

PERPETUAL SELF MANAGED SUPER FUND SERVICE

Administration Service Guide and
Financial Services Guide

**ADMINISTRATION SERVICE GUIDE AND
FINANCIAL SERVICES GUIDE**

Issue number 10 dated 4 April 2016

Issued by Perpetual Trustee Company Limited

ABN 42 000 001 007 AFSL 236643

Perpetual 

IMPORTANT NOTES

A Self Managed Super Fund (SMSF) is a 'do-it-yourself' superannuation fund (DIY fund) with less than five members, all of whom are generally also the trustees. SMSFs are regulated by the Australian Taxation Office (ATO).

A trustee of an SMSF is responsible for ensuring that it satisfies all of its obligations, including any disclosure obligations to members in relation to the SMSF. This document will assist trustees using the Service in satisfying their disclosure obligations. However, there may be additional information that a trustee needs to disclose to each new member about how their SMSF operates.

This Administration Service Guide and Financial Services Guide (Guide) incorporates a Financial Services Guide for the underlying custody service.

You should read this document carefully before making a decision to use the Service.

References in this Guide to 'we', 'us', 'our' and 'Perpetual' are to Perpetual Trustee Company Limited, the provider of the SMSF administration services and custody services described in this Guide.

Perpetual Trustee Company Limited is a wholly owned subsidiary of Perpetual Limited (ABN 86 000 431 827) and a member of the Perpetual Group.

'Perpetual Group' means Perpetual Limited and its subsidiaries.

'Fund' means your SMSF to be specified in the application forms included with this Guide, which are to be completed by the trustees.

References to 'you' or 'your' and 'trustees' or 'members' are to trustees/members and prospective trustees/members of a Fund using the Service.

The Service includes the establishment of your Fund (if required), fund and investment administration and asset custody services for your Fund.

References to 'the law' are to the Superannuation Industry (Supervision) Act 1993 (SIS), the Corporations Act 2001, Regulations made under these Acts, general trust law and any other applicable laws.

This Guide is only available to persons receiving it (electronically or otherwise) within Australia.

You may request further information which has previously been made generally available to the public and might reasonably influence your decision whether to use the Service. Such information is accessible by contacting us (see inside back cover of this Guide for details). We'll tell you if there is a charge to provide you with this further information.

Members' interests in their Fund are subject to investment risk. These risks may include the loss of income and capital invested. Members bear all investment risks.

Neither we nor any company in the Perpetual Group, nor any other party referred to in this Guide, guarantee that you'll earn any return on your Fund's investments or that your investment will gain in value or retain its value.

The information contained in this Guide is of a general nature only. It is factual information only, based on legislation current as at the issue date of this Guide. No responsibility is accepted for any loss created as a result of subsequent legislative changes.

We may update this Guide (including terms and features of the Service) for changes that are not materially adverse without issuing a supplementary Guide. The Guide and updated information will be available at our website and you can also obtain a paper copy free of charge, on request. If we make or become aware of any change that is materially adverse, we'll replace this Guide or issue a supplementary Guide. Any replacement and/or supplementary Guide will be available at our website and you can also obtain a paper copy free of charge, on request. If there is an increase in fees and costs (other than Government fees and charges), 30 days' prior written notice will be given to you.

You should keep a copy of the current Guide and any other material updating the Guide for future reference.

This Guide does not take into account any member's particular investment objectives, financial situation or needs. We recommend that you obtain professional advice from a financial and/or tax adviser, taking into account your own objectives, financial situation and needs, before deciding to use the Service. You should also assess and consider the tax implications of having an SMSF.

Applications to use the Service may only be made on the relevant application form provided in the current Guide.

All amounts in this Guide are in Australian dollars (unless otherwise specified). A business day is a working day for Perpetual in Sydney.

MORE ABOUT THIS DOCUMENT

This document includes a Financial Services Guide for the underlying custody service provided by Perpetual Trustee Company Limited (ABN 42 000 001 007) (AFSL 236643) (PTCo) to your Fund.

The Guide provides you with important information to help you understand the Service and to determine whether you should use it. The Guide also includes details about:

- how we can be contacted
- how we (and our associates) are remunerated
- fees and costs
- our internal and external dispute resolution procedures and how you can access them.

PTCo is licensed to:

- provide advice on financial products
- provide a custodial or depository service, including operating investor directed portfolio services and
- deal in financial products.

Perpetual acts for itself when providing the custody service.



CONTENTS

IMPORTANT NOTES	INSIDE FRONT COVER	ESTATE PLANNING	36
GENERAL INFORMATION	2	Death benefits	36
Introduction	2	Superannuation and family law	37
Perpetual Self Managed Super Fund Service at a glance	3	FURTHER INFORMATION	38
The main participants	4	Terms and conditions for administration and custody services	38
Getting started	5	Communications	41
UNDERSTANDING RISK	8	Winding up your Fund	41
Investment risks	8	Interest earned on bank accounts	42
Other risks	10	Complaint procedures	42
INVESTMENTS	11	Your privacy	42
Your Fund's investments	11	Bankruptcy	42
Establishing your Fund	15	Investments and social security	42
TRANSACTING	16	Professional indemnity insurance	42
Contributions	16	GENERAL TERMS AND CONDITIONS	43
Your investment instructions	16	FORMS	45
Your Fund's Perpetual Cash Account	16	Application form	45
Disclosure for your Fund's investments	17	Nomination of beneficiary	55
Transferring existing assets	17	Benefit transfer request	59
Reinvestment programs	17	Certificate of compliance	61
Investment income	17	Contribution details – employers	63
ACCUMULATION ACCOUNTS	18	Contribution details – individuals	65
Overview	18	Trustee declaration	67
Operating your Fund	18	Tax file number declaration	71
Benefits and preservation	20	CONTACT DETAILS	INSIDE BACK COVER
Insurance	21		
PENSION ACCOUNTS	23		
Overview	23		
Eligibility	23		
Account based pensions	23		
FEES AND OTHER COSTS	25		
Fees and other costs	25		
Additional explanation of fees and costs	28		
Examples of annual fees and costs	31		
TAX	32		
Accumulation accounts	32		
Pension accounts	33		
General	34		

GENERAL INFORMATION

INTRODUCTION

ABOUT DO-IT-YOURSELF SUPERANNUATION

Superannuation funds are long-term savings vehicles designed to help provide an income to you in retirement. They offer a number of tax concessions, for example:

- when you contribute, you can invest 'before tax dollars' through salary sacrifice or claim a tax deduction in some circumstances for personal contributions
- while your money is invested, you benefit because complying superannuation funds are concessional taxed, with a maximum tax rate of 15% and
- when you receive the benefits, you generally won't pay any tax on them if you are aged 60 and over.

DIY funds are very flexible vehicles that enable you to effectively accumulate and manage your retirement assets. SMSFs can have up to four members, and give the members the ability to invest their super directly into a wide variety of assets, including shares and real estate. They also allow members to have more influence and flexibility over the way their superannuation is managed, and the benefits it provides.

ABOUT PERPETUAL SELF MANAGED SUPER FUND SERVICE

As the trustee of your Fund, you are responsible for its administration, management and compliance.

The Service is designed to assist trustees of SMSFs to effectively manage the operations and compliance of their Fund. It operates on the basis that we act as your administrator and custodian for your new Fund that we assist you to establish, or we become the administrator and custodian of your existing Fund.

The Service uses Perpetual Private Investment Wrap, an investor directed portfolio service (IDPS) operated by PTCO, in providing custody and investment administration services to your Fund.

Each member may have a range of different accounts within the Fund providing for a range of superannuation and pension benefits.

We suggest a minimum initial balance of at least \$400,000. We may establish your Fund or accept a transfer of your existing DIY fund with lesser amounts, however our minimum administration fees (refer to the 'Fees and other costs' section for details) are based on this amount.

THE SERVICE ALLOWS YOU TO:

- take advantage of more sophisticated wealth management and accumulation strategies
- be relieved of the burden of the day-to-day fund administration
- be in control of your superannuation investment portfolio
- make superannuation contributions
- roll over superannuation benefit payments
- receive superannuation benefit payments and/or
- receive a retirement income.

Your financial and/or tax adviser can assist you in this regard.

ADVANTAGES OF AN SMSF WITH THE SERVICE CONTROL

The investment strategies available with an SMSF give you more investment control, allowing you to tailor investments to better meet your needs and expectations.

TAX MANAGEMENT

An SMSF provides you with a vehicle that can accommodate sophisticated retirement and financial planning strategies, including capital gains tax (CGT) management.

Accumulating wealth using an SMSF generally gives you control over the timing of asset sales and purchases, which plays a major role in managing your Fund's tax position.

When you retire after age 60 your Fund can pay you a lump sum and/or pension which is generally tax-free.

ESTATE PLANNING

For most Australians, superannuation forms a significant part of their accumulated wealth. The Service allows you to retain control over your retirement capital and can play a key role in your estate planning arrangements.

COST EFFECTIVE

A competitive fee for the Service provides you with a cost effective solution for your retirement needs.

PEACE OF MIND

The Service will remove the administrative burden associated with running your Fund and its pensions. We handle the day-to-day safekeeping of assets and administration matters, leaving you free to focus on investment and financial planning decisions.

AN ORGANISATION YOU CAN TRUST

Perpetual Trustee Company Limited is part of the Perpetual Group, which is one of Australia's most trusted financial services institutions and has been in operation for over 125 years.

PERPETUAL SELF MANAGED SUPER FUND SERVICE AT A GLANCE

FEATURES	SERVICE	WHO	
		PERPETUAL	YOU
Fund establishment	Prepares trust deed	●	
	Lodges election to become a regulated fund		●
	Helps prepare trustee minutes, resolutions and declarations	●	
	Lodges GST registration application for the Fund, if required by the trustees	●	●
Transfer of an existing DIY fund	Prepares trust deed amendments to align to Perpetual's standard rules	●	
	Assesses completeness of Fund records and administration	●	
	Collates information to enable transfer		●
	Transfers assets and enters Fund records onto our systems	●	
Investments	Provides a range of sample investment strategies to consider	●	
	Allows investment in a wide range of investment types	●	
	Selects and manages investments		●
	Online share trading is available ¹		●
	Compliance with the law		●
	Monitors investments for compliance with selected investment strategy		●
Asset custody	Holds all assets in safekeeping	●	
	Arranges asset purchases and sales	●	
	Collects and reconciles income received	●	
	Pays Fund expenses	●	
	Manages real property ²	●	
Benefit payments	Makes superannuation benefit payments	●	
	Produces superannuation benefit payments documentation	●	
	Authorises pension and payment decisions	●	●
	Establishes pensions	●	
	Makes pension payments	●	
Compliance and administration	Prepares annual accounts ³	●	
	Prepares regulatory returns	●	
	Lodges regulatory returns ³	●	
	Maintains the trust deed	●	
	Completes Fund accounting	●	
	Completes Fund and member record keeping	●	
	Prepares and lodges business activity statements and instalment activity statements where required	●	
	Completes annual PAYG withholding tax reporting	●	
	Fund audit ⁴	●	
	Actuarial certificate (pensions only) ⁴	●	
	Liaises with regulatory authorities	●	●
	Assists with compliance with the law	●	●
Fund and member reporting	Confirms all transactions with quarterly periodic account statements	●	
	Provides website access to up-to-date asset and transactional information	●	
	Prepares annual member reports	●	

1 You can use a simple, convenient online trade placement and execution facility. If you would like to use the 'Online share transaction facility', contact us for further information. Once you accept its terms and conditions, we'll then establish your transaction facility and send you your account details and password.

2 Perpetual generally outsources this service on behalf of the Fund.

3 You'll be required to sign these in your capacity as trustee.

4 We can arrange for our preferred service providers to assist. Alternatively, you can make your own arrangements. There may be documents that you'll be required to sign in your capacity as trustee as part of the audit process. These include audit engagement letters and representation letters.

THE MAIN PARTICIPANTS

THE FUND

The Service is only available for SMSFs, which must have all the following characteristics:

- up to four members
- all members are also trustees of the SMSF or directors of the corporate trustee and there are no other trustees or directors (certain exemptions are available for single member funds)
- no member is an employee of another member unless they are related and
- the trustees are not paid for performing their duties as trustees.

You'll need to establish a trust for your Fund that meets the SMSF rules under the law. This is more complex in the case of single member funds (see 'Members' section).

We recommend that you speak to a financial adviser or superannuation specialist to help ensure that your Fund meets the SMSF definition.

TRUSTEE

We'll assist you in the following key areas to make your role as trustee much easier:

- establishment of the Fund or transfer of an existing DIY fund
- custody and administration of the Fund
- compliance
- reporting.

As trustee, you have sole responsibility for the operation, management and compliance of your Fund, including the lodgement of tax and other regulatory returns and the preservation and payment of benefits. This is a complicated task, with serious implications if you get it wrong. As trustee of your Fund you are required to understand your responsibilities and ensure that they are properly discharged.

There are a number of covenants contained in superannuation law that impose minimum requirements on trustees and are deemed to be included in the trust deed of every regulated fund. These covenants reflect the duties imposed on a trustee under trust law in general. The covenants bind trustees to:

- act honestly in all matters
- exercise the same degree of care, skill and diligence as an ordinary prudent person would exercise when acting on behalf of others
- act in the best interest of members
- keep the assets of the Fund separate from other assets (eg a trustee's personal assets)

- retain control over the Fund so that the trustee's powers and functions are not hindered
- develop and implement an investment strategy that meets certain standards
- allow members access to certain information.

Each trustee of the Fund is also required to complete a 'Trustee declaration' form issued by the ATO. The declaration aims to ensure that new trustees (or directors of corporate trustees) are aware of their duties and responsibilities under superannuation law. The form is included on page 67.

The Service is designed to make your role easier, but it cannot replace certain aspects of your duties as a trustee.

Certain people may be disqualified from acting as a trustee under the law. You should seek professional advice in this regard.

MEMBERS

SMSFs are not for everyone, however our experience suggests that they can be suitable for people:

- with at least \$400,000 to invest in superannuation
- who want to have a significant role in determining their Fund's investments, either directly or through their adviser and/or
- wishing to take advantage of the more sophisticated wealth accumulation and management strategies afforded by an SMSF (your financial adviser may assist you).

You must operate in two capacities, one as trustee of your Fund and the other as a member. Our Service helps you perform the trustee role and comply with the law.

The key difference between SMSFs and other superannuation funds is that all of the members of SMSFs must also be the trustees, except in the case of single member funds.

Special rules apply to single member funds. If the single member SMSF has a corporate trustee, the member must:

- be the sole director of the trustee company or
- be related to the other director of the trustee company and the member is one of only two directors of that company or
- not be an employee of the other director of the trustee company and the member is one of only two directors of that company.

If the single member SMSF does not have a corporate trustee, the fund must have two individuals as trustees. The member must be the trustee with:

- another person who is a relative of the member or
- any other person provided the member is not an employee of that person.

CUSTODIAN

Custody refers to the safekeeping of assets on behalf of another. A custodian holds assets, collects and reconciles income, settles asset purchases and sales, re-values assets and facilitates any offshore investments.

A company in the Perpetual Group will hold custody of all of your Fund's assets. This may involve the appointment of sub-custodians. Any additional costs for a sub-custodian's service are detailed in the 'Fees and other costs' section.

ADMINISTRATOR

Perpetual has a dedicated team which specialises in DIY fund administration. The administration team is responsible for your Fund's establishment or transfer and administration.

This means we handle most of the paperwork associated with the administration of your Fund (although, as trustee, you are responsible for the content of the paperwork).

YOUR ADVISER

Your adviser is integral to the establishment (if required) and ongoing management of your Fund. As your main point of contact for Fund queries, your adviser can help you identify an appropriate investment strategy which best suits your risk profile and needs, and can provide you with information about the investment options available to implement the strategy.

Your adviser will be authorised to place your investment instructions for the Fund (including to buy and sell investments). We will act on the instructions received from your adviser as if they were from you.

Details of the services your adviser will provide will be outlined in the Financial Services Guide and Statement of Advice they are obliged to give you.

AUDITOR

All SMSFs are required to have the financial accounts and statements of the SMSF audited each year by an approved auditor. The approved auditor is also required to assess the SMSF's overall compliance with the law.

They must also notify the Fund trustee of any concerns they have about the Fund's financial position or compliance with the law. If they are not satisfied that the trustees have taken appropriate action to rectify any issues raised they must inform the ATO.

GETTING STARTED

To use the Service, you will need to either set up a new SMSF or transfer an existing DIY fund (SMSF or Small APRA Fund) into the Service.

SETTING UP A NEW SMSF

We provide the necessary documents required for the establishment of your Fund. The documentation includes:

- trust deed (original and copy)
- draft trustee minutes and resolutions
- member application forms
- declaration of capacity to be trustees/trustee directors
- sample investment strategies
- pro-forma 'Certificate of compliance' and
- instructions on the establishment and lodgement process.

The key steps in joining the Service are:

1. APPLYING

Setting up a new SMSF is easy and your financial adviser is well placed to help you. Simply fill in the relevant application forms attached to this Guide and send them to us at the address on the inside back cover. By doing this, you are applying to formally appoint Perpetual as custodian of the assets of your Fund and as administrator of your Fund in accordance with the terms and conditions contained in this Guide.

Perpetual reserves the right to accept your application in its absolute discretion.

2. DOCUMENTS

There are a number of documents that are required to ensure your Fund is appropriately established. We'll generally prepare these documents and forward them to you, as trustee, for your review and execution. Your adviser will be able to assist you with this process.

THE TRUST DEED

Your Fund is governed by a set of rules known as the trust deed. You must use the trust deed prepared by Perpetual for your Fund if it is to operate under this Service.

Once the trust deed is signed by the trustees and stamp duty (if applicable) has been paid, the governing rules of your Fund are in place.

PRODUCT DISCLOSURE STATEMENT (PDS) REQUIREMENTS

SMSF trustees are required to give new SMSF members (including themselves) a PDS unless they are satisfied that the member has received or has access to all of the information that would have been contained in the PDS.

