or tribunal and including any mediation or arbitration and to settle or compromise any dispute in which the Trustee is involved on such terms and conditions as the Trustee considers appropriate.

14.35. Power to Determine Matters of Doubt

To generally determine all matters about which any doubt, difficulty or question may arise under or in relation to the execution of the Trusts and powers contained in this Deed. Every determination of the Trustee in relation to any of these matters shall bind all Interested Parties therein and shall not be objected to or questioned on any ground whatsoever.

14.36. Power to Act notwithstanding Personal Interest

To exercise or concur in exercising all the previous powers and discretions contained in this Deed or by law notwithstanding that:

- (a) The Trustee; or
- (b) Any Person being a Trustee; or
- (c) Any Person being a Director or shareholder of a Corporate Trustee hereof;

has or may have a direct or personal interest (whether as trustee of any other settlement or in his personal capacity or as a shareholder or director or member or partner of any company or partnership or otherwise) in the mode or result of exercising such power or discretion or may benefit either directly or indirectly as a result of the exercise of any such power or discretion and notwithstanding that the Trustee for the time being is the sole Trustee.

15. Investment

15.1. Investment Strategy

The Trustee must develop and implement an Investment Strategy for the Fund in accordance with the Prescribed Law. The Investment Strategy should:

- (a) Reflect the purpose of the Fund such that Member's Benefits are invested with the primary purpose of generating retirement benefits (rather than providing current-day support);
- (b) Reflect the circumstances of the Fund;
- (c) Reflect the circumstances of the Members of the Fund in terms of age, income level, employment pattern and retirement needs;

- (d) Comply with the Prescribed Law and not inadvertently cause any breaches so as to render the Fund a non-complying SMSF;
- (e) Carefully consider:
 - (i) The **risks** involved in making the investments;
 - (ii) The likely **returns** from the investments;
 - (iii) The **diversification of investments** across different asset classes as part of its long-term investment strategy;
 - (iv) The **liquidity of the investments** and the ability of the Fund to meet its existing and prospective liabilities.

The Investment Strategy must be in writing setting out the investment objectives of the Fund and detailing the investment methods the Fund will adopt to achieve these objectives. In formulating an appropriate Investment Strategy, the Trustee must have regard to any rulings, directives, interpretative decisions or other similar guidelines issued by the Regulator regarding appropriate investments.

15.2. Review of Investment Strategy

The Trustee must review the Investment Strategy for the Fund regularly. On reviewing the Investment Strategy, the Trustee must make any variations or adjustments as are considered necessary and prudent by the Trustees having regard to the matters discussed in sub-clause 15.1.

15.3. Directions by Members/Beneficiaries

A Member or Beneficiary may provide directions to the Trustee relating to the strategy to be adopted and followed by the Trustee in relation to the investment of a particular asset or assets of the Fund where the conditions in Regulation 4.02 have been satisfied.

15.4. Appointment of Investment Manager

The Trustee of the Fund may engage an Investment Manager provided such appointment is in writing and the Investment Manager agrees to the terms of the investment management agreement. The investment management agreement must:

- (a) Enable the Trustee to gain access to sufficient information about the Fund's investments and performance;
- (b) Enable for termination of the agreement without liability; and
- (c) Not excuse or restrict the Investment Manager's liability for negligence.

16. Restricted Investments

16.1. The Trustee must not engage in any investments, transactions or acts which would breach the Prescribed Laws or cause the Fund to become non-compliant. Specifically:

16.2. Investments must be at Arm's Length

***Rule:** The Trustee and Investment Manager must ensure that all investments, dealings and transactions are completed and maintained on an arm's length basis, in accordance with the Prescribed Law (specifically s 109 Act).*

16.3. In-House Assets

***Rule:** Subject to any exceptions, the Trustee and Investment Manager must ensure that at no time, the Fund holds a level of In-House Assets which exceeds the maximum amount permitted by the Prescribed Law for the Fund to remain compliant (Part 8 Act).*

16.4. Financially assisting Related Parties

***Rule:** The Trustee must ensure that no Loans or financial assistance are or have been given from the Fund to a Member or a Relative of a Member (or for their benefit through a third party) so as to breach the Prescribed Law (specifically s 65 Act).*

16.5. Acquiring Assets from Related Parties

***Rule:** The Trustee and Investment Manager of the Fund must ensure that no asset (other than money) has been acquired or will be intentionally acquired from a Related Party save for where an exemption applies under the Prescribed Law (s 66 Act).*

16.6. Borrowing and Charging Assets

***Rule:** The Trustee and Investment Manager must ensure that the Fund has not and does not borrow money, maintain an existing borrowing and/or charge its assets unless otherwise permitted by the Prescribed Law – see specifically s 67 and 67A of the Act.*

16.7. Charging Assets for Derivatives

***Rule:** The Trustee may only give a charge over, or in relation to an asset of the Fund in compliance with the Prescribed Law (specifically Regulation 13.15A).*

17. Meeting of Trustees

17.1. How to Convene a Meeting

(a) Notice Requirement

Any Trustee, or in the case of a Corporate Trustee, any Director, may convene a meeting of the Trustee/s by providing thirty (30) days written notice to each of the other Trustees or to the other Director/s of a Corporate Trustee of the time, venue and agenda proposed for the meeting.