This Guide has been designed to help you satisfy those PDS requirements, however you may need to provide new members with additional information.

As trustee of your Fund you should seek professional advice as to what PDS requirements may apply to your Fund, and the extent to which this Guide may satisfy them for you.

3. OTHER REQUIREMENTS

We'll assist you by preparing:

- and lodging an application to register with the ATO which includes:
 - a Fund tax file number (TFN) application
 - an Australian business number (ABN) application
 - an election to become a regulated fund
- draft trustee resolutions and minutes to meet establishment requirements
- membership application forms for all Fund members
- statutory declarations for eligible trustees as required under the law
- a pro-forma 'Certificate of compliance'
- an appointment of auditor form¹
- the appointment of a tax agent and
- a GST registration application for the Fund, if required by the trustees.

1 Please refer to the audit arrangements outlined in the 'Fees and other costs' section for further details regarding the audit of your Fund.

TRANSFERRING AN EXISTING DIY FUND

If you have an existing DIY fund, you may transfer this fund into the Service. This means that, depending on the nature of the fund and its investments, Perpetual may agree to become administrator and custodian. The process involved is outlined below:

1. ASSESSMENT

We must first determine whether your DIY fund is suitable for our Service. We'll send you a detailed checklist of the information that we need to make this assessment, including:

- completed application forms from all members
- a copy of the DIY fund's original trust deed and all amending deeds
- a current list of all assets held by the DIY fund
- a copy of the DIY fund's most recent set of audited financial statements
- a copy of the regulator's acknowledgment that the DIY fund is a regulated fund under the law
- details of the DIY fund's ABN and TFN and
- confirmation of whether the DIY fund is registered for GST.

Once we have reviewed the information provided, we'll advise you of any further requirements.

2. LEGAL DOCUMENTATION

We require your Fund to adopt our standard SMSF rules.

We prepare and send you a deed of amendment for the existing trustees to execute in order to amend the rules of your Fund so that our trust deed rules apply. You should speak to your financial and/or tax adviser before executing this deed of amendment as there may be tax and other consequences.

3. COLLATE AND RECONCILE FUND INFORMATION

We must establish and confirm the Fund's present financial position. This involves us processing in our administration system all of the Fund's transactions from the most recent audit up to the present date. At the same time we confirm the CGT history of the assets and the exact asset holdings.

The length of time that this will take to complete will depend for example on the types of assets held, the frequency of purchases and sales and dividend reinvestment and other relevant transactions, as well as the quality of the data received.

If we find that prior work is incomplete or requires rectification, we'll inform you and provide an estimate of the cost for us to complete that work.

During this stage it is important to make as few transactions as possible, as this adds to the complexity of the reconciliation we need to do and the time it will take to complete. As a result you may wish to consider making any investment changes in your DIY fund prior to commencement of the transfer.

4. TRANSFER OF ASSETS AND CASH

The Fund's assets are transferred into the name of our custodian. Generally an asset transfer document is required. This may result in stamp duty being incurred by the Fund. In some instances we may ask you to provide us with a limited power of attorney, to assist with the efficient transfer of assets. Further details are contained in 'Transferring existing assets' on page 17.

5. FUNDS PAYING PENSIONS

Where an existing DIY fund is paying a pension, we'll require full details about the pension, together with details of the current year pension calculations.

6. FUNDS WITH INSURANCE POLICIES

Where a DIY fund provides insured benefits for a member, we'll need to arrange for correspondence to be sent to us. Usually this requires a completed change of details document to be sent to the insurer for registration.

7. TAKEOVER COMPLETION

Once the assets have been transferred to us and the Fund established within our administration system, your Fund is fully operational.

PROOF OF IDENTITY REQUIREMENTS

All trustees/members of your Fund must complete the 'Customer identification form – Trusts and trustees' (which is provided with this Guide and is also publicly available at our website) so that we can satisfy our obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 to verify your identity. You must also provide certified copies of identification documents as outlined. Failure to provide completed 'Customer identification forms' by all trustees/members with your application may result in a delay in processing your application or paying you a benefit.

We may also require additional information from you to assess your application and after we have accepted your application to use the Service.

The section titled 'About AML/CTF legal requirements' in the 'Customer identification form' provides important information about our obligations under this legislation (including collecting and verifying personal information about you, monitoring your transactions and reporting certain information to the regulator), which you should read. We are not liable for any loss you may suffer as a result of our compliance with this legislation.

UNDERSTANDING RISK

INVESTMENT RISKS

As trustee of your Fund, you are required to provide all of the information that would be contained in a product disclosure statement to members of your Fund.

All investments carry risk. The value of your Fund's investments may fall for a number of reasons, which means that you may receive back less than your original investment when you withdraw or you may not receive income over a given timeframe. Before making an investment decision, it's important to understand the risks that can affect the value of your Fund's investments. While it's not possible to identify every risk relevant to investing, we have detailed in the following table significant risks that may affect your Fund's investments. Different strategies may carry different levels of risk, depending on the assets that make up the strategy, and assets with the highest long-term returns may also carry the highest level of short-term risk due to their generally larger fluctuations in returns.

Before making an investment decision, it is important to understand the risks that can affect the value of your Fund's investments. The level of risk for each person will vary depending on age, investment timeframes, other investments and risk tolerance.

The risk information contained in this Guide is of a general nature only. You should also obtain specific information about the risks associated with any particular investments that you may choose for your Fund.

Your financial adviser can assist you in determining appropriate investments for your Fund.

SIGNIFICANT RISKS

TYPE OF RISK	DESCRIPTION OF RISK
Investment risk	The value of the investments in your Fund may fall for a number of reasons, including the risks set out below.
Market and economic risk	Certain events may have a negative effect on the price of all types of investments within a particular market. These events may include changes in economic, social, technological or political conditions, as well as market sentiment.
Asset risk	A particular asset that your Fund invests in may fall in value, which can result in a reduction of your investment.
Currency risk	For investments in international assets, which have currency exposure, there is potential for adverse movements in exchange rates to reduce their Australian dollar value. For example, if the Australian dollar rises, the value of international investments expressed in Australian dollars can fall.
Interest rate risk	Changes in interest rates may have a negative impact, either directly or indirectly, on investment returns.
Credit risk	The issuer or party to a transaction may not repay the principal, make interest payments or fulfil other financial obligations in full and/or on time. The market value of an investment can also fall significantly when the perceived risk of a note or bond increases or its credit rating declines.
Liquidity risk	The absence of an established market or shortage of buyers for an investment can result in a loss if the holder of the investment needs to sell it within a particular timeframe. A shortage of liquidity can also result in delays in the payment of benefits from a Fund.
Derivatives risk	Derivative values can fluctuate significantly and in certain circumstances a derivative can be more volatile than the underlying asset or index. The value of a derivative contract may fall as a result of an adverse movement in the underlying asset or index. Losses can be magnified where a greater exposure is created through the derivative position than is backed by the assets of a fund. Derivatives may also be subject to liquidity risk and/or counter-party risk. Depending on market conditions derivative positions can be costly or difficult to reverse.
Counter-party risk	A loss may occur if the other party to a contract defaults on their obligations under the contract.
Legal and regulatory risk	Changes in legislation and differences between rules (including interpretation of the law) in domestic and foreign markets, including those dealing with superannuation, taxation, accounting and investments, may adversely affect your Fund's investments (see 'Other risks' on page 10 for more information).
Portfolio concentration risk	Investing in a portfolio with a smaller number of investments may lead to more volatile returns than investing in a more diversified portfolio.
Investment strategy risks	Your Fund's investment strategy may involve specific risks. These include gearing risk (see page 9). You should also refer to the relevant disclosure document for each of your Fund's investments for details about any specific investment strategy risks.
Member directed investment risk	The assets you select for your Fund's investments may not meet your investment return expectations or may compromise your Fund's investment compliance with the law (see page 9).

GEARING RISK

The law allows your Fund to use gearing (eg via limited recourse borrowing – see page 14 for further information) as an investment strategy provided certain rules are met.

While gearing can result in larger investment gains in a rising market, it is also likely to magnify losses in a falling market.

Gearing increases the volatility of investment returns. Consequently, a geared investment is considered to have a higher investment risk than a comparable investment that is ungeared.

The returns on a geared investment depend on the underlying type(s) of investments as well as the level of gearing and the costs of borrowing, including interest rates.

The greater the level of gearing, the greater the potential for loss of capital. As the following example shows, a 10% fall in the market value of assets in an ungeared investment fund could translate into a 20% fall in the value of the same portfolio in a geared investment fund with a gearing level of 50% (excluding fees and borrowing costs).

EXAMPLE

YOUR FUND'S INVESTMENT AMOUNT	\$1,000	\$1,000
Investment fund gearing level	nil	50%
Amount borrowed by investment fund	n/a	\$1,000
Amount invested in the market	\$1,000	\$2,000
IF THE VALUE OF THE INVESTMENT FUND'S ASSETS FALLS BY 10%:		
Fall in value of investment fund's assets	\$100	\$200
Value of investment fund's assets after fall	\$900	\$1,800
Outstanding loan	n/a	\$1,000
Value of your Fund's investment	\$900	\$800
Loss of investment capital	\$100	\$200
Effective rate of loss	10%	20%

Consequently, the greater the level of gearing, the less the fall in asset value needs to be for a greater loss of your investment capital.

MEMBER DIRECTED INVESTMENT RISK

You choose the underlying assets for your Fund. There is a risk that the assets you select may not meet your investment return expectations, and may fall in value. There are also risks that a member's individual portfolio under the chosen investment strategy may not be adequately diversified or sufficiently liquid to meet their individual needs.

Also, if you select investments for your Fund that are not permitted by law, your Fund may become non-complying and lose its concessional tax status.

MANAGING INVESTMENT RISKS

While you cannot eliminate investment risks for your Fund, it is important to consider your individual investment timeframe, your investment objectives and your individual risk tolerance. Choose your Fund's investments carefully.

We recommend you consult your financial adviser to assist you with your choice of investment strategy, investments and risk tolerance. This will help you with your choice of investments for your Fund and the level of diversification you need.

SELECTING SUITABLE INVESTMENTS

Your financial adviser can provide you with advice on which investments for your Fund are best suited to your circumstances. There are several important considerations when making your selection:

- **Risk profile:** Different types of investments have different levels of expected risk and return. Likewise members have varying degrees of risk tolerance. Before you make your selection, it is important to understand your own risk profile in order to match your risk and return expectations with those of the investments you select for your Fund.
- **Investment time horizon:** Your investment timeframe will influence your tolerance to volatility.
- **Risk tolerance:** Risk tolerance is your ability to cope with potential losses on your investments. If you are more concerned with the security of your investments than the level of returns, you'll generally be considered to be a conservative investor. The more willing you are to endure the ups and downs in the market in order to achieve your desired returns, the higher your risk tolerance.
- **Return expectations:** To achieve returns greater than the cash or fixed income bond rates you need to have a greater risk tolerance. If you want to achieve the high returns over the long term then you must be prepared to accept the risk of low returns as well as possible negative returns in the short term. Returns are not guaranteed.

DIVERSIFICATION

Diversifying your Fund's investments can help reduce both risk and the volatility of investment returns. While having a diversified portfolio can mean your best performing investment offsets the worst, the reverse also holds in that your worst performing investment can offset the best.

You can diversify your Fund's investments in several ways:

1. **Across different asset classes:** You can diversify by spreading your Fund's investments across the different major asset classes such as shares, property, fixed income and cash. Since each asset class has its own volatility and return characteristics, by combining them you can tailor the range of investments to help meet your needs.

2. **Across several assets within the one class:** You can diversify your Fund's investment across a range of assets within the one class such as shares. Assets within the same class can have differing volatility and return characteristics. Combining them within your portfolio can help diversify the asset risk of the individual asset and reduce the reliance upon one asset in particular.
3. **Across several investment managers (for managed investments):** Investment managers have different investment styles which may lead to variations in returns in various market conditions. Diversifying across investment managers can reduce the reliance upon one style.

OTHER RISKS

TAXATION

The rate of income, capital gains or contribution tax payable may change, or additional taxes applied, due to changes in legislation or government policy.

ACCESS TO BENEFITS

Access to your superannuation may be further restricted by future changes in legislation.

LACK OF UNDERSTANDING

In your capacity as both member and trustee, you may not understand your obligations. This may result in unintended costs or fines and, potentially, the loss of your Fund's complying status. Our Service will help you manage the compliance of your Fund.

FRAUD

Super laws allow for financial assistance to be granted to Australian Prudential Regulation Authority (APRA) regulated funds that suffer losses as a result of fraudulent conduct or theft. However, there is no government or industry compensation available for members of SMSFs, which are regulated by the ATO rather than APRA.

Whilst our policies and procedures are designed to mitigate fraud, compensation to the Fund for any losses due to fraudulent activity committed by trustees would need to be pursued through other avenues such as a court of law.

DEATH OF AN INDIVIDUAL TRUSTEE

In the event an individual trustee dies, investments may be transferred into the names of the remaining trustees. This may give rise to tax or stamp duty being imposed, depending on the type(s) of investment(s) being transferred.

TECHNOLOGY RISK

As with any service that uses technology, there is some risk that key systems hardware and software may fail, causing a delay in the processing and reporting of transactions. We have sought to manage this risk through establishing formal contracts with the fund and investment administrators which includes monitoring of key service levels spanning manual and automated processes, implementing incident reporting processes and business continuity plans. Our framework also includes independent assurances provided over the administrator's systems and control procedures.

RELIANCE ON INFORMATION PROVIDED BY THIRD PARTIES

There is also risk associated with reliance on information provided by product issuers and other external service providers. These risks are managed by having formal service agreements in place with third parties. If they notify us of any errors, they are corrected promptly and if the changes are material, they are communicated to you and/or your adviser.

INVESTMENTS

YOUR FUND'S INVESTMENTS

We recommend that you seek financial advice in relation to your Fund's investments.

FORMULATING YOUR FUND'S INVESTMENT STRATEGY

Your Fund must have an investment strategy which is based on the objectives your Fund seeks to achieve. As your Fund's trustee, you must formulate and implement this investment strategy.

Issues to consider when formulating your Fund's investment strategy include:

- the risk and likely return from the types of assets held
- diversification (the range of investments within the portfolio)
- liquidity of investments (the ease with which they can be sold to meet cash needs)
- the ability to meet Fund expenses and obligations to members
- the reliability of valuation information in relation to the types of investments that may be held by the Fund
- the expected tax consequences for, and the costs that might be incurred by, the Fund in relation to the types of investments held
- the appropriateness, adequacy and cost of any insurance cover for Fund members.

An appropriate investment strategy will set out the investment objectives of your Fund and detail the investment methods the Fund will adopt to achieve these objectives.

In your capacity as trustee, you need to be aware that implementing a poor or inappropriate investment strategy may result in your investments not meeting your needs.

When setting the investment strategy for your Fund, you should have regard to the risk tolerance levels of the members and meeting their medium-to-long term objectives.

Care needs to be taken to make sure your investment strategy provides for adequate liquidity. Factors to consider include whether the Fund is paying pensions, the level of income being generated from the assets and the level of fees, tax and expenses that the Fund has to pay.

SELECTING YOUR INVESTMENT STRATEGY

We have developed five sample investment strategies for consideration by trustees (see the 'Sample investment strategies' table on pages 12-13 for details). You may choose to adopt one of these investment strategies or formulate your own.

If you formulate your own investment strategy, as trustee you should document this strategy to comply with the law. From our experience, most auditors will request a copy of a Fund's investment strategy as part of their procedures in assessing the Fund's compliance.

You should not make contributions or rollovers to your Fund until an investment strategy is in place.

The trustees can select a single investment strategy for the Fund as a whole. Alternatively, a member can select an investment strategy for their individual account within the Fund, in which case we'll administer the assets for that member account on a segregated basis.

REVIEWING YOUR INVESTMENT STRATEGY

We suggest that you meet with your financial adviser at regular intervals (at least annually) to review your Fund. If you don't have an adviser, you still need to do so on a regular basis, obtaining appropriate advice where necessary.

This review should include your Fund's investment strategy and investments as well as the appropriateness and adequacy of any insurance cover for Fund members, taking into account any changes in circumstances of the Fund and its members.

As your circumstances change, you can select another investment strategy that more effectively meets your needs as a member.

SAMPLE INVESTMENT STRATEGIES

	CAUTIOUS	CONSERVATIVE	BALANCED																											
Investment objective	To provide a consistent level of income and preserve capital over the short term.	To provide a consistent level of income while retaining the ability to achieve some capital growth over the short-to-medium term.	To provide moderate levels of income and capital growth over the medium term.																											
Strategy	This investment strategy provides for a substantial investment in defensive assets such as cash and fixed income assets, with little or no investment in growth assets.	This investment strategy provides for the majority of investments in defensive assets whilst providing some scope for investment in growth assets.	This investment strategy provides for a balance of investments in growth and defensive assets.																											
Risk	<p>The risk profile of this strategy is low over the short term, with emphasis being on generation of income and preservation of capital.</p> <p>This strategy may be suitable for those who seek regular income returns and are prepared to accept lower overall returns over time with lower levels of volatility in order to preserve capital over the short term.</p>	<p>The risk profile of this strategy is lower over the short term, with emphasis being on generation of income with the potential to achieve some capital growth. Investment in growth assets may result in some capital losses but the investments in defensive assets should act to limit losses of the portfolio.</p> <p>This strategy may be suitable for those who seek regular income returns but who are prepared to accept a low level of volatility in capital values from year to year to achieve some capital growth.</p>	<p>The risk profile of this strategy is medium over the short term. While it is possible that some growth assets may provide a loss in the short term, the investments in defensive assets should act to reduce losses of the portfolio.</p> <p>This strategy may be suitable for those who seek a moderate level of income and capital growth over periods of, typically, three to five years with a medium level of volatility in investment returns and asset values in the short term.</p>																											
Asset allocation	<table><tr><th>Asset sector</th><th>Min</th><th>Max</th></tr><tr><td>Growth assets</td><td>0%</td><td>10%</td></tr><tr><td>Defensive assets</td><td>90%</td><td>100%</td></tr></table>	Asset sector	Min	Max	Growth assets	0%	10%	Defensive assets	90%	100%	<table><tr><th>Asset sector</th><th>Min</th><th>Max</th></tr><tr><td>Growth assets</td><td>10%</td><td>50%</td></tr><tr><td>Defensive assets</td><td>50%</td><td>90%</td></tr></table>	Asset sector	Min	Max	Growth assets	10%	50%	Defensive assets	50%	90%	<table><tr><th>Asset sector</th><th>Min</th><th>Max</th></tr><tr><td>Growth assets</td><td>40%</td><td>80%</td></tr><tr><td>Defensive assets</td><td>20%</td><td>60%</td></tr></table>	Asset sector	Min	Max	Growth assets	40%	80%	Defensive assets	20%	60%
Asset sector	Min	Max																												
Growth assets	0%	10%																												
Defensive assets	90%	100%																												
Asset sector	Min	Max																												
Growth assets	10%	50%																												
Defensive assets	50%	90%																												
Asset sector	Min	Max																												
Growth assets	40%	80%																												
Defensive assets	20%	60%																												
The Fund must comply with its weighting to growth assets ¹ and defensive assets ² at all times as described in the following columns. In all instances a Fund must maintain a weighting of at least 2% in cash.																														