(b) Notice Can Be Waived

A meeting may be convened by giving notice shorter than thirty (30) days where all Trustees or Directors agree to waive the thirty (30) day notice requirement.

(c) Circular Resolution

The Trustees may pass a resolution without a Trustee meeting being held if all the Trustees entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document.

(d) Meeting During Business Hours

Unless otherwise agreed, a meeting must only be scheduled to occur during Business Hours.

17.2. Quorum

(a) Sole Director

In the case of a sole Director Corporate Trustee, a quorum for a Trustee's Meeting shall be one.

(b) Multiple Trustees/Directors

Where there is more than one Trustee or Directors of a Corporate Trustee, a quorum for a Trustee's Meeting shall be all the Trustees and/or Directors (or their proxy) as the case may be. If all the Trustees and/or Directors (or their nominated Proxy) are not present at the meeting within twenty (20) minutes of its scheduled time for commencement, the meeting shall automatically be adjourned for five (5) business days, to be held at the same time and venue as previously advised. A quorum for an adjourned meeting shall be the same as for the original meeting.

(c) Electronic Attendance

A Trustee or Director may attend a meeting by telephone, SKYPE, video link or other instantaneous electronic form of communication.

(d) Appointment of Proxy

A Trustee or Director ("Principal") may appoint a Proxy to attend at a meeting on behalf of the Trustee or Director provided the following conditions are satisfied:

- (i) The Proxy must present to the meeting a written authority signed by the Principal for the purposes of a particular meeting.
- (ii) A Proxy may only be appointed for one (1) meeting at a time - a Principal may not appoint a Proxy for an indefinite period of time in a single authority or for a number of meetings. The Principal may though, by further authority, appoint the same Proxy for a subsequent meeting.
- (iii) The Proxy must act in the best interests of the Principal who appointed the Proxy, voting only in accordance with the directions of the Principal.
- (iv) The Chairperson of a meeting must allow the Proxy an opportunity to read and table any statement in writing from the Principal, but the Proxy (unless a Trustee or Director) shall not be otherwise entitled to participate in any discussion in the meeting.

17.3. Appointment of a Chairman

Prior to commencing discussion of matters on a meeting agenda, the Trustees and/or Directors must nominate a Chairman to conduct the meeting. The Chairman must manage the meeting using a fair and reasonable approach and administer the agenda items.

17.4. Frequency of Meetings

The Trustees and/or Directors must meet at least every six (6) calendar months to consider:

- (a) The current Investment Strategy and performance of the Fund's investments;
- (b) The accounts of the Fund;
- (c) Reporting and taxation requirements;
- (d) Any other matters requiring attention, decision or discussion.

18. Meetings of Members

18.1. How to Convene a Meeting

- (a) Notice Requirement

Any Trustee or in the case of a Corporate Trustee, any Director may convene a meeting of the Members by providing thirty (30) days written notice to each of the Members of the time, venue and agenda proposed for the meeting.

- (b) Notice Can Be Waived

A meeting may be convened by giving notice shorter than thirty (30) days where all Members agree to waive the thirty (30) day notice this requirement.

- (c) Circular Resolution

The members may pass a resolution without a Members' meeting being held if all the Members entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document.

- (d) Meeting During Business Hours

Unless otherwise agreed, a meeting must only be scheduled to occur during Business Hours.

18.2. Quorum

- (a) Sole Member

In the case of an individual Member, a quorum for a Member's Meeting shall be one.

- (b) Multiple Members

Where there is more than one Member, a quorum for a Member's Meeting shall be all the Members (or their Proxy) as the case may be. If all the Members (or their Proxy) are not present at the meeting within twenty (20) minutes of its scheduled time for commencement, the meeting

shall automatically be adjourned for five (5) business days, to be held at the same time and venue as previously advised. A quorum for an adjourned meeting shall be the same as for the original meeting.

(c) Electronic Attendance

A Member may attend a meeting by telephone, SKYPE, video link or other instantaneous electronic form of communication.