SAMPLE INVESTMENT STRATEGIES (CONTINUED)

	GROWTH	HIGH GROWTH																		
Investment objective	To provide higher levels of capital growth over the medium-to-long term.	To maximise capital growth over the long term.																		
Strategy	This investment strategy provides for the majority of investments in growth assets whilst providing some scope for investment in defensive assets.	This investment strategy provides for a substantial investment in growth assets such as equities and property assets, with only a small allocation towards defensive assets.																		
Risk	<p>The risk profile of this strategy is medium to high over the short term. Growth assets consistent with this strategy exhibit price volatility. It is possible that investments may provide a loss in the short-to-medium term.</p> <p>This strategy may be suitable for those who seek a higher level of overall return over periods in excess of, typically, five years and who are prepared to accept a higher level of volatility in investment returns and asset values in the short-to-medium term.</p>	<p>The risk profile of this strategy is the highest over the short term. Growth assets consistent with this strategy exhibit price volatility. It is possible that investments may provide a loss in the medium term.</p> <p>This strategy may be suitable for those with a long-term investment horizon and who seek higher levels of overall return. Investors need to be prepared to accept higher levels of volatility in investment returns and asset values in the medium term.</p>																		
Asset allocation	<table> <tr> <th>Asset sector</th><th>Min</th><th>Max</th></tr> <tr> <td>Growth assets</td><td>60%</td><td>90%</td></tr> <tr> <td>Defensive assets</td><td>10%</td><td>40%</td></tr> </table>	Asset sector	Min	Max	Growth assets	60%	90%	Defensive assets	10%	40%	<table> <tr> <th>Asset sector</th><th>Min</th><th>Max</th></tr> <tr> <td>Growth assets</td><td>80%</td><td>98%</td></tr> <tr> <td>Defensive assets</td><td>2%</td><td>20%</td></tr> </table>	Asset sector	Min	Max	Growth assets	80%	98%	Defensive assets	2%	20%
Asset sector	Min	Max																		
Growth assets	60%	90%																		
Defensive assets	10%	40%																		
Asset sector	Min	Max																		
Growth assets	80%	98%																		
Defensive assets	2%	20%																		
<p>The Fund must comply with its weighting to growth assets¹ and defensive assets² at all times as described in the following columns. In all instances a Fund must maintain a weighting of at least 2% in cash.</p>																				

1 **Growth assets** include Australian shares, international shares, property and certain managed investments and alternative assets.

2 **Defensive assets** include cash, term deposits, other fixed income and certain managed investments and alternative assets.

Alternative assets and some managed investments, life policies and other asset types can display characteristics of either growth or defensive assets, depending on their type. These assets should be classified on a case-by-case basis.

ACCEPTABLE INVESTMENTS

INVESTMENT TYPES WHICH WE'LL GENERALLY ACCEPT

Generally, we'll accept the following types of investments for Funds using the Service, subject to our ability to administer the assets:

- Australian Securities Exchange ('ASX') listed securities
- approved international shares
- Australian government bonds
- cash deposits
- bank bills
- registered managed investment schemes
- term deposits
- life insurance policies.

INVESTMENT TYPES WHICH WE MAY ALSO ACCEPT

We may also accept the following types of investments, subject to further analysis and our ability to administer the assets:

- real estate within Australia (not the family home)
- private, unlisted, or closely held unit trusts
- private or unlisted companies
- private business premises
- fixed income securities (other than Australian government bonds)
- certain listed international securities and derivatives
- derivatives with limited investment risk.

This means that we'll ask you to provide more detailed information on these types of investments. We recommend you contact us well in advance of any proposed settlement date.

Generally, when assessing these types of investment proposals we'll determine:

- the precise nature of the asset
- how we can value and trade in the asset
- whether the investment is:
 - liquid or illiquid
 - a growth asset or defensive asset
 - allowable under the law.

We are not obliged to accept assets that we are not able to adequately administer.

INVESTMENT RESTRICTIONS

A key area of responsibility for trustees of SMSFs is investment management. The law places certain duties and responsibilities on trustees when making investment decisions. The following outlines some of these investment restrictions.

LOANS/FINANCIAL ASSISTANCE TO MEMBERS OR A MEMBER'S RELATIVE

Trustees of SMSFs are not allowed to provide lending or financial assistance from the SMSF to a member or a member's relative.

BORROWINGS

SMSFs are prohibited from borrowing money except in some limited circumstances. Trustees are able to borrow for a maximum of 90 days to meet benefit payments due to members as long as the borrowing does not exceed 10% of the SMSF's total assets.

Trustees can also borrow for a maximum of seven days to cover the settlement of security transactions if the borrowing does not exceed 10% of the SMSF's total assets. However, trustees cannot, as a matter of course, borrow to settle security transactions, unless at the time the transaction was entered into it was likely that the borrowing would not be needed.

LIMITED RECOURSE BORROWING

Under section 67A of the Superannuation Industry (Supervision) Act 1993 superannuation funds are permitted to borrow to invest in limited recourse borrowing arrangements as long as certain conditions are met. It is recommended that appropriate tax and financial advice, including further information about the risks of gearing, are sought before implementing this type of strategy. You should discuss this with us before entering into any arrangement and we will provide you with details of our requirements.

IN-HOUSE ASSETS

An in-house asset is a loan to, an investment in, and leases with, a related party of the SMSF. In general, SMSFs are restricted from lending, investing or leasing more than 5% of the SMSF's total assets in related parties of the SMSF. Some exceptions do exist, including allowing an exemption for business real property which is subject to a lease between the SMSF and a related party of the SMSF and a limited exemption for certain investments in related non-g geared trusts or companies.

ACQUISITION OF ASSETS FROM A RELATED PARTY

Trustees of SMSFs are prohibited from acquiring assets from a related party of the SMSF. Limited exceptions to this rule exist, if:

- the asset is an in-house asset (see above) and would not result in the level of in-house assets of the SMSF exceeding 5% of the SMSF's assets, or is an asset specifically excluded from being an in-house asset
- the asset is a listed security (eg shares, units or bonds listed on an approved stock exchange)
- the asset is a 'widely held' unit trust

- the asset is business real property. Business real property of an entity generally relates to land and buildings used wholly and exclusively in a business. Trustees are permitted to use up to 100% of an SMSF's total assets to acquire business real property, subject to diversification and liquidity considerations as outlined on page 9 and this page respectively.

RELATED PARTY OF A FUND

A related party of an SMSF covers all members of the SMSF and their associates and all employer sponsors of the SMSF and their associates. Associates of members would include their relatives, business partners and any companies or trusts that they control (either alone or with their other associates). Associates of employers would include business partners and any companies or trusts that the employer controls (either alone or with their other associates) or companies and trusts which control the employer.

INVESTMENTS TO BE MADE AND MAINTAINED ON AN ARM'S-LENGTH BASIS

Investments by SMSFs must be made and maintained on a strict commercial basis. The purchase and sale price of SMSF assets should always reflect a true market value for the asset. Income from assets held by the SMSF should always reflect a true market rate of return.

LIQUIDITY AND CASH FLOW CONSIDERATIONS

While it is possible to invest up to 100% of an SMSF's cash holdings, from a prudent management and investment perspective all SMSFs should hold sufficient cash to cover expenses and taxes that are payable throughout the year. Where benefits are being paid (eg a regular pension) additional cash reserves should be held to meet these requirements.

Note that SMSFs are prohibited from operating a bank overdraft unless it satisfies the limited circumstances for borrowings as detailed on page 14.

ESTABLISHING YOUR FUND

Once your chosen investment strategy is accepted by the trustees, you can select investments for your Fund, either personally or through your adviser. We are not responsible for investments or insurance that you or your adviser select.

To establish your Fund through the Service, you must either make an initial contribution or transfer existing assets into the Service.

We'll notify you when your Fund is fully established so you can then set up stockbroking and online reporting arrangements for your Fund. Your adviser will help you with this.

TRANSACTIONING

CONTRIBUTIONS

You can make initial and additional contributions to your Fund by transferring money directly to your Fund's Perpetual Cash Account via BPAY® or electronic funds transfer (EFT) or by sending us a cheque payable to 'Perpetual Trustee Company Limited—[Name of Superannuation Fund]'.

® Registered to BPAY Pty Ltd ABN 69 079 137 518.



You must provide us with full details of all contributions made to your Fund so that we can ensure they receive the correct tax treatment. If the contribution relates to more than one member account we'll also need a breakdown of the contribution from you. Contribution detail forms are available on pages 63 and 65.

YOUR INVESTMENT INSTRUCTIONS

You provide investment instructions (to buy, sell or switch investments) through your nominated adviser. If you cannot contact your adviser, you must give us written and signed instructions, provided that you have received the relevant PDS and other disclosure documents for these investments. These instructions can be faxed, subject to the requirements in the 'Fax and electronic instruction service' section.

Instructions will be acted on and effected as soon as practicable but there is no obligation to do so by any particular time, nor any obligation to enquire whether they are genuine or proper. In certain circumstances your assets can be realised without obtaining your instructions, with the proceeds paid to your Fund's Perpetual Cash Account (eg if your managed investment holding has dropped below the minimum requirement). You are responsible for any associated fees.

We will act on all instructions from your adviser or directly from you except in limited circumstances, including if:

- we suspect that you or your adviser are in breach of the terms of this Guide
- the authenticity of the instruction is in doubt
- the instructions are unclear
- following the instructions is contrary to the law or relevant policy
- you do not have sufficient available cash in your Fund's Perpetual Cash Account to carry out the instructions
- your Fund's Perpetual Cash Account balance would fall below the minimum balance if the instructions were carried out
- you do not have sufficient investment holdings for us to carry out the instructions
- acting on the instructions would be impracticable or would breach relevant market practice
- there are other reasons beyond our control (eg corporate actions in progress).

We will act as your agent for the receipt of trade confirmations.

FAX AND ELECTRONIC INSTRUCTION SERVICE

Under the fax and electronic instruction service, we will accept instructions, including withdrawal requests, sent in the form of a fax or email attachment.

By providing instructions by way of electronic instruction or fax, you release us from, and indemnify us against, losses and liabilities arising from any payment or action we (acting reasonably) make based on any instruction (even if not genuine) that we receive by fax or electronically bearing your account number with a signature apparently yours or that of an authorised representative for your Fund.

You also agree that neither you nor anyone claiming through you has any claim against the Perpetual Group or its agents in relation to these payments or actions.

YOUR FUND'S PERPETUAL CASH ACCOUNT

When you open an account, we'll establish a Perpetual Cash Account for your Fund. Your Fund's Perpetual Cash Account will be used to:

- credit all cash contributions and rollovers to your Fund
- fund the purchase of your Fund's investments
- receive the proceeds from the sale of your Fund's investments
- receive income from your Fund's investments
- receive a benefit from your insurance policy (if applicable)
- hold any surplus cash in relation to your Fund's portfolio
- pay our fees, adviser fees, other costs incurred in the administration of your Fund and any taxes that are due
- make benefit payments (including pension payments) if you satisfy a condition of release.

By applying to use the Service, you irrevocably authorise and direct us to give effect to your Fund's Perpetual Cash Account transactions that result from your Fund's use of the Service and/or your investment instructions. You do not need to give us specific instructions or directions in relation to your Fund's Perpetual Cash Account.

You also authorise and direct us to debit your Fund's Perpetual Cash Account with all fees and taxes relating to your Fund's portfolio and to pay fees and charges to the person or entity entitled to them (including us and our associates). We can suspend services to you if they remain unpaid.

Your Fund's Perpetual Cash Account is held through the custodian with Macquarie Bank Limited ABN 46 008 583 542, AFSL 237502 (MBL). Any term deposits are also held through the custodian with the relevant financial institution. You can contact us to determine whether the Federal Government's Financial Claims Scheme applies to these types of investments. This will depend on certain matters beyond Perpetual's control, such as regulatory determinations by APRA. The nature of the Financial Claims Scheme may also change over time.

HOLDING SUFFICIENT CASH

Subject to a minimum of \$2,500, you must maintain at least 2% of the value of your Fund in your Fund's Perpetual Cash Account to pay for all transactions, fees and taxes that are incurred on your Fund's behalf.

Before transacting on your account, you must have sufficient available cash (above the minimum balance) in your Fund's Perpetual Cash Account. If you sell assets within your Fund's portfolio, the proceeds cannot be used for another transaction or withdrawal until settlement occurs and the proceeds are cleared in your Fund's Perpetual Cash Account. If you transact on your Fund's portfolio with insufficient available cash, the transaction will be rejected. For listed securities, you may be charged a failed trade fee.

If there is insufficient available cash in your Fund's Perpetual Cash Account to meet any fees and/or costs, you authorise and direct us to sell down your Fund's investment holdings to meet the fees and/or costs and replenish your Fund's Perpetual Cash Account to the required minimum balance.

In these circumstances, money will be drawn from the following investments, starting with the highest balance, in the following order:

- daily transacting managed investment(s)
- ASX listed securities
- non-daily transacting managed investment(s)
- international shares
- term deposits
- domestic fixed income securities
- other acceptable investments.

Transaction costs and break costs may also apply to these transactions. These costs will be deducted from the investment or charged to your Fund's Perpetual Cash Account.

FURTHER INFORMATION

Further information about the Perpetual Cash Account, including the current rate of return payable on Perpetual Cash Account balances at any time, will be available on ClientView or from your adviser.

DISCLOSURE FOR YOUR FUND'S INVESTMENTS

You'll need a copy of the disclosure document for any investment you wish to make for your Fund if one is required to be given to you before you make an initial or additional investment.

Your adviser will provide this when they make investment recommendations to you. Alternatively, you can obtain this from the product issuer. A range of disclosure documents for Perpetual's investment products is available for downloading from our website, or we can provide you with a copy without charge on request.

TRANSFERRING EXISTING ASSETS

Where permitted by the law, existing assets may be transferred into your Fund to consolidate your portfolio without needing to sell securities. Assets are transferred into the name of the custodian. This may result in stamp duty being incurred. See 'In specie contributions' on page 19 for more details.

You'll need to complete an Asset Take-Up Form and provide all original paperwork regarding these existing assets, including any tax records. Please also be aware that this transfer process can take time, which may cause delays in implementing investment transactions and confirming the initial value of your Fund.

You may be asked to provide us with a limited power of attorney, to assist with the efficient transfer of assets, reduce the amount of paperwork you need to sign and speed up the process.

The asset information you provide will be used in the ongoing administration of your Fund. To ensure this information is reliable, we must be able to obtain details of the assets, including their cost base, in a form acceptable to us at the time the assets are transferred.

REINVESTMENT PROGRAMS

If you would like to participate in a dividend or income reinvestment plan, you can give us a standing instruction over any or all of your Fund's assets (excluding some international assets). Your adviser can arrange this or any changes to your instructions.

INVESTMENT INCOME

We'll manage the collection of all investment income for your Fund's assets including the collection of dividends, distributions and interest and will credit them to your Fund's Perpetual Cash Account.

ACCUMULATION ACCOUNTS

OVERVIEW

Contributions paid by you or on your behalf, together with any rollovers and benefits transferred from a former fund or employer, are credited to an accumulation account maintained in your name and invested according to the selected investment strategy. The accumulation account is also credited with investment earnings including any realised and unrealised change in net market value and the proceeds of any insurance policies. It is debited with administration and other charges including tax on income and contributions.

Your benefits may be paid when you satisfy a condition of release. The 'Benefit payments' table on page 21 provides details of the conditions of release.

Your benefit may be divided if you separate or divorce from your spouse (either by court order after legal proceedings between you and your spouse, or by agreement between you and your spouse) – see 'Superannuation and family law' on page 37 for further information.

Your benefits can be paid to your estate or dependants if you die – see 'Death benefits' on page 36 for further information.

You may roll over your benefit to another superannuation fund which complies with the law.

Please note there are restrictions on the ability for members who are not tax residents of Australia to contribute or roll over other superannuation balances to an SMSF. We recommend you consult your financial and/or tax adviser if you are a non-resident and are considering an SMSF.

OPERATING YOUR FUND

CONTRIBUTIONS

Once established, your Fund is able to accept contributions and rollovers. Contributions may be made via BPAY, EFT, cheque, periodic payment or transfer of assets into the Fund according to the law.

In accordance with the SuperStream reforms, your employer can also make contributions electronically via our electronic service provider SUPERCHOICE (and must do so by 30 June 2016). Your employer will also need to provide your Fund's ABN and bank account details.

Contributions are required to be allocated and fully vested in the relevant member.

If you wish to establish a pension using superannuation contributions, you'll need to complete both the 'Opening balance' and 'Pension account' sections of the application form.

Provided you are eligible, you can start a new pension immediately using one or more rollovers from an existing superannuation fund. Alternatively you can transfer your existing DIY fund into the Service and start a pension from it.