(d) Appointment of Proxy

A Member ("Principal") may appoint a Proxy to attend at a meeting on behalf of the Member provided the following conditions are satisfied:

- (i) The Proxy must present to the meeting a written authority signed by the Principal for the purposes of a particular meeting.
- (ii) A Proxy may only be appointed for one (1) meeting at a time - a Principal may not appoint a Proxy for an indefinite period of time in a single authority or for a number of meetings. The Principal may though, by further authority, appoint the same Proxy for a subsequent meeting.
- (iii) The Proxy must act in the best interests of the Principal who appointed the Proxy, voting only in accordance with the directions of the Principal.
- (iv) The Chairperson of a meeting must allow the Proxy an opportunity to read and table any statement in writing from the Principal, but the Proxy (unless a Member) shall not be otherwise entitled to participate in any discussion in the meeting.

18.3. Appointment of a Chairman

Prior to commencing to discuss matters on a meeting agenda, the Trustees and/or Directors must nominate a Chairman to conduct the meeting. The Chairman must manage the meeting using a fair and reasonable approach and administer the agenda items.

18.4. Member's Resolutions

The Trustee must use all reasonable endeavours to comply with any resolutions passed by the Members in their majority in a meeting subject to this Deed and the Prescribed Law.

18.5. Frequency of Meetings

A Member's meeting must be held where:

- (a) The Trustee receives a written request for a Member's Meeting signed by at least 50% of the Members; or
- (b) The Trustee considers it needed or desirable; or
- (c) A complaint or query under clause 19 is not dealt with to the satisfaction of any Member after given careful and proper consideration by the Trustee and/or Director/s.

19. Complaints or Queries

If a complaint or query is raised by a Member during a Member's meeting or provided to the Trustee in writing, then Trustee must, within three (3) months of receiving the complaint or query, give careful and proper consideration to the complaint or query and take any necessary action and correspond with the Members as the Trustee deems appropriate.

If however, a complaint or query is not resolved to the satisfaction of a Member, then a Member's Meeting must be convened in order to attempt to resolve the complaint or query.

20. Provisions Relating to Family Law

20.1. Disclosure of Information Pursuant to Family Law Orders

Where a Member's Superannuation Interest becomes the subject of a Payment Split or other agreement, order or restriction under the *Family Law Act 1975* (Cth), then the Trustee is required to disclose information in accordance with the Prescribed Law to the Member and the Non-Member Spouse.

The Trustee may levy reasonable charges against the Superannuation Interest of a Non-Member Spouse for provision of such information, including the costs of obtaining professional advice regarding any requirements under this clause.

20.2. Payment Splits

(a) Adjustment, Payment or Transfer

If the Trustee receives a properly served splitting agreement or court order under Part VIIIB of the *Family Law Act 1975* (Cth) and complying with the Prescribed Law, then the Trustee may:

- (i) Adjust the Benefits and entitlements of the Member whose Superannuation Interest is the subject of the agreement or order to the extent permitted by the Prescribed Law, in such manner and at such times as the Trustee may determine; and
- (ii) Make a payment or transfer to the Non-Member Spouse.

(b) Imposition of Rules

Subject to the Prescribed Law, the Trustee may make rules from time to time dealing with the valuation and timing for calculation of Benefits and entitlements (including adjustments) of a Non-Member Spouse and any other matters relating to the Payment Split or the benefit and entitlement of a Non-Member Spouse.

(c) Deferred Payment Splits

If required by the Prescribed Law or otherwise considered appropriate, the Trustee may defer giving effect to a Payment Split. In such circumstances, the Trustee must:

- (i) Record that the agreement or court order exists; and
- (ii) Keep a record of the Benefit and entitlement of the Non-Member Spouse.

20.3. Flagging Agreements/Orders

If the Trustee receives a validly served flagging agreement or court order under Part VIIIB of the *Family Law Act 1975* (Cth) and complying with the Prescribed Law, then the Trustee must:

- (a) Record that the agreement or court order exists; and
- (b) Postpone making payment of the Benefit to or in respect of the Member whose Superannuation Interest is the subject of the agreement or order until the agreement or court order is lifted.

20.4. Membership of Non-Member Spouse

Where Family Law proceedings render a Member's Superannuation Interest the subject of a splitting order, the Trustee must treat the Non-Member Spouse as a Member for the purposes of clause 3 and the Restricted Investments Rules.

However, the Trustee may refuse to admit a Non-Member Spouse as a Member of the Fund provided the Trustee acts in accordance with the Prescribed Law.

21. Administration of the Fund

21.1. Payment of Supervisory Levy

The Trustee must pay to the Australian Taxation Office (or to such other entity as otherwise required by the Prescribed Law) the supervisory levy each year when due.

21.2. Debt Collection

The Trustee must ensure that any money owing to the Fund is promptly collected or recovered.

21.3. Keep Books and Accounts

The Trustee shall keep complete current and accurate books of account for the Fund describing:

- (a) The assets comprising the Fund from time to time;
- (b) The income derived by the Fund;
- (c) All receipts and expenditures on account of the Fund;
- (d) All classes of income;
- (e) A statement of the Fund's financial position;
- (f) The operating statement of the Fund;
- (g) All benefits and entitlements of individual Members in the Fund separated into categories of Minimum Benefits, Preserved Benefits, Restricted Non-Preserved Benefits and Unrestricted Non-Preserved Benefits;
- (h) The benefits and entitlements to which a Beneficiary or Member is entitled but has not yet been paid;

- (i) Any transaction that a Trustee has entered into; and
- (j) Any other information that is required by the Prescribed Law or the Trustee considers necessary or desirable.

21.4. Life Assurance

If the Fund is a fund from which the Benefits to be paid to each individual Member are wholly determined by reference to policies of life assurance at the end of a Year of Income, then the Trustee must prepare:

- (a) A statement of the policies of life assurance that are in place at the end of the year of income; and
- (b) A statement as to whether those policies have been fully maintained as directed by the relevant insurers; and
- (c) A statement of which identifies the insurers; and
- (d) The amounts contributed by Employers and Members; and
- (e) A statement detailing the sum of premiums paid on the policies; and
- (f) The expenses incurred by the Fund, other than sums covered as premiums.

21.5. Keep Records

The Trustee must keep records for the period and in the manner prescribed by the Prescribed Law.

21.6. Annual Reporting

Promptly after the close of each Financial Year (and before the due date for lodgement) the Trustee shall prepare and lodge with the Regulator anything required by the Prescribed Law, including:

- (a) An annual return in the Approved Form containing such information as is required by the Regulator;
- (b) If necessary, a Member Contributions Statement in the Approved Form containing such information as is required by the Regulator;
- (c) A copy of the Auditor's Certificate;
- (d) A brief explanation of any audit qualification and/or other contravention of the Prescribed Law that occurred during the Year of Income which is detailed in or otherwise evident from the report prepared by an independent Approved Auditor; and
- (e) An income tax return for the Year of Income with the Australian Taxation Office in the Approved Form containing any information required.

21.7. Audits

The Trustee must appoint an Auditor for the Fund and ensure that the Fund's books, accounts and records are audited annually as required by the Prescribed Law.

21.8. Limited Liability of Trustee

No Person acting as Trustee or as a Director of a Corporate Trustee shall be responsible for:

- (a) Any loss or damage occasioned to the Fund or any part thereof or to any person by the exercise of any discretion or power hereby or by law conferred on the Trustee or by any alleged failure to exercise any such discretion or power; or
- (b) Any breach of duty or trust whatsoever;

unless the same shall be proved to have been:

- (c) Committed unlawfully; or
- (d) Made or omitted in conscious and fraudulent bad faith by that Trustee; or
- (e) Caused through the Trustee acting recklessly (whether intentionally or negligently) and failing to exercise a reasonable standard of care required.

21.9. Breach by One Trustee

Where there is more than one Trustee or Director, no Trustee or Director shall be bound to take proceedings against the other Trustee/s or Director/s for any alleged breach of Trust.

21.10. Trustee's Right of Indemnity

To the extent permitted by the Prescribed Law, the Trustee, the Director/s (in the case of a Corporate Trustee), Investment Manager and Custodian ("Indemnified Persons") shall be entitled to be indemnified out of the assets for the time being comprising the Fund against liabilities incurred in the execution or attempted execution or as a consequence of the failure to exercise any of the authorities, powers and discretions hereof or by virtue of being involved in the activities of the Fund. In this regard, the Trustee holds a lien over the assets of the Fund.

However, the right of indemnity shall be lost where:

- (a) The Trustee commits a breach of trust by:
 - (i) Acting dishonestly or fraudulently in any matter concerning the fund;
 - (ii) Intentionally or recklessly failing to exercise the required degree of care and diligence; or
- (b) A monetary penalty is incurred by any of the Indemnified Persons under a criminal or civil penalty provision.

21.11. Trustee to be Reimbursed for Expenses

If the Trustee necessarily or reasonably incurs any expenses through the exercise of the Trustee's role as Trustee, then the Trustee shall be entitled to be reimbursed for such expenses on presentation of proof of the expense (ie receipt). By way of clarification, this clause does not allow a Trustee to charge any fee or receive any remuneration for performance of its services as Trustee.