Superannuation rules are complex, which is why we recommend that you obtain appropriate professional financial and/or tax advice before deciding to make a particular type of contribution.

ELIGIBILITY TO MAKE CONTRIBUTIONS

Provided that you meet the eligibility conditions outlined in the 'Eligibility for superannuation contributions' table below, contributions can be accepted by your Fund.

ELIGIBILITY FOR SUPERANNUATION CONTRIBUTIONS

YOUR SITUATION	CONCESSIONAL CONTRIBUTIONS				NON-CONCESSIONAL CONTRIBUTIONS	
	FROM YOUR EMPLOYER			SELF-EMPLOYED	PERSONAL	FROM YOUR SPOUSE
	SG ¹	AWARD	VOLUNTARY			
You are under age 65.	•	•	•	•	•	•
You are aged 65 to 69 (inclusive) and have worked at least 40 hours in a period of no more than 30 consecutive days during the financial year.	•	•	•	•	•	•
You are aged 70 to 74 (inclusive) and have worked at least 40 hours in a period of no more than 30 consecutive days during the financial year.	•	•	•	•	•	
You are aged 75 or over.	•	•				

¹ SG (Superannuation Guarantee) – Your employer is generally required to pay contributions on your behalf (currently 9.5% of your salary, increasing gradually to 12%).

CONTRIBUTION LIMITS

Subject to the eligibility requirements, there are also some restrictions on the amount of contributions that can be made into your Fund before additional taxes are charged, as detailed below.

CONCESSIONAL CONTRIBUTIONS

Concessional contributions generally include employer contributions (including superannuation guarantee and salary sacrifice) and personal contributions for which you claim a tax deduction.

The general concessional contributions cap is \$30,000¹ for the 2015/2016 and 2016/2017 financial years.

- 1 This amount will be indexed in line with Average Weekly Ordinary Time Earnings (AWOTE) once the increase in the indexed amount is greater than \$5,000. A temporary higher concessional contributions cap of \$35,000 (unindexed) applies for individuals aged 49 years or over on the preceding 30 June. The higher cap will cease once the general concessional cap reaches \$35,000 by way of indexation.

Excess concessional contributions attract additional tax (see page 32 for details) and may also count towards your non-concessional contributions limit (see below).

We will monitor concessional contributions made to your member account in the Fund against the relevant cap.

However, you are responsible for monitoring your total concessional contributions against the cap.

EMPLOYER CONTRIBUTIONS

Many Australians may choose to have their future employer superannuation guarantee contributions paid into a fund of their choice. To see if you are eligible, contact your employer or phone the ATO on 13 28 64.

If you are eligible, simply complete a 'standard choice form' (available from your employer or the ATO) with your Fund and member details and return it to your employer together with a certificate signed by the trustees confirming the complying status of your Fund (pro-forma 'Certificate of compliance' provided on page 61) to instruct your employer to make contributions on your behalf into your Fund.

NON-CONCESSIONAL CONTRIBUTIONS

These contributions are also referred to as 'after-tax contributions'.

The non-concessional contributions cap is six times the general concessional contributions cap noted above (that is, \$180,000 for the 2015/2016 and 2016/2017 financial years). However, if you are under age 65 or turn 65 during the year, you can make non-concessional contributions of up to three times the non-concessional contributions cap over a three-year period under the 'bring forward' option. The bring-forward cap is three times the non-concessional cap of the first year. For example, if you bring forward your non-concessional contributions in 2015/2016 or 2016/2017, the cap would be \$540,000 (that is, three times \$180,000).

Excess non-concessional contributions may attract additional tax (see page 32 for details). We will monitor non-concessional contributions made to your member account in the Fund against the relevant cap. **However, you are responsible for monitoring your total non-concessional contributions against the cap.**

Any spouse contributions are counted towards the receiving spouse's non-concessional contributions limit.

Settlement proceeds received for an injury resulting in permanent disablement that meet the qualifying criteria² are also exempt from the non-concessional contributions limit.

- 2 Two qualified medical practitioners must certify that as a result of the injury the individual is unlikely to ever be able to be gainfully employed in a capacity for which they are reasonably qualified because of education, experience or training, the contribution must be made to a superannuation fund within 90 days of the payment being received or the structured settlement coming into effect (whichever is later) and the individual must ensure that the fund is aware that the contribution is being made under this exemption before or when making the contribution.

GOVERNMENT CO-CONTRIBUTIONS

Your Fund is able to receive any co-contributions paid by the Government on your behalf (see 'Tax' on page 33 for further information).

LOW INCOME SUPERANNUATION CONTRIBUTIONS

Your Fund is able to receive any low-income superannuation contributions paid by the Government (see 'Tax' on page 33 for further information).

SMALL BUSINESS CAPITAL GAINS

Small business owners who qualify for the small business CGT concessions may be exempt from the non-concessional contribution limit. The proceeds from the disposal of eligible assets are exempt up to a lifetime limit of \$1.395 million for the 2015/2016 financial year and \$1.415 million for the 2016/2017 financial year (indexed) if certain conditions are met (speak to your adviser).

There are a number of conditions which must be satisfied in order to qualify for this exemption. Accordingly, you should seek professional financial and/or tax advice before making any decisions or taking any action in relation to the application of this exemption to your small business assets.

IN SPECIE CONTRIBUTIONS

An in specie contribution is one where an asset, rather than cash, is contributed to your Fund. An in specie contribution can be made by you, your employer or your spouse.

It is important to note that superannuation funds are generally prohibited from acquiring assets from members or their related parties. However, there are some exceptions to this rule, including listed securities, widely held unit trust investments and 'business real property' which must be obtained at arm's length and at market value.

If you would like to make an in specie contribution, you should contact us to ensure the contribution is allowed and to obtain further information about the process to be followed. Assets will be valued using applicable prices on the date the transfer is effected, which is the date that all valid signed transfer documentation is received by our administration team.

Contribution limits (see page 19 for details) also apply to in specie contributions and they may have tax consequences. As recommended above, you should obtain appropriate professional financial and/or tax advice before proceeding.

SUPER CONTRIBUTIONS SPLITTING

Members may elect to 'split' their concessional contributions with their spouse.

Super contributions splitting generally operates as follows:

- a member may apply to have a maximum of up to 85% of their concessional capped contributions made in any financial year transferred to a superannuation account in the name of their spouse
- an application by a member to transfer the contributions for a financial year can only be made after the end of that financial year (or during the financial year where the member's entire benefit is being withdrawn from the fund), and must be made in writing and given to the fund to which the member's contributions were paid
- the member's application must contain a statement by their receiving spouse to the effect that they have either not reached their preservation age, or have not satisfied a relevant condition of release (see 'Benefits and preservation' on this page for details) if they are aged between their preservation age and 65 years
- the fund will then transfer the relevant amount from the member's account to an account for the spouse. This will occur as soon as is practicable and in any case within 90 days of receipt of a valid application.

Rollovers and transfers of overseas superannuation benefits to an Australian fund are not permitted to be split.

Further information on super contributions splitting is available on the ATO's website. We recommend you consult your financial and/or tax adviser if you are considering super contributions splitting.

BENEFITS AND PRESERVATION

We recommend that you discuss your superannuation benefit payments with your financial and/or tax adviser, as there are a number of tax matters that impact on these payments, especially if you are under age 60.

As trustee of your Fund you are required to understand your responsibilities and ensure they are properly discharged. We provide all the administration support required by you as trustee to ensure benefits are correctly accrued, calculated, preserved and paid.

Benefits accrue in your member account within your Fund over time, comprising contributions and rollovers received, together with investment earnings and the proceeds of any insurance policies.

The law prescribes that benefits may only be paid when a 'condition of release' is met. The conditions required for release will depend on the 'preservation status' of your benefit, as shown in the 'Benefit payments' table on page 21.

Certain pre-1 July 1999 contributions may be classified as 'restricted non-preserved benefits'. These benefits can only be paid to you by either meeting one of the conditions of release for preserved benefits or ceasing your employment that gave rise to these benefits.

The taxable portion of any superannuation lump sum or pension benefit is subject to tax depending on your age when it is received (see the 'Tax on lump sum benefit payments' and 'Tax on pension benefit payments' tables on pages 33-34 for respective details).

You can withdraw any 'unrestricted non-preserved' benefits at any time.

SUPERANNUATION BENEFIT PAYMENTS

If you satisfy a condition of release, and wish to have your superannuation benefit paid in the form of a lump sum (where permissible), the trustees should complete a which is available on our website or contact us for a copy. Alternatively you can write to us detailing the condition of release you have satisfied, the amount to be paid to you and a nominated Australian bank account held in your name.

The benefit will be paid proportionately from the taxable and tax-free components (see the 'Tax on lump sum benefit payments' tables on page 33 for details of tax payable on these components).

You can receive your superannuation benefit payment as cash or in specie (actual assets). If you choose to take your benefit payment as assets, transfer costs such as stamp duties and CGT may be included in the calculation of Fund earnings allocated to your member account in the Fund.

Part of your superannuation benefit may be paid to your spouse or former spouse as a consequence of the superannuation splitting and benefit payment provisions under family law (see 'Superannuation and family law' on page 37 for further information).

TRANSFERS AND ROLLOVERS

Any partial transfer or rollover of benefits to another fund that you may request will also be made proportionately from the taxable and tax-free components of your total benefit.

You should be aware that if your Fund invests in any assets that are deemed to be illiquid, we may not be able to effect a full transfer or rollover of your benefits to another fund within the 30-day rule that generally applies to the portability of superannuation. However, we will do so as soon as possible after receipt of the redemption proceeds.

BENEFIT PAYMENTS

EVENT	PRESERVED BENEFITS	RESTRICTED NON-PRESERVED BENEFITS
Reaching age 65	●	●
Retiring ¹ having reached your preservation age ²	●	●
Leaving employment after age 60	●	●
Ceasing employment without satisfying any of the above conditions ³		●
Starting a 'transition to retirement' pension after reaching your preservation age ²	● ⁵	● ⁵
Permanent incapacity ³	●	●
Temporary incapacity (for release of insurance benefits only) ^{3,5}	●	●
Diagnosed with a terminal medical condition likely to result in your death within 24 months ^{3,4}	●	●
Severe financial hardship ³	●	●
Compassionate grounds ³	●	●
Death ⁶	●	●
Departing Australia superannuation payment (DASP) ^{3,7}	●	●
Previously classified as a lost member and total benefit in the Fund is less than \$200	●	●
Release authority given for payment of excess contributions tax ⁸	●	●

- 1 Under superannuation law, this means an arrangement under which you were gainfully employed has ceased and you don't intend to become gainfully employed for 10 hours or more each week again.
- 2 Preservation age is determined by your date of birth, as shown in the following table.
- 3 There are additional requirements you'll need to satisfy before a payment can be made – contact us for further information.
- 4 Even if you satisfy the 'terminal medical condition' condition of release under superannuation law, you will also need to satisfy any relevant conditions under the insurance policy (eg a shorter life expectancy period) before any insured death benefit, if applicable, is paid.
- 5 Your benefit can only be taken as a pension.
- 6 See 'Death benefits' on page 36 for more information.
- 7 Applies to temporary residents (excluding Australian citizens, New Zealand citizens or permanent residents) who have left Australia and their visa has ceased to be in effect.
- 8 See 'Tax' on page 32 for more information.

PRESERVATION AGE

DATE OF BIRTH	PRESERVATION AGE
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
After 30 June 1964	60

PENSION BENEFITS

Rather than having your entire superannuation benefit paid as a lump sum, you may wish to receive all or part of your entitlement as a pension benefit payment. Upon authorisation by the trustees, Perpetual will pay your pension by way of a direct credit to a nominated Australian bank account that is held in your name.

Please refer to 'Pension accounts' on page 23 for further information.

INSURANCE

LIFE INSURANCE

Your Fund is able to hold life insurance for you. On your death, the net proceeds of any life policies will form part of the assets to be distributed to your beneficiaries.

If a death or terminal illness insurance benefit is paid into your Fund, this amount will be paid into your Fund's Perpetual Cash Account until the relevant member meets a condition of release or we receive other investment instructions from a properly authorised person.

TOTAL AND PERMANENT DISABLEMENT (TPD) INSURANCE

Your Fund is able to hold TPD insurance for you, however some insurers only offer TPD in conjunction with life insurance. If you become permanently incapacitated, any TPD benefit paid under the terms of such a policy will form part of your assets in the Fund.

If a TPD insurance benefit is paid into your Fund, this amount will be paid into your Fund's Perpetual Cash Account until the relevant member meets a condition of release or we receive other investment instructions from a properly authorised person.

You should note that in order for a TPD benefit to be paid from the Fund, a condition of release must have been met (see the 'Benefit payments' table on this page for details).

A DIY fund is only able to acquire insurance policies where a condition of release is available upon successful claim. These include death, terminal medical condition, permanent incapacity and temporary incapacity cover only. Trauma or TPD 'own occupation' cover cannot be commenced within a DIY fund after 1 July 2014, however any such existing cover can continue after 1 July 2014 provided it remains in the DIY fund.

There may be tax consequences based on the type of cover you hold. We recommend you seek financial and/or tax advice before arranging cover.

SALARY CONTINUANCE INSURANCE

Your Fund is able to hold salary continuance insurance for you. If you can't work due to illness or injury you may be eligible to receive a partial replacement of your income depending on the terms of the insurance policy you take out.

ARRANGING INSURANCE POLICIES

All policies must be held in the trustee's name with the mailing address care of Perpetual. You'll need to arrange for a suitable policy yourself, which may require insurance underwriting. Your financial adviser will be able to assist you.

Please contact us or your financial adviser prior to completing any insurance applications to ensure the policy can be held by your Fund.

Please also contact your adviser when the policy has been issued to provide them with a copy of the policy schedule and to make premium payment arrangements.

PENSION ACCOUNTS

OVERVIEW

Once you have met a condition of release, your accumulated benefits can be used to provide you with regular income in the form of an account based pension (ABP) that is paid by direct credit to a nominated Australian bank account in your name.

ELIGIBILITY

You are generally eligible to start receiving a pension if you have an 'unrestricted non-preserved' benefit. This will generally be when you have met a 'condition of release', as detailed in the 'Benefit payments' table on page 21.

However, you may have the option to start an ABP prior to ceasing employment through the transition to retirement provisions (see this page for details).

ACCOUNT BASED PENSIONS

The main characteristics of ABPs are summarised in the following table.

MAIN CHARACTERISTICS OF ACCOUNT BASED PENSIONS

FEATURE	CHARACTERISTICS
Term of the pension	There is no fixed term – the pension finishes when your account balance is exhausted.
Minimum annual pension payment	Your annual pension amount must be at least the minimum determined by multiplying your account balance by the percentage based on your age (see the 'Minimum annual pension payments' table on this page for details), calculated at commencement and each 1 July. Pension payments are required at least annually, except in the first financial year if your pension commences after 1 June.
Maximum annual pension payment	There is no maximum annual pension amount, except where your ABP has commenced as a 'transition to retirement (TTR) pension' (see this page for details).
Access to benefits	Unless your ABP has commenced as a TTR pension, you can withdraw as a lump sum at any time: <ul style="list-style-type: none">• part of your remaining benefit, provided you have left at least the balance of the remaining minimum pension amount for that financial year• all of your remaining benefit, provided you have received at least the minimum pension payment for the financial year at the time of withdrawal.

MINIMUM ANNUAL PENSION PAYMENTS

AGE RANGE	PERCENTAGE OF ACCOUNT BALANCE
Under 65	4%
65-74	5%
75-79	6%
80-84	7%
85-89	9%
90-94	11%
95+	14%

Your ABP will only continue to be paid until the balance of your account is exhausted. You should be aware that the balance of your account may not be sufficient to provide a pension for the rest of your life.

You can start an ABP from a new SMSF, a transferring ABP or allocated pension or all or part of your accumulated benefits by completing the 'Pension account' section of the application form attached to this Guide. You can also convert any existing allocated pensions under our Service by completing the 'Convert to account based pension' form available at our website.

TRANSITION TO RETIREMENT PENSIONS

If you have reached your preservation age (see the 'Preservation age' table on page 21) but have not ceased employment, you may commence a TTR pension (also known as a pre-retirement pension).

A TTR pension allows you early access to your super money without retiring. A TTR pension provides you with additional income flexibility where, for example, you wish to remain in the workforce but may choose to reduce your hours of work as you approach retirement. It may also provide an opportunity for you to boost your retirement savings by salary sacrificing into superannuation. You should speak to your financial adviser about how a TTR pension can be used to supplement your pre-retirement income and whether it is appropriate for you.

If you commence your pension as a TTR pension:

- you cannot add any future superannuation guarantee or other contributions to your TTR pension account
- you are limited to a maximum pension amount of 10% of your account balance each year (this amount is not pro rata if you commence your TTR pension after 1 July)
- you can stop (or commute) your pension and return your benefit to a superannuation accumulation account (eg if you return to work full time)
- you cannot otherwise access your benefit without satisfying a condition of release under superannuation law (see the 'Benefit payments' table on page 21 for details).

MINIMUM PENSION AMOUNT IN THE FIRST YEAR

If you commence your ABP on a day after 1 July, your annualised minimum pension payment in the first year will be a pro rata amount based on the number of days in the financial year from the commencement date to the next 30 June. We'll advise you if your chosen pension amount is below this limit.

If you start your pension on or after 1 June in a financial year you are not required to take a pension payment in that financial year.

ACCESSING YOUR BENEFIT IN AN ACCOUNT BASED PENSION

By investing in an ABP, you generally retain unlimited access¹ to your benefit and may withdraw part or all of your balance as a superannuation benefit payment at any time.

If you withdraw (commute) your entire benefit part way through the financial year, you may be required to take part of your benefit as income, in the form of a pension payment.

¹ Subject to certain restrictions if you have commenced your ABP without retiring after reaching your preservation age (see 'Transition to retirement pensions' on page 23 for details).

PENSION REFRESH FACILITY

The pension refresh facility provides an easy way for you to consolidate your existing pension account balance with any additional accrued superannuation benefits at any time after you have commenced your pension. This may be particularly useful, for example, if you continue working and receiving superannuation contributions after you have commenced receiving a pension, as it does away with the need for multiple pension accounts if you also want to take those additional superannuation benefits as a pension.

The pension refresh facility works as follows:

- your existing pension account balance is commuted into a new or existing accumulation account and combined with any additional superannuation benefits that you've accrued in or transferred into your accumulation account
- some or all of your then combined accumulation account balance is transferred back into a new pension account to commence a new pension
- when establishing your new pension account, you also provide us with instructions on:
 - the pension amount
 - the pension payment frequency, payment date, annual increase and bank account
 - any beneficiary (including reversionary) nomination.
- if you don't provide instructions on your new pension account, the same details that applied to your previous pension account will apply to your new pension account (unless a new minimum payment amount is required under the law).

Please refer to the form available at our website or by contacting us for more information to take advantage of this feature.

You should seek financial advice before using the pension refresh facility as there are likely to be associated financial, taxation and social security implications from moving your benefits between accumulation and pension arrangements.

DEATH BENEFITS

Following your death and upon instruction from the surviving trustees, the balance of your member account in your Fund may be:

- transferred to one of your dependants or
- cashed as a lump sum to your estate.

REVERSIONARY PENSIONS

You can elect to have your ABP continue to be paid after your death to your spouse or another dependant. This is known as a 'reversionary pension' because it generally reverts to the other person on your death provided they are a 'dependant' for tax purposes (see 'Tax on death benefits' on page 34 for details) at that time. A reversionary pension that is being paid to the reversionary beneficiary is a continuation of the same pension.

The decision to commence the reversionary pension is at the surviving trustees' discretion (subject to the law). If you already have a binding nomination in place, you should ensure that it is consistent with any reversionary pension nomination you have made. Where the two are inconsistent, the binding death benefit nomination will prevail.

DEATH BENEFIT PENSION

If you don't elect to have a reversionary pension, upon your death your benefit can be paid to your dependants (including dependant children under 25 years of age) in the form of a pension. Your dependants would need to specifically request this type of benefit payment from the surviving trustees at the time. In these circumstances the payment of a death benefit pension is at the surviving trustees' discretion (subject to the law).

DEATH BENEFIT NOMINATIONS

Death benefit nominations are discussed in detail on page 36.

FEES AND OTHER COSTS

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You or your employer, as applicable, may be able to negotiate to pay lower fees. Ask us or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website www.moneysmart.gov.au has a superannuation fee calculator to help you check out different fee options.

FEES AND OTHER COSTS

This document shows fees and other costs that you may be charged to establish and maintain an SMSF in Perpetual Self Managed Super Fund Service. These fees and other costs may be deducted from your money, from the returns on your Fund's investments or from the assets of your Fund as a whole.

Other fees, such as activity fees, advice fees for personal advice and insurance fees, may also be charged, but these will depend on the nature of the activity, advice or insurance chosen by you.

Tax information is set out in on page 32. The administration fees disclosed in this section are quoted on a GST inclusive basis and net of any applicable RITCs. Funds registered for GST are not able to claim any additional refunds of RITCs associated with these administration fees.

Other fees payable to us and certain other expenses are inclusive of GST. Funds registered for GST may be entitled to claim RITCs in relation to the GST portion of these expenses, which reduces the net cost to your Fund. For further information, please refer to 'Goods and services tax (GST)' on page 35.

The total fees and charges you pay will include the costs of the Service as well as the cost of the investments you choose for your Fund and fees for any other services you agree with your financial adviser. It is important that you understand the fees of any investments you choose, and that those fees are in addition to the fees charged by us for the Service, together with transaction and portfolio costs incurred on your behalf. The costs of the investments you choose for your Fund will generally be set out in the PDS or other relevant disclosure documents for the investments.

You should read all the information about fees and costs because it is important to understand their impact on your Fund.

FEES AND OTHER COSTS

PERPETUAL SELF MANAGED SUPER FUND SERVICE										
TYPE OF FEE ¹	AMOUNT	HOW AND WHEN PAID								
Investment fee²	The amount varies between each managed investment. If applicable, refer to the relevant PDS for each managed investment for investment fee amounts.	In the context of your Fund, you may incur management costs payable to product issuers if your account includes any managed investments. These management costs are calculated and charged by the product issuer and generally reflected in the unit price of each managed investment. If applicable, refer to the relevant PDS for each managed investment for details on how and when management costs are charged.								
Administration fees³										
Fund administration fee The fee for administration of your Fund	Fixed amount of \$1,200 pa plus 0.10% pa of the value of the assets in your Fund, subject to a minimum total fee of \$1,600 pa.	Calculated daily, based on your Fund's value each day if it is a percentage charge, and paid to us monthly (minimum \$133.33 per month) in arrears by deduction from your Fund's Perpetual Cash Account.								
Administration fee The fee for holding custody of your Fund's assets and providing ongoing investment portfolio administration	<table><tr><th>Fund value</th><th>Fee amount</th></tr><tr><td>First \$500,000</td><td>0.65% pa</td></tr><tr><td>Next \$500,000</td><td>0.45% pa</td></tr><tr><td>Amount over \$1,000,000</td><td>0.25% pa</td></tr></table> Subject to a minimum fee of \$2,600 pa.	Fund value	Fee amount	First \$500,000	0.65% pa	Next \$500,000	0.45% pa	Amount over \$1,000,000	0.25% pa	Calculated daily, based on your Fund's value each day if it is a percentage charge, and paid to us monthly (minimum \$216.67 per month) in arrears by deduction from your Fund's Perpetual Cash Account.
Fund value	Fee amount									
First \$500,000	0.65% pa									
Next \$500,000	0.45% pa									
Amount over \$1,000,000	0.25% pa									
Sub-custody fee for international shares The additional fee for holding international shares in your Fund's portfolio	0.15% pa of the value of any international shares within your Fund's portfolio.	If applicable, calculated daily, based on the value of your Fund's portfolio's international shares, and deducted from your Fund's Perpetual Cash Account monthly in arrears.								
Buy/sell spread²	Refer to the relevant product issuer's PDS for each managed investment for buy/sell spread amounts.	Buy/sell spreads apply at the time of each transaction in a managed investment and are usually charged by the product issuers by adjusting the application and/or withdrawal price to allow for relevant transaction costs. If applicable, refer to the relevant PDS for each managed investment for further details on how and when buy/sell spreads are charged.								
Switching fee	First 100 transactions (including switches) each year – nil. Each transaction (including switches) thereafter each year – transaction fee of \$27.50	If applicable, any transaction fees payable when you buy or sell investments within your Fund (including switches) are deducted from your Fund's Perpetual Cash Account at the end of the month for each transaction in excess of the 100 free transactions.								
Exit fee⁴	Within the first 12 months – the full outstanding administration fees for the remainder of the 12 months based on the highest value of your account up to the date of termination. After 12 months – nil.	Paid by deduction from your Fund's Perpetual Cash Account on termination of your account. Not applicable.								
Advice fees relating to all Fund members using the Service	Not applicable – we do not charge a standard advice fee (see 'Other fees and costs' below for adviser fees you may agree with your financial adviser).	Not applicable for the Service. You may agree other service fees with your adviser, which are charged via the Service, but these are not for the Service itself.								
Other fees and costs^{4,5}	Establishment fee: New fund – \$450 to set up a new Fund. Existing fund – \$1,000 ⁶ to transfer an existing DIY fund into the Service.	The establishment fee is payable once only, by deduction from your Fund's Perpetual Cash Account, when you begin using the Service.								
	Adviser fees Contribution fee on each amount contributed to your Fund, where allowed by law – as agreed between you and your financial adviser. ^{7,8}	If applicable, a contribution fee is charged when you make an initial investment or additional investments (except Government co-contributions). Any contribution fee agreed between you and your financial adviser will generally be a percentage-based fee that is calculated on the investment amount and deducted from your Fund's Perpetual Cash Account.								
	Financial planning fee and/or strategic advice fee for your Fund's financial plan(s) and/or strategic advice – as agreed between you and your financial adviser. ⁷	These are dollar based fees payable from your Fund's Perpetual Cash Account at the time agreed between you and your financial adviser.								

FEES AND OTHER COSTS (CONTINUED)

TYPE OF FEE ¹	AMOUNT	HOW AND WHEN PAID
Other fees and costs^{4,5} (continued)	Adviser fees (continued)	
	Adviser service fee for ongoing service and advice on your Fund's investments or Service fee for ongoing service on your Fund's investments – as agreed between you and your financial adviser. ⁷	Ongoing fee: A percentage or dollar based fee payable monthly from your Fund's Perpetual Cash Account. If percentage based, it will be calculated on the daily closing balance of your entire account, including your Fund's Perpetual Cash Account. Ad hoc fee: A dollar based fee payable from your Fund's Perpetual Cash Account, as agreed between you and your financial adviser.
	Activity fees	
	Broker fee⁹ payable to your broker: ASX listed securities – generally 0.33% of the value of the trade. International shares – flat fee of \$50 plus brokerage of 0.15% of the value of the trade, together with any out-of-pocket expenses incurred. Domestic fixed income securities – as agreed with the approved fixed income broker.	When buying and selling relevant investments for your Fund's portfolio, brokerage is calculated by your broker and payable at the time of each transaction. Brokerage will be added to the cost or deducted from the proceeds of each transaction. Any out-of-pocket expenses incurred in trading international shares, such as local market and government charges, are also deducted from the value or proceeds (as applicable) of the trade.
	Audit fees¹⁰ Base fee charged by the auditor for conducting the audit of your Fund – approximately \$600. Additional audit fee where your Fund has segregated assets – approximately \$198. Additional audit fee where your Fund holds non-standard assets such as unregistered unit trusts or shares in an unlisted company – approximately \$210 per type of non-standard asset.	Audit fees are deducted annually from your Fund's Perpetual Cash Account.
	Insurance premiums will also apply if any members have taken out insurance cover under the Fund.	Any insurance premiums payable to the insurer will be deducted from your Fund's Perpetual Cash Account monthly or annually in advance in line with the cover anniversary. If the date shown falls on a weekend or public holiday, the premium will be deducted on the next business day following the due date.
	Government charges	
	Annual ATO levy¹¹ – \$518 for newly registered funds (for the 2015/2016 financial year). \$259 for funds that were established prior to 1 July 2015. The amount and type of levy may be changed by the ATO in future years.	The ATO levy is deducted annually from your Fund's Perpetual Cash Account upon receipt of the Income Tax Assessment from the ATO following lodgement of your Fund's annual income tax and regulatory return. Any other government charges or levies will be applied to your Fund, as appropriate.
Indirect cost ratio	Nil.	Any reimbursable expenses, as and when applicable, will be deducted from your Fund's Perpetual Cash Account.

1 Defined fees for superannuation products, which form part of this Guide, can be found on our website at www.perpetual.com.au/smsf.

2 Refer 'Fees and costs payable to product issuers for managed investments' on page 28 for further information.

3 The administration fees we charge are the total of all administration fees charged to your Fund. They cover all ordinary services that we provide to you in running your Fund (refer 'Perpetual Self Managed Super Fund Service at a glance' on page 3). However, they do not cover all the expenses incurred by your Fund (refer 'Other expenses' on page 30) and any incidental fees (refer 'Incidental fees' on page 28).

4 Refer also 'Other expenses' on page 30 as there may be costs associated with realising investments to pay withdrawals.

5 Refer also 'Other asset fees' and 'Incidental fees' on page 28.

6 The establishment fee for an existing fund includes assessment of the DIY fund, loading of accounting and member information into our system, transfer of custody of assets and preparation of a deed of amendment – refer also to 'Establishment fees and existing funds' on page 28 as there may be additional costs relating to the transfer of existing DIY funds.

7 This fee may include an amount payable to an adviser (refer 'Adviser remuneration' on page 29 for further information).

8 A contribution fee may apply to underlying investments which you purchase through the Service.

9 Refer 'Brokerage on listed security transactions' on page 28 for further details.

10 Refer 'Fund audit' on page 28 for further details of fund audit fees.

11 Refer 'ATO levy' on page 29 for further details.

ADDITIONAL EXPLANATION OF FEES AND COSTS

ESTABLISHMENT FEES AND EXISTING FUNDS

Where you transfer an existing DIY fund into the Service our establishment fee does not cover work done to rectify historical problems or complete prior financial year work. The costs of these types of activities will be charged to your Fund at standard professional rates.

We'll provide an estimate of the cost for us to complete this type of work prior to commencing it, and will advise where the actual cost of the work is likely to exceed the estimated amount before proceeding further.

FEES AND COSTS PAYABLE TO PRODUCT ISSUERS FOR MANAGED INVESTMENTS

Product issuers charge management costs that may include management fees, performance fees and indirect costs. Transaction costs may also apply (eg through their use of buy/sell spreads on unit prices) so that individual investors in managed investments more equitably share the costs associated with buying and selling investments.

You should refer to the current PDS and any updates issued by the product issuer for details of fees and costs applicable to any managed investment products you may hold in your account. By investing in managed investment products through the Fund, you will not receive periodic statements setting out management costs, including indirect costs, attributable to such underlying investments from the product issuer.

BROKERAGE ON LISTED SECURITY TRANSACTIONS

Your broker will charge brokerage on the purchase and sale of ASX listed securities, international shares and domestic fixed income securities.

Brokerage you are charged will generally be inclusive of any applicable GST.

When you establish your Fund in the Service, a broker from our current approved panel is assigned as the platform broker authorised to purchase and sell ASX listed securities for your Fund. You authorise your adviser to place these trades on your Fund's behalf. Brokerage will apply on all equity transactions placed online through the platform brokers. We may receive up to 40% of the brokerage amount charged for services we perform in relation to these transactions (which is the equivalent of up to \$1.32 for every \$1,000 you trade), but this will be at no additional cost to you.

If you trade listed securities via the Perpetual online share transaction facility, an authorised external broker or approved fixed income broker, you and your adviser may be able to negotiate the brokerage costs directly with that broker. You should contact these brokers for information on the fees and costs applicable for their service.

FUND AUDIT

Your Fund's financial accounts must be audited each year. Perpetual prepares the financial statements as part of the administration fee and arranges for the audit of these accounts.

Perpetual will arrange for the engagement of an audit firm to provide audit services to your Fund. However, as trustees of your Fund, it is your responsibility to formally accept the engagement by signing the audit engagement letter, which will be provided to you when we commence the preparation of your Fund's financial accounts.

Based on past experience, we estimate that the cost of the audit should be approximately \$600 (GST inclusive) which will be paid by your Fund. In some cases where the audit is more complex (eg where the Fund has segregated assets and/or holds an investment in a non-standard asset such as an unregistered or closely held unit trust or in real property), higher audit costs may be incurred. The actual amount of audit fees payable by your Fund for any given financial year will be detailed in the audit engagement letter.

OTHER ASSET FEES

If your Fund's investments include any acceptable investments which require additional administration, an additional asset fee may be charged at the time of the initial investment and annually thereafter. The amount varies depending on the type of asset, as shown in the following table.

OTHER ASSET	ADDITIONAL ASSET FEE
Managed investments not on the Investment Wrap's menu	\$500 per annum per managed investment
Term deposits not on the Investment Wrap's approved term deposit menu	\$100 per term deposit
Unlisted equities and other acceptable investments	\$150 per annum per unlisted equity/other acceptable investment

INCIDENTAL FEES

You may incur incidental fees resulting from certain requests or transactions on your Fund, as shown in the following table. These fees are additional to the fees set out in the 'Fees and other costs' table on pages 26-27.

INCIDENTAL FEES

INCIDENTAL FEES	AMOUNT PAYABLE
Foreign exchange If your Fund's investments involve any foreign exchange transactions.	The amount payable to our foreign exchange provider will vary depending on the currency being exchanged.
Failed trade fee If you have insufficient available cash in your Fund's Perpetual Cash Account to pay for a purchase or if you instruct us to sell assets that are not held in your portfolio.	\$36.00 per day until settlement or cancellation (the ASX may also charge a fee).
Dishonour fee If a direct debit from your nominated Australian financial institution is returned unpaid or your cheque is dishonoured.	Your Fund's Perpetual Cash Account will bear any fees associated with the dishonour, when they are charged to us.
Bank cheque fee If you request a withdrawal payment via bank cheque.	\$10.00 per request.
Telegraphic transfer fee If you request a withdrawal payment via telegraphic transfer.	\$30.00 per request.
Distribution redirection fee If you require distributions/dividends to be redirected to you following the closure of your Fund.	\$50.00 per request.
Fees for the provision of information If you elect to receive notices, proxies, proxy soliciting materials, reports or other communications relating to your portfolio or where additional reports are requested more frequently than quarterly.	\$33.00 per communication, plus \$88 per hour (or part thereof) where attending to your request takes more than 15 minutes.

ATO LEVY

The payment of the ATO levy is due upon lodgement of your Fund's annual income tax and regulatory return. As part of our service, we'll arrange for the preparation of your Fund's income tax and regulatory return, which will then be forwarded to you for your review and sign-off. Once signed, we'll then lodge your Fund's return with the ATO. The ATO will then issue to your Fund an Income Tax Assessment, which would include the levy payable by your Fund. The levy is then deducted from your Fund's Perpetual Cash Account and remitted to the ATO together with any net income tax payable or, should your Fund report a net tax refundable instead, deducted from the refund amount and the remainder credited back to your Fund.

TAX

Tax information, including GST, is set out on page 32.

ADVISER REMUNERATION

All adviser fees (see the 'Fees and other costs' table on pages 26-27) negotiated between you and your financial adviser will be as set out on the application form or subsequent instruction to us. If no amounts are specified, these fees will be nil.

Your adviser will provide you with a financial services guide and, where appropriate, a statement of advice, which will detail their remuneration and other benefits.

ADVISER SERVICE FEES

There are no maximum adviser service fees, however, we are able to reject the amount of adviser service fees if we believe they are unreasonable.