21.12. Confidential Information

(a) Member/Beneficiary Privacy

The Trustee is not permitted to provide any Member with any information concerning the personal details of another Member or Beneficiary or details of another Member's Superannuation Interest in the Fund unless such Member or Beneficiary has given written consent to the Trustee to release such information.

(b) Fund Privacy

The Trustee must keep all matters relating to the accounts, dealings and activities of the Fund confidential except:

- (i) Where the Trustee is required to report to the Regulator or otherwise under the Prescribed Law regarding the accounts and activities of the Fund; or
- (ii) Where the Trustee is require or deems it necessary or desirable to provide information to all Beneficiaries of the Fund; or
- (iii) Where information is reasonably required by a third party (e.g. Regulator, Employer-Sponsor, bank or insurer) for the purposes of administering the Fund or engaging in the Fund's activities.

22. Winding Up

22.1. Trustee's Election to Wind Up

The Trustee may elect to wind up the Fund if:

- (a) The Trustee resolves to wind up the Fund - on the date of the resolution;
- (b) There are no Members or Beneficiaries remaining of the Fund and the Trustee considers that it is unlikely that any new Members will join the Fund - on the date elected by the Trustee.

22.2. Other Terminating Circumstances

The trusts created by this Deed will end if:

- (a) The Trustee has knowledge that the Fund is insolvent - on the day the Regulator gives permission to the Trustee to wind-up the Fund;
- (b) The Members unanimously resolve to wind-up the Fund - on the day when all the Benefits and entitlements are paid, rolled-over or transferred from the Fund so that the Fund is void of assets and all memberships have been terminated;
- (c) The Prescribed Law does not exclude the operation of the Rule Against Perpetuities - the last day of the seventy-ninth (79th) year after the execution of the Deed.

22.3. Process for Winding-Up

Once the Trustee has an intention to wind-up the Fund or becomes aware that the Fund is to be wound up pursuant to the above sub-clauses then the Trustee must:

- (a) Ensure that the Regulator together with each Member, Beneficiary, Employer-Sponsor, Standard Employer-Sponsor and other Interested Party of the Fund are given reasonable notice of the Trustee's intention to wind-up the Fund;
- (b) Lodge a final taxation return and regulatory return;
- (c) Ensure that all taxation and reporting obligations have been satisfied;
- (d) Pay out any outstanding liabilities owing by the Fund including any taxation or supervisory levies outstanding;
- (e) Deduct from the assets of the Fund the costs (whether known or anticipated) of winding up the Fund;
- (f) Distribute the balance assets of the Fund to the Members and Beneficiaries; and
- (g) Attend to any other matters that the Trustee considers reasonable and necessary in winding up the Fund.

At all times during the process of winding up the Fund, the Trustee must comply with the Prescribed Law.

23. General Matters

23.1. Variation

The Trustee may:

- 23.1. At any time and from time to time by supplementary Deed or by resolution revoke, add to or vary all or any of the provisions hereof or trusts hereinbefore limited or the trusts limited by any variation or alteration or addition made thereto from time to time; and
- 23.2. May by the same or any other Deed or Deeds, or by resolution declare any new or other trusts or powers concerning the Trust Fund or any part or parts thereof the trusts whereof shall have been so revoked added to or varied;

provided that the revocation, addition or variation of the provisions must not:

- (a) Be inconsistent with the Act, Regulations or Prescribed Law generally;
- (b) Alter the purpose or objects of the Fund;
- (c) Render the Fund to be a non-complying SMSF;
- (d) Result in a reduction to any of the Members' rights, Benefits or entitlements unless the Members have given informed, written consent to the reduction or unless the variation is necessary to comply with the Prescribed Law;
- (e) Result in a Binding Death Benefit Nomination or Non-Lapsing Binding Death Benefit Nomination being invalid unless the change is required by the Prescribed Law.

23.2. Access to the Deed

All Members to the Fund must be provided with access to and/or a copy of this Deed if requested to the Trustee in writing.

23.3. Effect of Changes in Prescribed Law

Notwithstanding the provisions in this Deed, the Trustee is permitted and authorized to act only in accordance with the Prescribed Law as amended or varied from time to time (or any other law, rule, direction or requirement to enable the Fund to become or remain a complying SMSF). If there are any changes to the Prescribed Law that results in the Trustee doing anything that is permitted by this Deed rendering the Fund a non-complying SMSF then the Trustee is prohibited from doing that thing. If there are any changes to the Prescribed Law that permit a Trustee from doing anything that is not permitted by this Deed then the Trustee has the power to do that thing provided it does not render the Fund a non-complying SMSF.

23.4. Jurisdiction

This Deed is made under the laws of the State of Queensland and the rights of all parties and the construction and effect of each and every provision hereof shall be subject to such laws and the situs of this trust and of all the beneficial interests therein shall be deemed to be that State.

23.5. Notices

(a) How a Notice May be Given

A notice may be given by the Trustee to any Member, Beneficiary or other Trustee either personally or by sending it by post to him at his registered address or (if he has no registered address within the Commonwealth of Australia) to the address (if any) within the Commonwealth of Australia supplied by him to the Trustee for the giving of notice to him.

(b) By Post

Where a notice is sent by post service of the notice shall be deemed to be effected by properly addressing, prepaying and posting an envelope containing the notice and to have been effected at the time at which the letter would be delivered in the ordinary course of post.

(c) By Facsimile and Email

If the Trustee shall so determine a notice may be given by means of a facsimile and/or email and service of such notice shall be deemed to be effected if the facsimile or email is properly transmitted and to have been effected at the time at which in the ordinary course the facsimile or email would be received.

(d) Form of Signature

The signature to any notice to be given by the Trustee may be written or printed or stamped and the signature may be that of one or more of the Trustee or of any Director or secretary of a Corporate Trustee.

23.6. Summaries

Any summaries or commentary included throughout this Deed is for the ease of the reader only and are designed to reflect certain provisions (or parts of provisions) of the Prescribed Law (particularly the Act

and the Regulations). If any of the summaries or commentary in this Deed are or become inconsistent with the Prescribed Law as amended or varied from time to time, then the Prescribed Law shall prevail.

Schedule 1 - Definitions

In this Deed the following expressions shall have the meanings set out below unless the meanings are repugnant to or inconsistent with the subject matter in which the expressions are used:

Account-Based Pension	a Pension that satisfies the requirements in Regulation 1.06(9A)(a);
Act	the <i>Superannuation Industry (Supervision) Act 1993</i> (Cth) as amended from time to time;
Actuary	a person who is a Fellow or an Accredited Member of the Institute of Actuaries of Australia;
ADI or Authorised Deposit-taking Institution	a body corporate that is an ADI for the purposes of the Banking Act 1959 (Cth) or a State bank;
Agreement	includes any arrangement, understanding, promise or undertaking, whether express or implied, and whether or not enforceable, or intended to be enforceable, by legal proceedings;
Allocated Pension Applicant	a Pension that satisfies the requirements in Regulation 1.06(4); means a prospective Member of the fund who has completed and submitted to the Trustee a Membership Application or intends to submit to the Trustee a Membership Application;
Approved Arrangement	means an arrangement into which or from which assets of the Fund can be rolled-over or transferred without breaching Prescribed Law;
Approved Body	means a body mentioned in Schedule 4 of the Regulations;
Approved Deposit Fund	means a fund that: (a) Is an indefinitely continuing fund; (b) Is maintained by an RSE licensee that is a constitutional corporation; (c) Is maintained solely for an approved purpose.
Approved Form	means a reference to a form approved by the Regulator in writing for the provision in which the expression appears;
ASIC	means the Australian Securities and Investment Commission;
Associate	means an associate under s 12 of the Act;
Auditor	means an approved auditor under the Prescribed Law;
Auditor's Certificate	is a certificate issued by an appointed Auditor of the Fund for a Year of Income stating that the Fund has been audited;
Benefits	means an amount payable from the Fund in respect of or to a Member or Beneficiary;

Beneficiary	a person who has a beneficial interest in the Fund and includes a Member (despite the express reference in this Deed to Member);
Business	includes any profession, trade, employment, vocation or calling carried on for the purposes of profit, including (but not limited to): <ul style="list-style-type: none"> (a) The carrying on of primary production (as defined in the Tax Legislation); and (b) The provision of professional services; but does not include occupation as an employee;
Business Hours	means 9:00am - 5:00pm, Monday to Friday excluding public holidays;
Cashing Restriction	any restrictions placed on the payment of benefits on satisfaction of a Condition of Release under Column 2 of Schedule 1 of the Regulations;
Child	in relation to a person includes: <ul style="list-style-type: none"> (a) An adopted child, a stepchild or an ex-nuptial child of the person; and (b) A child of the person's Spouse; and (c) Someone who is a child of a person within the meaning of the <i>Family Law Act 1975</i> (Cth);
Child Contributions	means Contributions that are made to the Fund in respect of a Child, other than: <ul style="list-style-type: none"> (a) Contributions made in respect of the Child by, or on behalf of, an Employer of the Child; and (b) Contributions made by a Child in respect of himself/herself;
Co-contribution Act	<i>Superannuation (Government Co-Contribution for Low Income Earners) Act 2003</i> (Cth) as amended from time to time;
Company	means a registered company, corporation or body corporate including a constitutional corporation;
Condition of Release	means those conditions of release under Schedule 1 of the Regulations;
Contributions	means a contribution or contributions in accordance with the Prescribed Law; <p>A contribution may include (without limitation):</p> <ul style="list-style-type: none"> (a) Employer Contributions for Employees; (b) Personal contributions by Members;