The ongoing adviser service fee may be structured in one of three ways:

- **tiered structure**, specifying a percentage to apply at different portfolio values
- **flat percentage structure**, specifying a percentage to apply to the total value of your portfolio or
- **flat dollar structure**, specifying a flat (fixed) dollar amount.

OTHER BENEFITS

As a result of your Fund's investment in the Service, your financial adviser may receive other non-monetary benefits, which are not an additional cost to you.

PERPETUAL CASH ACCOUNT REMUNERATION

Total Perpetual Cash Account balances are invested via the custodian in bank or other interest bearing deposits with an authorised deposit-taking institution. A member of the Perpetual Group retains any difference between the interest received on those deposits and the rate of return PTCO declares for payment on Perpetual Cash Account balances.

OTHER REMUNERATION WE MAY RECEIVE

Perpetual, as the provider of the underlying custody service, may also receive payments and rebates from various product issuers (where permitted by law). These payments come from each product issuer's own resources at no additional cost to you. Please contact us if you would like further details.

We may use these payments and rebates to reduce the administration fees you pay to us. These amounts will be credited to your Fund's Perpetual Cash Account net of any applicable GST that may apply to them.

OTHER EXPENSES

The administration fees charged for the Service do not cover all expenses incurred by your Fund. All fees, charges and expenses paid to service providers (such as auditors, actuaries and sub-custodians of international assets), regulatory levies, bank fees, property valuations, title searches and taxes incurred on behalf of your Fund are paid by Perpetual from your Fund's Perpetual Cash Account. If these expenses are paid directly by Perpetual, we are entitled to be fully reimbursed by your Fund. The selection of service providers is at our discretion.

No maximum or minimum limits apply to the recovery of these properly incurred expenses.

Subject to the provisions of the trust deed, time in attendance expenses that we incur in the management of your Fund will be recovered from the Fund at our standard professional rates. For example, these activities may include attending company meetings, court appearances, legal investigations and attendance at body corporate meetings.

Extraordinary administrative tasks that we are required or are requested by you to perform (such as effecting a split of your superannuation interest, or making an in specie benefit payment) may incur additional costs.

The costs of these extraordinary types of activities will be charged to your Fund's Perpetual Cash Account at our standard professional rates. We'll provide an estimate of the cost for us to complete this type of work prior to commencing it and will advise where the actual cost of the work is likely to exceed the estimated amount before proceeding further.

ACTUARIAL REVIEW

Where an actuarial review will be required for your Fund, for example, if it is paying some types of pensions, Perpetual can engage an actuarial firm to provide actuarial services to your Fund.

The additional cost of an actuarial review, where required, will be charged to your Fund's Perpetual Cash Account.

FEES SPREAD PROPORTIONATELY

Generally fees and charges are deducted proportionately from each member account within your Fund. This means that the member with the largest account balance will bear the largest proportion of the fee. In some cases where a fee or expense can be directly attributed to a particular member (eg actuarial costs), that amount will be charged solely to their account.

INCREASES OR ALTERATIONS TO THE FEES

If there is an increase in the rate of GST payable on any of the services provided to your Fund, Perpetual will pass this increase on to your Fund and reflect these changes in its charges. Further, over time we may vary our charges. We won't increase our fees or charges (other than government fees and charges) or introduce any new fees or charges without first giving Fund members 30 days' written notice.

Incidental fees, such as fees for bank cheques and telegraphic transfers, can change without notice. Current fee details at any time are available from our website.

EXAMPLES OF ANNUAL FEES AND COSTS

The following tables give examples of how the fees and costs for the Service can affect your superannuation investment over a 1 year period. As our minimum administration fees are based on a Fund value of at least \$400,000 for the Service, we have provided below fee examples based on \$400,000 and \$1,000,000 Fund value scenarios. You may be able to use these examples to compare the Service with other DIY superannuation services.

As one of the features of an SMSF is the unique investment mix (and, hence, cost arrangement) you are able to select, you should compare the costs of a Fund in the Service with a superannuation product only after also taking into account fees and costs for your Fund's expected investments and transactions and any government charges.

EXAMPLE OF FEES AND COSTS: FUND VALUE OF \$400,000

EXAMPLE		BALANCE OF \$400,000
Investment fees	Varying – as determined by the product issuer	For every \$400,000 you have in the Service you will be charged by the product issuer varying investment fees each year depending on the managed investments, if any, in which your Fund invests
PLUS Administration fees	\$1,200 + 0.75% (comprising 0.10% fund administration fee + 0.65% administration fee)	And , you will be charged the minimum \$4,200 in administration fees
PLUS Indirect costs for the Service	Nil	And , indirect costs of \$0 will be deducted from your investment
EQUALS Cost of the Service		If your balance was \$400,000, then for that year you will be charged fees of at least \$4,200* for the Service.

EXAMPLE OF FEES AND COSTS: FUND VALUE OF \$1,000,000

EXAMPLE		BALANCE OF \$1,000,000
Investment fees	Varying – as determined by the product issuer	For every \$1,000,000 you have in the Service you will be charged by the product issuer varying investment fees each year depending on the managed investments, if any, in which your Fund invests
PLUS Administration fees	\$1,200 + 0.65% (comprising 0.10% fund administration fee + 0.55% administration fee)	And , you will be charged \$7,700 in administration fees
PLUS Indirect costs for the Service	Nil	And , indirect costs of \$0 will be deducted from your investment
EQUALS Cost of the Service		If your balance was \$1,000,000, then for that year you will be charged fees of at least \$7,700* for the Service.

* The following charges **will** also apply:

- You will be charged an audit fee each year – see page 27 for details.
- You will be charged an ATO levy each year – see page 27 for details.

Additional fees may apply. **And:**

- These examples don't include any external investment management costs that may be payable depending on the investments you select, such as investment fees and transaction costs charged by managed investments – see page 28 for further information.
- You may be charged an establishment fee to set up a new Fund or transfer an existing DIY fund into the Service – see page 26 for details.
- You will be charged a sub-custody fee if your Fund holds any international shares – see page 26 for further information.
- You will be charged transaction fees if your Fund has more than 100 transactions (including switches) during the year – see page 26 for details.
- You will be charged brokerage on any trade involving ASX listed securities, international shares or domestic fixed income securities – see page 27 for further information.
- You will be charged an exit fee if you close your account within the first 12 months – see page 26 for details.

TAX

The tax benefits derived from investing in superannuation are particular to your circumstances, so we recommend you see a tax adviser. This information is general only and shouldn't be relied on.

ACCUMULATION ACCOUNTS

YOUR FUND

CONCESSIONAL CONTRIBUTIONS

Concessional contributions are generally subject to tax at 15% within the Fund.

NON-CONCESSIONAL CONTRIBUTIONS

Non-concessional contributions (also known as 'after-tax contributions') are not taxable within the Fund.

TAX ON INVESTMENT EARNINGS

Provided your Fund is a complying superannuation fund, the maximum tax rate on its taxable income (including realised net capital gains) is 15%. However the effective rate of income tax is generally less due to the impact of:

- concessional CGT treatment for assets held for more than 12 months
- allowable deductions (see below)
- tax offsets (see below).

ALLOWABLE DEDUCTIONS

Certain expenses incurred by your Fund may be claimed as tax deductions, which reduce the amount of tax payable.

The tax deductibility of insurance premiums is limited to the extent that the definition in the policy aligns with the definition of invalidity under superannuation law. This means that where a TPD insurance policy includes 'own occupation', TPD insurance premiums may not be fully deductible to the Fund. You should speak to your financial and/or tax adviser to understand the impact on your Fund.

TAX OFFSETS

Your Fund may be able to claim tax offsets, including franking credits and foreign income tax offset, to reduce the amount of tax payable by the Fund. Excess franking credits may be refundable to your Fund by the ATO.

MEMBERS

CONCESSIONAL CONTRIBUTIONS

TAX DEDUCTIONS

Employers can claim a full tax deduction for all contributions made on behalf of their employees.

If you are self-employed (that is, if you earn less than 10% of your assessable income plus reportable fringe benefits and reportable employer super contributions for a year from activities where you would be considered an employee), you can claim a full deduction for all personal superannuation contributions until age 75.

ADDITIONAL CONTRIBUTIONS TAX

Generally, a flat 15% tax applies to concessional contributions. However, tax of 30% will apply instead to concessional contributions (within the concessional contributions cap) if your income (including concessional contributions) is greater than \$300,000. If your income excluding concessional contributions is less than the \$300,000 threshold, but including the concessional contributions pushes you over the threshold, only that part of the contributions in excess of the threshold will be subject to tax at 30%. The ATO will issue an assessment to the member for the extra tax payable on the contributions, together with a release authority to allow the tax amount to be withdrawn from the fund. The member can either use the release authority or pay the tax from other sources.

Concessional contributions that exceed your concessional contribution cap (see 'Contribution limits' on page 19 for details) will be included in your assessable income and taxed at your marginal tax rate (plus Medicare levy). You will also have to pay an excess concessional contributions charge on the increase in your tax liability. You have the option to withdraw from your member account an amount equal to 85% of the excess concessional contribution. Any excess concessional contributions withdrawn do not count towards your non-concessional contribution cap.

NON-CONCESSIONAL CONTRIBUTIONS

Any non-concessional contributions that exceed your non-concessional contribution cap (see 'Contribution limits' on page 19 for details) are taxable at the top marginal tax rate (plus Medicare levy) and you must withdraw from your Fund an amount equal to your liability to pay the excess contributions tax. To limit excessive contributions taxes, an individual non-concessional contribution can only be accepted if it is within the relevant limit. However, you are responsible for monitoring your total non-concessional contributions against the relevant limit.

You have the option of withdrawing superannuation contributions in excess of the non-concessional contributions cap made from 1 July 2013 and any associated earnings. The earnings will be taxed at your marginal tax rate.

GOVERNMENT CO-CONTRIBUTION

Members with a total income (assessable income plus reportable fringe benefits and reportable employer super contributions less allowable deductions for carrying on a business, where applicable) of less than the higher income threshold (see below) who are less than 71 years of age at the end of the financial year may be eligible for the Government co-contribution on personal non-concessional contributions up to \$1,000 made during that year.

The co-contribution rate is 50%, with a maximum \$500 co-contribution applying for individuals with a total income up to the lower income threshold (see below), which reduces by 3.333 cents for every \$1 of total income up to the higher income threshold where it ceases to apply.

For the 2015/2016 financial year, the lower income threshold is \$35,454 with a higher income threshold of \$50,454. For the 2016/2017 financial year, the lower income threshold is \$36,021 with a higher income threshold of \$51,021. The higher income threshold is set at \$15,000 above the (indexed) lower income threshold.

LOW-INCOME SUPERANNUATION CONTRIBUTION

A superannuation contribution of up to \$500 annually (not indexed) will be paid by the Government for individuals on adjusted taxable incomes of up to \$37,000. The amount payable into the individual's superannuation account will be calculated by applying a 15% matching rate to the concessional contributions made by or for such eligible individuals.

This effectively means that eligible individuals can have \$3,333 in concessional contributions made to superannuation each year without having their benefits reduced by contributions tax as the \$500 payment will offset the contributions tax payable.

The low-income superannuation contribution will remain in the above form until 30 June 2017.

SPOUSE CONTRIBUTIONS

A person can claim a tax offset of up to \$540 per annum for superannuation contributions made on behalf of their low income or non-working eligible spouse. The tax offset is calculated as 18% of contributions up to a maximum contribution of \$3,000.

You can obtain further information from www.ato.gov.au.

TAX ON SUPERANNUATION BENEFIT PAYMENTS

Tax may be payable when you make a lump sum withdrawal from the Fund. Tax applicable to the components of superannuation benefit payments is shown in the 'Tax on lump sum benefit payments' tables on this page. Different rates may apply to temporary residents permanently departing Australia (see 'Tax on departing Australia superannuation payments' on page 34 for details) or to residents who have not provided a TFN.

PENSION ACCOUNTS

YOUR FUND

TAX ON INVESTMENTS

Generally, no tax is applied on superannuation amounts rolled over into your Fund, unless they have come from an untaxed source and contain a taxable component (eg Government superannuation scheme). In this case, the Fund is required to deduct income tax of generally 15% on the taxable component amount.

TAX ON INVESTMENT EARNINGS

Investment earnings including realised net capital gains derived within a full pension account of your Fund are not subject to tax.

TAX OFFSETS

To the extent that tax offsets have been derived within a pension account of your Fund, but are able to be applied against the income tax payable by the accumulation phase of the Fund, we'll ensure they are utilised in a reasonable and equitable manner.

MEMBERS

TAX ON PENSION BENEFIT PAYMENTS

Tax instalments may be payable in respect of pension payments made to you through the PAYG (Pay-As-You-Go) system.

Tax applicable to the components of pension benefit payments is shown in the following 'Tax on pension benefit payments' table. Different rates may apply to members who have not provided a TFN.

TAX ON SUPERANNUATION BENEFIT PAYMENTS

The following 'Tax on lump sum benefit payments' tables provide details of tax payable on superannuation benefit payments, which include pension commutations.

TAX ON LUMP SUM BENEFIT PAYMENTS – 2015/2016 FINANCIAL YEAR

COMPONENT	TAX TREATMENT	
Tax-free¹	Tax-free.	
Taxable²	Under age 56:	Taxed at 20% ³
	Aged 56-59:	First \$195,000 ⁴ is tax-free and the balance taxed at 15% ³
	Aged 60 and over:	Tax-free

TAX ON LUMP SUM BENEFIT PAYMENTS – 2016/2017 FINANCIAL YEAR

COMPONENT	TAX TREATMENT	
Tax-free¹	Tax-free.	
Taxable²	Under age 57:	Taxed at 20% ³
	Aged 57-59:	First \$195,000 ⁴ is tax-free and the balance taxed at 15% ³
	Aged 60 and over:	Tax-free

TAX ON PENSION BENEFIT PAYMENTS – 2015/2016 FINANCIAL YEAR

COMPONENT	TAX TREATMENT
Tax-free¹	Tax-free.
Taxable²	Under age 56: Taxable at marginal tax rate ³
	Aged 56-59: Taxable at marginal tax rate ³ , less 15% pension offset
	Aged 60 and over: Tax-free

TAX ON PENSION BENEFIT PAYMENTS – 2016/2017 FINANCIAL YEAR

COMPONENT	TAX TREATMENT
Tax-free¹	Tax-free.
Taxable²	Under age 57: Taxable at marginal tax rate ³
	Aged 57-59: Taxable at marginal tax rate ³ , less 15% pension offset
	Aged 60 and over: Tax-free

- 1 Includes non-concessional contributions and Government co-contributions from 1 July 2007 (plus the former undeducted contributions, pre-July 1983 (amount fixed as at 30 June 2007), post-June 1994 invalidity, CGT exempt and concessional components).
- 2 Includes concessional contributions from 1 July 2007 (plus the former post-June 1983 (taxed) and excessive components).
- 3 Plus Medicare levy.
- 4 The low-rate cap is a lifetime limit which was set at \$195,000 for the 2015/2016 and 2016/2017 financial years and will be indexed in line with Average Weekly Ordinary Time Earnings (AWOTE) in multiples of \$5,000.

GENERAL

TAX ON DEPARTING AUSTRALIA SUPERANNUATION PAYMENTS

The tax payable on a DASP (see the 'Benefit payments' table on page 21 for further information) is:

- 35% (38% for the period that the Government's 'Temporary Budget Repair Levy' applies) for a taxed element of a taxable component
- 45% (47% for the period that the Government's 'Temporary Budget Repair Levy' applies) for an untaxed element of a taxable component.

TAX ON DEATH BENEFITS

Payment rules and the tax consequences depend on whether the death benefit is paid to a dependant or non-dependant. A death benefit dependant for tax purposes is a:

- current or former spouse¹
- child¹ under age 18
- person who was financially dependent on you at the time of your death or
- person who you have an 'interdependency relationship'¹ with.

- 1 See 'Dependants' under 'Death benefits' on page 36 for definitions of dependants under superannuation law.

DEATH BENEFITS PAID TO DEPENDANTS

Lump sum death benefit payments are tax-free if paid to a dependant.

A death benefit paid as a pension will be tax-free if either the primary or reversionary beneficiary is aged 60 or over. If they're both under age 60 at the time of death, the pension (less any tax-free amount) will continue to be taxed at the reversionary beneficiary's marginal tax rate (plus Medicare levy) less 15% pension tax offset until the reversionary beneficiary turns age 60, when it becomes tax-free.

If the death benefit is paid as a pension to a dependant child, the balance must be paid as a (tax-free) lump sum when the child turns 25 (unless permanently disabled).

DEATH BENEFITS PAID TO NON-DEPENDANTS

Death benefit payments to non-dependants for tax purposes (eg an adult child) have to be paid as a lump sum benefit. The taxable component of a death benefit paid to a non-dependant will normally be taxed at 15% (plus Medicare levy).

DEATH BENEFITS PAID TO YOUR LEGAL PERSONAL REPRESENTATIVE

If the death benefit is paid to your legal personal representative for distribution through your estate, any tax payable will depend on how the death benefit is ultimately distributed between your dependants and any non-dependants.

TAX ON DISABILITY SUPER BENEFITS

A tax offset of 15% is generally available on disability super benefits paid as a pension to members under age 60.

TAX ON TERMINAL ILLNESS BENEFITS

Generally no tax is payable on benefits that are paid to you under the 'terminal medical condition' condition of release (see the 'Benefit payments' table on page 21 for details).

TAX ON SALARY CONTINUANCE BENEFITS

PAYG tax will be deducted on any salary continuance benefits that are paid to you.

TAX FILE NUMBER (TFN)

We are authorised by superannuation law to collect TFNs in connection with your superannuation investment.