	(c) Spousal contributions;
	(d) Contributions made by another person for a Member;
	(e) Payments of shortfall components;
	(f) Payments to the Fund from the Superannuation Holding Accounts Special Account; and
	(g) A transfer of an asset – in specie contribution;
Corporate Trustee	a Company which is acting as Trustee of the Fund from the time;
Corporations Act	the <i>Corporations Act 2001</i> (Cth) as amended from time to time;
Custodian	means a person (other than the Trustee), who, under contract with the Trustee or an Investment Manager of the Fund, performs custodial functions in relation to any of the assets of the Fund;
Deed	means this Deed, as amended from time to time;
Dependant	in relation to a person, includes the Spouse of the person, any Child of the person and any person with whom the person has an Interdependency Relationship;
Derivative	a financial asset or liability the value of which depends on, or is derived from, other assets, liabilities or indices;
Derivatives Contract	means an options contract or futures contract relating to any right, liability or thing;
Director	In relation to the Fund – a director of a Corporate Trustee of the Fund; In relation to another entity – a director of the other entity;
Disqualified Person	has the same meaning as in section 120 of the Act;
Eligible Rollover-Fund	same meaning as in the Act;
Eligible Spouse Contribution	same meaning as in the Regulations;
Employee	has its natural and ordinary except where that meaning is expanded by s 15A of the Act;
Employer	has its natural and ordinary meaning except where that meaning is expanded by s 15A of the Act;
Employer Contributions	a Contribution by, or on behalf of, an Employer-Sponsor of the Fund;
Employer Sponsor	an Employer who: <ul style="list-style-type: none"> (a) Contributes to the Fund; or

- (b) Would, apart from a temporary cessation of Contributions, contribute to the Fund;

for the benefit of:

- (c) A Member of the Fund who is an Employee of the Employer or an Associate of the Employer; or
- (d) The Dependants of such a Member in the event of Death;

Fulltime

In relation to being Gainfully Employed, means gainfully employed for at least thirty (30) hour each week;

Fund

means the Self-Managed Superannuation Fund established by this Deed and any subsequent amendments under the name in the Reference Schedule;

Gainful Employment or Gainfully Employed

same meaning as in the Regulations;

Governing Rules

In relation to this Fund - this Deed; and

Any rules contained in a trust instrument, other document or legislation, or combination of them or any unwritten rules establishing the Fund;

In-House Asset

same meaning as in the Act;

Insolvency Event

means official management, appointment of an administrator and/or receiver, compromise, arrangement, merger, amalgamation, reconstruction, winding up, dissolution, assignment for the benefit of creditors, scheme of composition or arrangement of creditors, fixing by creditors of any floating security over the assets of the person or body, any act of insolvency or bankruptcy or any similar procedure or event;

Interdependency Relationship

same meaning as in the Act;

Interested Parties

means the Applicants, Members, former Members, Legal Personal Representatives, Beneficiaries, Employers, the Federal Commissioner for Taxation, Australian Taxation Office, APRA, ASIC, Centrelink, any other person or body that may be responsible for regulation of the Fund under the Prescribed Law or such other person as the Trustee may in the Trustee's sole discretion determine to have a direct or indirect interest in the operation and activities of the Fund;

Invest

means to apply assets in any way, or make a contract, for the purpose of gaining interest, income, profit or gain;

Investment Manager

a person appointed by the Trustee to invest on behalf of the Trustee;

Legal Personal Representative

same meaning as in s 10 of the Act, including the executor of the will or administrator of the estate of a deceased person; the trustee of the estate of a person under a legal disability; or a person who holds an enduring power of attorney granted by a person;

Listed Security	same meaning as in the s 66(5) of Act;
Loan	same meaning as in the Act;
LPR	Legal Personal Representative;
Mandated Employer Contributions	same meaning as in the Regulation 6.40;
Maximum Splittable Amount	same meaning as in the Regulation 6.40;
Member	means those persons listed in the Reference Schedule (initial Members) or such additional Members as the Trustee may admit to the Fund from time to time pursuant to clause 3.2;
Membership Application	the form set out in Attachment 2 to this Deed or such other form as may be approved by the Trustee;
Member Contributions	Contributions by, or on behalf of, the Member to the Fund, but does not include Employer Contributions made in respect of the Member;
Minor	a person under the age of eighteen (18) years;
Non-Concessional Contributions Cap	means the amount mentioned in subsection 292-85 of the <i>Income Tax Assessment Act 1997</i> (Cth);
Non-Member Spouse	in relation to a Superannuation Interest that is subject to a Payment Split means the person who is the Non-Member Spouse in relation to the interest under Part VIIIB of the <i>Family Law Act 1975</i> (Cth);
Old Age Pensions	has the same meaning as in section 51 (xxiii) of the Constitution;
Part Time	in relation to being Gainfully Employed, has the same meaning as in Regulation 1.03;
Pension Account	a pension account established pursuant to clause 4.3;
Payment Split	a payment split under Part VIIIB of the <i>Family Law Act 1975</i> (Cth);
Prescribed Law	<p>the Act; the Regulations; the <i>Corporations Act</i>; the <i>Social Security Act 1991</i> (Cth); the <i>Trusts Act 1975</i> (Qld); the Tax Legislation; any regulations made under any of the above statutes; any common law decisions relating to superannuation practice or policy, and any other lawful requirements, policies, rulings or practices of the Federal Commissioner for Taxation, the Australian Taxation Office, APRA, ASIC or any other body that regulates superannuation law or retirement benefits in Australia.</p> <p>If there is an inconsistency arising between the various sources comprising the Prescribed Law, then the Act and Regulations shall prevail over all other sources;</p>


Preservation Age	same meaning as in Regulation 6.01;
Product Disclosure Statement	means a product disclosure statement under section 761A of the Corporations Act;
Public Sector Superannuation Scheme	same meaning as in the Act;
Receiving Spouse	a receiving spouse as defined by Regulation 6.46;
Regulator	the person or body who is administering the Act and monitoring the activities of the Fund including the Australian Prudential Regulation Authority (APRA), the Australian Securities and Investments Commission (ASIC) or the Federal Commissioner of Taxation;
Regulations	means the Superannuation Industry (Supervision) Regulations 1994 (Cth) as amended from time to time. A reference to a 'regulation' is a reference to a specific clause under the Regulations;
Regulated Superannuation Fund	same meaning as in s 19 of the Act;
Relatives	those set out in s 10 of the Act;
Related Party	same meaning as in the Act;
Restricted Investments	those as listed in clause 16 to this Deed and any other restricted investments under the Prescribed Law;
Reversionary Pension Nomination	means a nomination made by a Member when commencing a Pension in accordance with clause 7.2 providing for the Pension to continue to be paid after the Member's death to an eligible reversionary Beneficiary under the Prescribed Law;
Scheme	Any agreement, arrangement, understanding, promise or undertaking: (a) Whether express or implied; or (b) Whether or not enforceable, or intended to be enforceable, by legal proceedings; and any scheme, plan, proposal, action, course of action or course of conduct, whether unilateral or otherwise;
SMSF or Self Managed Superannuation Fund	a complying Self Managed Superannuation Fund under the Prescribed Law;
Sole Purpose Rule	means the requirements for a complying SMSF as set out under s 62 of the Act;

Splittable Contributions	are defined under Regulation 6.42;
Spouse	same meaning as in the Act;
Standard Employer-Sponsor	same meaning as in the Act;
Superannuation Holding Accounts Special Account	the Special Account established by s 8 of the <i>Small Superannuation Accounts Act 1995</i> (Cth);
Superannuation Interest	a beneficial interest in a superannuation entity;
Tax File Number	has the meaning given by s 202A of the <i>Income Tax Assessment Act 1936</i> (Cth);
Tax Legislation	the <i>Income Tax Assessment Act 1936</i> (Cth) and the <i>Income Tax Assessment Act 1997</i> (Cth) as amended from time to time;
Transfer Balance Cap	means the amount described in clause 294-35 subject to section 294-185 of the <i>Income Tax Assessment Act 1997</i> (Cth) as amended from time to time;
Transition to Retirement Pension	a 'Transition to Retirement Income Stream' under Regulation 6.01;
Trustee	the person, persons or the Corporate Trustee named in the Reference Schedule;
Year of Income	a period that is, for the purposes of the Tax Legislation, a year of income of the Fund;

Executed as a Deed

Executed by Stuart Grant Super Pty Ltd (ACN 627 385 979) as Trustee in accordance with Section 127 of the Corporations Act 2001 (Cth)

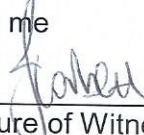
this 9th day of July, 2018


Sole Director/Secretary

Signed sealed and delivered by Stuart Alan Grant as Member this 9th day

of July, 2018

Before me


Signature of Witness

JONIE CORBETT
Name of Witness