Providing your TFN isn't compulsory. However:

- the Fund can only accept non-concessional contributions for you if you have quoted your TFN
- where your TFN hasn't been quoted by the end of a financial year or prior to you leaving the Fund, the Fund may be required to deduct additional tax from concessional contributions received during the year¹
- if the Fund doesn't have your TFN when you apply to withdraw your superannuation, the Fund must deduct income tax at the highest marginal tax rate (plus Medicare levy) from any lump sum benefits paid to you²

- if you don't quote your TFN to all funds, you may find it difficult to locate, amalgamate or access your superannuation benefits in future.
- 1 A refund of the tax paid may be available within three years of it being deducted if a valid TFN is subsequently provided by you or your employer.
 - 2 If you subsequently provide the Fund with your TFN, the Fund may be able to refund the difference between the tax the Fund deducted and the tax properly applicable to your lump sum benefit. You can claim a credit in your income tax return for the tax withheld. If this isn't appropriate, you can apply to the ATO for a refund.

We'll provide your TFN to the trustee of another superannuation fund or retirement savings account provider receiving your transferred benefits in future, unless you ask us not to in writing.

TAX ON WINDING UP YOUR FUND

Winding up or terminating your Fund involves disposing of all of the assets, either by sale or in specie transfer, and calculating a final member benefit from your Fund. This is then paid to the member or rolled over to another regulated superannuation fund if the benefit is preserved.

This means that all of the unrealised capital gains and losses in your Fund will be realised and become taxable (together with all other income) in the final tax return of your Fund. However, income and capital gains associated with assets supporting a current pension liability are tax exempt where the pension is still in place at the time of any disposals of assets. Note also that upon termination of your Fund all unused realised capital and/or income losses within the Fund (if any) are lost.

GOODS AND SERVICES TAX (GST)

GST generally applies to all fees, costs and expenses payable by your Fund, including our administration fees and certain other expenses.

Not all superannuation funds are required to be registered for GST and registration will depend on your Fund's investments and the nature of the income received. For example, if your Fund has an investment in commercial property and derives commercial rental income, it is likely a GST registration would be required. Alternatively, if your Fund invests solely in listed shares and derives dividend income instead, no registration for GST is necessary. Where required, Perpetual will register your Fund for GST and calculate and remit any GST payable to the ATO on behalf of the Fund. We'll also include in the Fund's Business Activity Statement the relevant GST details relating to all taxable supplies and creditable acquisitions made by the Fund according to the 'A New Tax System (Goods and Services Tax) Act 1999'.

Superannuation funds that are registered, or required to be registered, for GST generally can't claim a credit for the GST paid, but may be entitled to claim a reduced input tax credit (RITC), which represents a portion of the GST applicable on the Fund administration fees and certain other expenses. Depending on the size of these claims we will assess the most suitable reclaim frequency.

The investment custody administration fees specified in the 'Fees and other costs' table show the approximate net amount payable on the basis that we are entitled to claim a full refund of RITCs for the associated GST amount. As the investment custody administration fees charged to your Fund have already been reduced by the RITC refund amount, this means that Funds using the Service are not entitled to claim RITCs for any GST associated with these costs.

ESTATE PLANNING

On your death, your superannuation benefits in your Fund may be treated differently to other assets you own. The trustees of your Fund are generally required to pay your benefits as soon as practicable after your death either directly to one or more of your dependants or to your estate.

In the event of your death:

- we will continue to deduct applicable administration and adviser fees until the payment of your superannuation benefit is authorised by the trustee and your account is closed and
- your investments will continue to be invested in accordance with the most recently selected investment strategy until we receive other instructions from a properly authorised person.

Death benefits can be paid as a lump sum, pension or combination. However, only certain beneficiaries who have been nominated by you are eligible to receive your death benefits as a pension.

DEATH BENEFITS

The rules attached to our SMSF trust deed provide for the payment of a lump sum or pension benefit (see below for conditions that apply) in the event of your death and allow you to either:

1. give a non-lapsing direction (binding nomination) to the trustees regarding the distribution of your death benefit or
2. nominate your preferred beneficiaries (non-binding nomination) but ultimately leave it to the discretion of the surviving trustees to decide how your death benefit is to be distributed amongst your beneficiaries and/or legal personal representatives.

There are different tax consequences depending upon the type of nomination you make and the beneficiaries. We recommend that you consult your financial and/or tax adviser before making any nomination.

If a member wants to make either a binding or non-binding death benefit nomination they should complete the 'Nomination of beneficiary' form included in this document and provide a copy to Perpetual. As trustee, you should retain the original form.

If you don't make any nomination, the surviving trustees will use their discretion for the payment of your death benefit.

As trustee you should ensure that you have valid death benefit nominations on file for all members. You are responsible for making decisions relating to the payment of death benefits, not Perpetual.

BINDING NOMINATIONS

A binding nomination, which will be non-lapsing, is one where the surviving trustees are bound to make payment of your death benefit according to your instructions, provided your nomination is valid under the law and the rules in the trust deed.

A binding death benefit nomination may only be made in respect to either a member's dependant or legal personal representative.

Because your nomination will not automatically lapse, it is important that you periodically review your nomination to ensure you still wish us to pay the person(s) you have nominated.

A binding death benefit nomination:

- can provide for primary and alternate beneficiaries to cover various future contingencies, such as where a beneficiary:
 - predeceases the member
 - does not survive the member by more than 30 days
 - is not eligible to receive a death benefit
 - waives their right to receive a death benefit
- is non-lapsing
- ceases to have effect on the occurrence of certain events.

You should make yourself familiar with the binding death benefit nomination rules contained in the trust deed. It is recommended that you obtain professional financial and/or tax advice when determining your estate planning structure.

NON-BINDING NOMINATIONS

This information provides the surviving trustees with an indication of your wishes and will assist them in exercising their discretion. However, it does not necessarily mean that the benefit will be distributed in this manner.

DEPENDANTS

For the purpose of paying a death benefit, a member's dependant is a:

- spouse
- child
- person who was financially dependent on you at the time of your death
- person who you have an 'interdependency relationship' with.

A member's 'spouse' includes:

- another person (whether of the same sex or a different sex) with whom a member is in a relationship that is registered under relevant law and
- another person who, although not legally married to the member, lives with the member on a genuine domestic basis in a relationship as a couple.

A member's 'child' includes:

- an adopted child, stepchild or ex-nuptial child
- a child of the member's spouse
- someone who is a child of the member under family law.

Two people have an 'interdependency relationship' if:

1. they have a close personal relationship and
2. they live together and
3. one or each of them provides the other with financial support and
4. one or each of them provides the other with domestic support and personal care.

If a close personal relationship exists but the other requirements for interdependency aren't satisfied because of a physical, intellectual or psychiatric disability, then there is also an interdependency relationship.

PAYMENT OF DEATH BENEFITS AS A PENSION

Generally death benefits can be paid as a pension to:

- a dependant if the member dies before commencing a pension, to be taxed in the same manner as a reversionary pension (see the 'Tax on pension benefit payments' tables on page 34 for details of tax payable on pension benefits) or
- a dependant child (defined as being less than age 18, between ages 18 to 25 and financially dependent on you, or permanently disabled), although the balance must be paid as a (tax-free) lump sum when the child turns 25 (unless permanently disabled).

Non-dependants are not entitled to receive a death benefit as a pension.

Further information relating to payment of death benefits as a pension can be found within 'Death benefits' on page 24.

LEGAL PERSONAL REPRESENTATIVES

In the event of your death, your legal personal representative may become a replacement trustee for the Fund. However, any such appointment is subject to the law and the Fund's trust deed.

SUPERANNUATION AND FAMILY LAW

The law allows for superannuation benefits to be split between you and your spouse (including a de facto spouse of the same or different sex) in the case of legal separation or divorce. Under the law, the trustees may be required to:

- provide certain information about your superannuation interest to eligible persons upon request without notifying you of the request and/or
- 'flag' (accumulation accounts only) and/or split your superannuation interest according to a superannuation agreement or Family Court order.

The legislative requirements for splitting your superannuation are complex and effecting a split of your superannuation interest may have significant financial and tax consequences for you. We therefore recommend that you seek professional legal, tax and financial advice on how these provisions may affect you.

FURTHER INFORMATION

TERMS AND CONDITIONS FOR ADMINISTRATION AND CUSTODY SERVICES

APPOINTMENT OF PERPETUAL

You appoint Perpetual to perform administration and custodial services for your Fund as set out in this Guide, on and from the date of your application. This appointment remains valid until terminated.

Perpetual Private Investment Wrap (Investment Wrap) is used to hold and administer your Fund's investments. Perpetual has appointed Macquarie Investment Management Limited ABN 66 002 867 003, AFSL 237492 to provide administration services for the Investment Wrap.

DIFFERENCES BETWEEN INVESTING THROUGH THE SERVICE AND INVESTING DIRECTLY

The Service uses Perpetual Private Investment Wrap, an investor directed portfolio service (IDPS), in providing custody and investment administration services to your Fund.

Acquiring interests in underlying investments through the Service using an IDPS is not identical to holding these investments in your Fund's own right. For example, the following differences apply:

- the IDPS custodian will be the legal owner of the assets rather than the trustee(s) of your Fund
- your Fund does not become the direct unit holder in the managed investments you have selected for your Fund. The registered unit holder will be the IDPS custodian as our agent for your Fund. As such, the custodian may exercise the rights of a unit holder or decline to exercise them in accordance with the arrangements specified in this Guide
- cooling-off rights, which are usually available to direct retail investors allowing a refund of an investment within 21 days from the investment date, will not apply to investments made via the IDPS. This means that any requests for a refund otherwise available to direct retail investors within the product issuer's cooling-off period will instead be treated as a normal withdrawal request, which may incur product issuer fees
- for term deposits, your Fund's investment generally will be pooled with other investors that wish to invest for the same term as your Fund. As a result, some of the features and functions that may be described in the term deposit offer documents may not be available to your Fund
- for ASX listed securities in your Fund, the IDPS custodian will:
 - instruct CHES¹ to settle your transactions in line with market practice
 - control your Fund's holdings on CHES¹ in line with the ASX business rules

- international shares in your Fund will be held in custody for your Fund by the IDPS custodian or its delegate(s), who will settle your Fund's transactions in line with market practice
- domestic fixed income securities in your Fund will be held in custody for your Fund by the IDPS custodian or its delegate(s), who will settle your Fund's transactions in line with market practice. Your Fund will be required to meet the minimum parcel and trading requirements of the issuer or approved fixed income broker
- certain rights and obligations available to, or owing by, the legal owner of an asset are exercisable by the IDPS operator, rather than by your Fund. For example, there may be differences in relation to:
 - your Fund's withdrawal rights (refer 'Your Fund's withdrawal rights' on page 39 for further information)
 - transaction processing and unit pricing may differ
- when your Fund makes an initial or additional investment in an underlying investment, there is a risk that you have not considered the most recent product disclosure statement and other disclosure documents for the underlying investment, or that you have not been made aware of recent material changes or significant events affecting that investment
- your Fund can access managed investments with wholesale fees, where available, which can be significantly cheaper than the retail fees your Fund may pay if it invested in each managed investment directly
- interest earned on any pooled operating accounts used by the IDPS operator or custodian will (if permitted by law) be retained by the IDPS operator or custodian and will not be payable to you
- as the IDPS custodian is the registered owner of your assets held in custody, you are unable to participate in regular or ad hoc meetings (such as annual general meetings for listed companies) nor do you have any voting rights (refer 'Voting policy' on page 39 for further information).

In performing investment services, from time to time, interest bearing pooled operating accounts will be used by the IDPS operator, however no interest is payable to your Fund in respect of those accounts.

1 CHES¹ is a system that records the ownership of shares and other listed securities in electronic form (rather than on paper). The custodian holds these securities in custody, in an individual investor account, on your Fund's behalf. As your Fund is not the registered holder, you do not have voting rights, nor is a proxy voting service provided. We generally do not vote or seek your instructions in relation to voting. However, at our discretion, we will vote as per your instructions if received.

YOUR FUND'S WITHDRAWAL RIGHTS

The IDPS custodian is the direct investor for your Fund's investments and holds all relevant withdrawal rights, which may differ depending on whether the investment is made by the IDPS custodian as a wholesale investor (usually the case) or retail investor. Withdrawal rights for an investment may not be available to the IDPS custodian if the product issuer's relevant PDS or disclosure document becomes defective before the issue of the investment.

As your Fund is an indirect investor, the product issuer is not required to return the investment to your Fund or provide your Fund with other options such as notifications of an option to withdraw if the investment is or becomes 'illiquid'. Withdrawal rights may also be affected where redemptions are offered on a scaled-back basis. As your Fund's investments may be pooled with other indirect investors investing via the IDPS, the amount your Fund could be entitled to also may be distributed pro rata with those other investors, resulting in an amount less than would be the case if the investment was held individually.

VOTING POLICY

As the direct investor, the IDPS custodian receives notices of meetings or resolutions that relate to your Fund's investments. The IDPS custodian does not proactively make this information available to you or your adviser.

The IDPS custodian maintains a voting policy under which they do not offer you voting rights (aside from voting under any corporate actions relating to securities in which your Fund has invested – see 'Corporate actions' on this page for further information) except under the following limited circumstances where they may:

- allow client instructions to be made via proxy in writing, and/or
- actively solicit client voting instructions.

These circumstances include:

- fulfilling their obligations under applicable law
- where the investors are 'key management personnel' as defined by the Corporations Act
- investors who hold a material interest in the investment that could reasonably be expected to impact the outcome of a resolution.

Where such matters are brought to our attention:

- we will endeavour to provide you, via your adviser, with the material that would have been sent to you if your Fund was a direct investor
- we will not permit you to act as a corporate representative on behalf of the IDPS custodian – instead we will accept your written voting instructions so that we can endeavour to lodge these via proxy
- we may require confirmation in writing from the relevant company secretary or other representative to confirm your eligibility to participate in some or all of the resolutions. Where this confirmation is sought, we will not pass on your instructions until this has been provided

- neither we nor the IDPS operator accept any liability for acting on your instructions (including where such an instruction may contravene the law or any regulation)
- any instruction to vote must be received at least three business days prior to the registry cut-off time
- a standing instruction for future resolutions cannot be provided – we must receive direction for each voting opportunity as it arises
- the IDPS custodian generally does not vote on company or scheme resolutions and other corporate actions.

A copy of the voting policy for the IDPS is available free of charge on request.

CORPORATE ACTIONS

We refer to corporate actions as actions taken by, in respect of or against a security in which you have invested. These may affect the capital structure of the security, or the number or type of securities held on your behalf. These types of actions can be mandatory, such as share reconstructions, or voluntary, such as entitlement offers and share purchase plans.

We process corporate actions in relation to investments held in your Fund according to your instructions (where applicable), including:

- initial public offerings (floats)
- takeovers
- buy-backs
- share purchase plans
- rights (renounceable and non-renounceable)
- call payments
- compulsory acquisitions
- share splits.

If you have online access and you have provided an email address, you can receive notifications of corporate actions by email. You can then make your election online.

If you do not wish to participate in online corporate actions, your adviser will provide separate notification. You will need to provide an 'Authority to proceed' to enable your adviser to implement your instruction.

We may refuse to act on your instructions if to do so would result in your Fund acquiring an asset other than an acceptable investment (see 'Acceptable investments' on page 14 for further information) or if superannuation law forbids it.

Where it is available, we will endeavour to provide relevant information to your adviser about corporate actions impacting your Fund either directly or (at our discretion) through the corporate actions calendar, viewable by your adviser on our website. Your adviser must use the corporate actions calendar to check for any corporate action information that may be relevant to your Fund or require your action.

When a corporate action occurs and we ask you for instructions, we must be given those instructions at least three business days prior to the published closed date of the action (the cut-off date), unless we specify otherwise. If you are required to make an additional payment to participate in a corporate action, there must be sufficient available cash in your Fund's Perpetual Cash Account as at 9.00am Sydney time on the nominated cut-off date for your instruction to be accepted as authorised. Where notice is received after the applicable cut-off date, or you have insufficient funds available, you may not be able to participate in the corporate action, and we are not liable to you for any potential loss of opportunity arising in those circumstances.

Generally you will not be able to vote at shareholder meetings or participate in bonus share plans (offered on some securities, enabling security holders to elect to receive fully paid bonus shares instead of cash dividends) on investments held in your Fund.

CLASS ACTIONS

Your Fund will generally be able to participate in class actions relating to investments and portfolio positions held on or after 2 April 2013.

If, however, for any particular class action you do not wish your Fund to participate in, you should notify your adviser and we must receive your instructions at least three business days prior to the published closing date of the action. Perpetual has the ultimate discretion not to participate in a class action.

If your Fund is closed prior to the conclusion of the class action, we will forward any proceeds in accordance with the payment instructions we received on the closure of your Fund.

Your Fund will not be able to participate in class actions relating to investments and portfolio positions held prior to 2 April 2013. Where your Fund's holding is compulsorily joined to a class action, you authorise and provide us with a standing instruction to opt-out of those proceedings on your behalf at our discretion. We are not liable to you or your Fund for any loss, including loss of opportunity, arising out of these circumstances.

YOUR ADVISER'S RESPONSIBILITIES

Your adviser is responsible for delivering services to you in an agreed scope and manner and may include:

- identifying which investment strategy and mix of investments best suit your risk profile and needs
- ensuring that you have all of the necessary information and documentation to make investment decisions
- informing you of the potential risks involved with investment decisions
- monitoring and giving you advice on your portfolio
- establishing and maintaining your portfolio online
- ensuring that you authorise all transactions
- acting on your instructions to us

- advising you if the balance in your Fund's Perpetual Cash Account falls below the minimum requirement
- providing you with reports on your portfolio in addition to our reporting
- providing you with the offer document for each investment and/or service offered, where applicable, prior to placing your investments
- notifying you of corporate actions that require your election.

USE OF AGENTS AND SUB-CUSTODIANS

If we consider it necessary to delegate any of the powers conferred on us under this agreement as may be necessary for that purpose, we may, at our discretion, appoint and use the services of:

- any other person, whether related to or associated with us or not, as custodian, sub-custodian, nominee, agent, delegate or adviser and/or
- any recognised depository, securities system or clearing system.

If we do, we'll be responsible for the acts and omissions of any of our agents as if they were our acts or omissions.

YOUR ACKNOWLEDGMENTS

Subject to the law, we're not liable to investors for any losses relating to the Service except to the extent that the liability directly results from the fraud, wilful default, dishonesty or negligence of us or a member of the Perpetual Group.

You agree that Perpetual and its agents are not liable for actions to administer your Fund if you have amended the trust deed without prior reasonable notice to us, and upon which we may terminate the Service at any time. You agree that Perpetual may terminate the service if the trust deed is amended with terms Perpetual considers unacceptable in our sole discretion. Termination of the Service will be in accordance with clause 8 of the 'General terms and conditions'.

You agree that you are responsible for providing all tax records necessary for us to record initially reconstructed CGT records for an asset on first bringing that asset into the Service. You also agree that we aren't responsible or liable for the accuracy of that information unless we have separately agreed to perform the reconstruction service for your Fund.

You acknowledge that if tax records necessary for us to record reconstructed CGT records are not provided to us, then we are unable to accept responsibility for ongoing tax information relating to your Fund and that our ability to perform the services may be limited or adversely affected.

You agree that if you give us a particular instruction to invest in or divest your Fund's assets which do not satisfy minimum transaction requirements, other than any limits set by us, we'll try to aggregate the instructions with those of other clients and may effect the instructions on receipt of instructions from other clients which, when aggregated, exceed the minimum transaction requirements. We'll advise you if there are likely to be any significant delays in implementing your investment instructions.

You acknowledge that you have either received professional advice in relation to the Service and its tax implications or you have had the opportunity to obtain such advice and have decided not to.

YOUR REPRESENTATIONS AND WARRANTIES

You represent and warrant to Perpetual at all times using the Service that:

- you have all the power to enter the Service, accept all terms and conditions and perform obligations in the Guide (agreement) and have obtained all necessary consents and corporate authorisations to enable you to do so
- the entry into and performance of the agreement by you does not constitute a breach of a term of a constitution or any obligation or default under any agreement or undertaking that you are bound to
- you will notify us immediately if you amend your Fund's trust deed
- unless we separately agree with you beforehand, all property transferred or delivered by you to us from time to time to form part of your Fund will be free from any mortgage, charge, lien, pledge, encumbrance or other security interests.

FEES AND COSTS

Perpetual shall:

- be entitled to the fees and reimbursement of expenses as detailed in the 'Fees and other costs' section and
- have the authority to make deductions from your Fund from time to time for the purposes of charging its fees, paying expenses required in the administration of your Fund and obtaining reimbursement of expenses and you authorise these actions by Perpetual.

COMMUNICATIONS

REPORTS AND STATEMENTS

We will prepare a detailed statement on the value of your Fund, and any transactions that have taken place, as follows:

- as at 30 June (your Fund's annual statement), sent to you and available online
- as at 31 March, 30 September and 31 December (your Fund's quarterly statements), available for you to view online (copy by mail available on request).

Statements will be available shortly after the end of the reporting period.

During the course of a year we'll also provide you with:

- a copy of your Fund's annual financial statements
- a copy of your Fund's annual income tax and regulatory return.

Copies of these documents can also be provided to your financial adviser.

Depending on the circumstances of your Fund, we also send you various types of communications during the year such as an annual pension details notice or a request for information as to whether you are claiming a tax deduction for your personal contributions to your Fund.

ONLINE ACCOUNT ACCESS

You can keep up-to-date by checking your Fund details online.

The information available online includes:

- transactions conducted since opening your Fund and member account
- your Fund balance and the latest available market value of your Fund's investments
- details of income received
- details of the fees and costs incurred
- your realised and unrealised gains and losses
- copies of your Fund's annual and quarterly statements
- additional information about managed investments
- ASX market information.

Online reports are generally updated daily with data as at the close of the previous business day.

You can also make elections on corporate actions and update your personal details online.

Unless you advise otherwise, we will automatically issue you with online access at the time you establish your Fund.

ONLINE ACCOUNT ACCESS CONDITIONS

To be able to use Online Account Access, you must accept the conditions of use (which are publicly available at our website or can be obtained free of charge by contacting us) and change the temporary password we've provided to a password of your choice when you first log in to Online Account Access.

WINDING UP YOUR FUND

Your Fund will wind up (terminate) in a number of circumstances as governed by the trust deed. Generally however a Fund will terminate if:

- all members request the trustees in writing to wind up the Fund
- all benefits have been paid out or rolled over or
- the trustees are removed or retire as trustee, and you have not appointed a replacement trustee after six months.

Upon receipt of a request from the trustees to wind up your Fund we'll require notice of how the members' balances are to be treated (that is, rolled over or paid to the member). If a condition of release has not been met, the member's balance must be rolled over to another complying superannuation fund (see pages 20-21 for further information on conditions of release). In some circumstances we may seek confirmation as to the receiving fund's complying status. In addition, as your Fund is required to lodge all regulatory returns for the year in which it is wound up, money will be withheld to meet any expenses or taxes that we anticipate will be incurred.

Where the benefits have been paid out or rolled over from the Fund, we may require the members to indemnify us for any further expenses in relation to the wind up of the Fund.

The wind up process generally takes a minimum of six to eight weeks or longer, depending on how quickly the assets of the Fund can be realised. During this time we'll continue to charge our fees.

INTEREST EARNED ON BANK ACCOUNTS

Contributions and proceeds of withdrawal requests (including pension payments) may be held in trust accounts before they're processed. Expenses and taxes withheld during the winding up of a Fund are also held in an operations account. A member of the Perpetual Group retains any interest earned on these accounts.

COMPLAINT PROCEDURES

If you have any questions or complaints about the service you received, you should in the first instance discuss the matter with your adviser.

If your concern is not satisfactorily resolved, please contact us during business hours on 1800 645 227 or write to us care of the Perpetual Complaints Officer at GPO Box 5106, Sydney NSW 2001. We'll try to resolve your complaint quickly and fairly.

If you still don't receive a satisfactory outcome, you can contact the Financial Ombudsman Service (FOS) as follows:

Mail: GPO Box 3
Melbourne VIC 3001

Phone: 1800 367 287

Website: www.fos.org.au

YOUR PRIVACY

We collect personal information from you in the application and any other relevant forms to be able to establish and support the ongoing administration of your Fund, advise you of new developments relevant to your Fund and comply with relevant laws. If you do not provide us with your personal information, we won't be able to provide the Service to you.

Privacy laws apply to our handling of personal information and we will collect, use and disclose your personal information in accordance with our privacy policy, which includes details about the following matters:

- the kinds of personal information we collect and hold
- how we collect and hold personal information
- the purposes for which we collect, hold, use and disclose personal information
- how you may access personal information that we hold about you and seek correction of such information (note that exceptions apply in some circumstances)

- how you may complain about a breach of the Australian Privacy Principles (APP), or a registered APP code (if any) that binds us, and how we will deal with such a complaint
- whether we are likely to disclose personal information to overseas recipients and, if so, the countries in which such recipients are likely to be located if it is practicable for us to specify those countries.

We may disclose your personal information to external parties that provide services to us in relation to your Fund (for example, external administrators, stockbrokers, investment managers, auditors and tax agents, banks and deposit taking institutions, life insurance companies, friendly societies, regulatory authorities, real estate agents, medical practitioners and providers of printing or postal services). We also disclose information about your Fund's investments to your authorised financial adviser. Otherwise we won't disclose your personal information to any other external parties unless requested by you or required by law.

Our privacy policy is publicly available at our website or you can obtain a copy free of charge by contacting us.

BANKRUPTCY

If you are declared bankrupt, you generally cannot continue to act as trustee and should speak with your adviser. The trustees may be required to pay contributions to an administrator in bankruptcy under the direction of a court.

INVESTMENTS AND SOCIAL SECURITY

Your investment in the Fund may affect your social security or pension entitlements. The calculations are complex so we recommend that you seek advice from your financial or tax adviser, or use the financial information service of either the Department of Human Services or Veterans' Affairs.

PROFESSIONAL INDEMNITY INSURANCE

Perpetual holds a professional indemnity insurance policy, which satisfies the requirements for compensation arrangements under section 912B of the Corporations Act. Subject to its terms and conditions, the policy provides cover for civil liability resulting from third party claims concerning the professional services provided by Perpetual and its employees and representatives. This policy covers professional services provided by employees and representatives of Perpetual while they are in our employ, even where that employee or representative has subsequently left our employ.

GENERAL TERMS AND CONDITIONS

The Service, including administration and the underlying custody service for your Fund's investments, is provided to you on the following general terms and conditions and the information set out in this Guide.

The agreement between you and us is subject to the laws of New South Wales (NSW) and you and we agree to submit to the jurisdiction of the courts of NSW.

1. THIS AGREEMENT

1. The Service is only made available to trustees of SMSFs that are accepted by us as clients of the Service.
2. To be a client and use the Service you must open a Perpetual Cash Account as the cash account for your Fund's investment portfolio.
3. By completing the application form, you agree to comply with the terms of this agreement. You will be notified if you have been accepted as a client and a Fund will be established for you in the Service as provided for in this Guide.
4. You warrant that if you are entering into this agreement as a trustee of a trust, then:
 - a) the trust is valid and enforceable and you are the validly appointed trustee
 - b) you have the power under the trust to enter into and perform the obligations under this agreement
 - c) you also enter into this agreement in your personal capacity and
 - d) our rights under this agreement have priority over the interest of beneficiaries of the trust.

2. RESPONSIBILITY AND LIABILITY

1. We are responsible to you for the provision of the Service and will, at all times, exercise our duties under this agreement honestly and with reasonable care and diligence. We are not liable to you for anything that is not our fault or is beyond our control.
2. You are responsible for:
 - a) keeping your security, access or online login codes and any other passwords or personal means of access (codes) confidential and secure and
 - b) the payment of fees and costs for the maintenance of your Fund's portfolio and your transactions made through the Service.
3. You acknowledge that:
 - a) all actions taken using your codes will be taken to be authorised by you

- b) where the value of your assets held through the Service is not sufficient to satisfy your liability to us, you will pay promptly all fees and charges in relation to your portfolio. Your liability to us is not limited to the value of your Fund's portfolio and

- c) we may record all of our telephone conversations with you relating to your Fund's portfolio. By signing the application form, you consent to the recording of our telephone conversations with you.

3. YOUR ADVISER AND THIRD PARTIES

1. The arrangements between you and your adviser and you and any third parties are separate from your arrangements with us under this agreement.
2. Other than where we expressly indicate the contrary, your adviser or third party is acting as your agent and not as our agent.
3. The responsibilities of your adviser in relation to your use of the Service are set out elsewhere in this Guide. For the responsibilities of any other third party you should carefully consider the agreements you have with them.

4. YOUR INSTRUCTIONS

1. Notwithstanding any other provision in this agreement:
 - a) where an investment held on your behalf is subsequently unable to be administered under the Service, you authorise and direct us to realise the investment and deposit the proceeds into your Fund's Perpetual Cash Account, unless we cannot do so in which case we may transfer the assets where permitted by law and
 - b) where we offset instructions from some clients to buy investments against instructions to sell investments (netting-off), you authorise us and/or our agents to keep any savings in transaction costs that result from netting-off and
 - c) where we hold or receive an investment which relates to, or is to be divided between, you and one or more investors and we reasonably believe that the investment is not divisible, you authorise us to hold your interest in the investment as tenants in common with other investors, in such shares or proportions as are reflected in our records.
2. You or your authorised representative give us instructions through your nominated adviser. Your adviser will ask you to complete a transaction authorisation and will then electronically instruct us to carry out your authorised investment instructions. In carrying out this activity your adviser will be acting as your agent.

5. INDEMNITIES

1. You release, discharge and agree to indemnify us and our agents from and against all losses, liabilities, actions, proceedings, accounts, claims and demands arising from instructions we receive from your adviser on your behalf.
2. Where we or our agents or representatives are appointed as your authorised representative or adviser, you agree that we will only be liable to you to the extent that any loss or liability directly results from a fraud, wilful default, dishonesty or negligence of us or our agents or representatives.

6. TRUSTEE ACKNOWLEDGMENTS

You acknowledge we are **not**:

1. responsible for reviewing or advising you on the Fund's investments
2. obliged to monitor, enquire or ensure that investments of your Fund are authorised investments of the Fund. We are not liable to you or any other person if any of the investments of your Fund are not authorised investments
3. responsible for the accuracy or completeness of any information received from you or third parties including where the information is passed to you, or the third party
4. responsible for actions or liable for loss arising from administering services to your Fund if you have amended the trust deed without notifying us or have included terms we advise are not acceptable for us to administer in our sole discretion
5. obliged to institute or defend legal proceedings and
6. responsible for the management or compliance of your Fund with the law and does not provide advice on aspects of Fund compliance with the law to you.

7. TRUSTEE UNDERTAKINGS

You and your fellow trustees undertake to us to:

1. notify us of the obligations imposed on us by the taxation law of the jurisdictions in which any property of your Fund within the Service at any time is held by us. You'll keep us indemnified for any such obligations including taxes, withholding, certification and reporting requirements, claims for exemption or refund, additions for late payment, interest, penalties and other expenses (including legal expenses) that may be assessed against us or its nominees or agents on account of the trustee
2. provide us on request with any documents, information or instructions reasonably required by us to enable us to perform our obligations as detailed in this Guide or imposed by the law, and to ensure that any such information will be accurate
3. notify us in writing as soon as practicable after you become aware of the occurrence of any circumstances which would give rise to the winding up of your Fund
4. immediately notify us in writing if you cease or propose to cease for any reason or at any time to be the trustee of your Fund and will procure any new trustee of the Fund to execute in favour of us such covenants, deeds and other instruments which we reasonably require provided that these are not more onerous than those required or obtained by us under or in relation to the Service

5. immediately notify us in writing if you receive notice that your Fund has been determined to be non-complying or for any reason ceases to exist
6. not do, or fail to do, any act whereby your right of indemnity out of the assets of your Fund would be prejudiced or diminished in any way
7. duly and punctually perform and observe your obligations and duties under the trust deed
8. not be a party to a re-settlement, transfer or disposition to any other party of the property of your Fund other than in accordance with the trust deed, or as is otherwise required by the law and
9. notify us of any fact or circumstance within your knowledge which has given rise, or with the passage of time would give rise, to a breach by the Fund trustees of any material representation, undertaking or other condition of participation in the Service.

8. TERMINATION OF AGREEMENT

1. This agreement will terminate automatically upon closure of your portfolio.
2. This agreement may be terminated by either party giving the other party 30 days' written notice.
3. There are restrictions on the transfer of assets from an SMSF to members or other superannuation entities (see 'Benefits and preservation' on page 20).
4. We may terminate this agreement at any time without notice:
 - a) if you're in breach of your obligations to us and you haven't fixed that breach within 30 days of us giving you written notice
 - b) if you die or become bankrupt or
 - c) without limiting our rights under any power of attorney we may hold, if you suffer loss of capacity through unsoundness of mind.
5. If possible, we'll follow instructions on the transfer of your portfolio assets. If we don't receive instructions about transferring your portfolio assets, then you instruct us to:
 - a) transfer securities to you or, in the case of listed securities, make sponsorship arrangements under CHESS with another sponsor, including an issuer sponsor or
 - b) sell the securities and pay the proceeds to your nominated account or
 - c) in the case of portfolio assets, which can't be transferred under law or the terms of their issue or for any other reason, realise those assets (unless funds have been frozen or redemptions otherwise restricted) and pay the proceeds to your order.
6. You acknowledge that in some cases it may take longer than 30 days for us to finalise arrangements with product providers.

APPLICATION FORM

Before you sign this application form, please read the document to which this form is attached.

Before you complete this form:

- Use black ink and print in CAPITAL LETTERS.
- Mark boxes with an (X) where applicable.
- If there is not enough room on the application form, please complete the relevant pages from another application form (including the signature pages) and attach to the back of this application form.

1. FUND DETAILS

ACCOUNT TYPE

☐ Perpetual SMSF Service – Joint Self Managed Super Fund

☐ Perpetual SMSF Service – Company SMSF

Proposed fund name

Is this an existing fund? ☐ No ☐ Yes Fund establishment date DD / MM / YYYY

Trustees: Please note the trust structure of the fund must meet the 'self managed super fund' definition as described in the law.

2. INDIVIDUAL MEMBER/TRUSTEE/DIRECTOR DETAILS

TRUSTEE REPRESENTATIVE/MEMBER 1 DETAILS

Title ☐ Mr ☐ Mrs ☐ Miss ☐ Ms Other

Gender ☐ Male ☐ Female Date of birth DD / MM / YYYY

Given name(s)

Surname

Any other names known by (if applicable)

RESIDENTIAL ADDRESS

Street number and name

Suburb

State

Postcode

Country

The individual whose details appear here will be the primary contact for this fund.

Your residential address cannot be a PO Box or c/o another party.

This address will receive all correspondence in relation to your portfolio except statements. If this section is not completed, all mail will be sent to the residential address of Applicant 1

An email address is required for Corporate Action election notifications (see below)

If no box is checked, notifications will be provided as agreed with your adviser

If no box is checked, statements will be online where applicant has ClientView access

MAILING ADDRESS (IF DIFFERENT FROM YOUR RESIDENTIAL ADDRESS)

Street number and name or PO box

Suburb

State

Postcode

Country

Is this the primary mailing address for this account?

☐

Yes

☐

No

OCCUPATION

CONTACT DETAILS

Work phone number

Home phone number

Fax number

Mobile phone number

Email address

Are you an Australian resident for tax purposes?

☐

Yes

☐

No

Please specify your country

Tax File Number OR exemption details (if applicable)

ONLINE ACCESS

Is ClientView access required? *Required to view statements online and Corporate Actions online.*

☐

Yes

☐

No

CORPORATE ACTIONS

Would you like to receive email notifications of forthcoming Corporate Actions?

(Advisory and Custody Service levels only)

☐

No

☐

Yes – notifications will be sent to the email address of the primary contact noted above for this Fund

STATEMENTS

How would you like Wrap statements issued?

☐

Online only – ClientView access is required (*note: annual statement will always be provided in hard copy*)

☐

Printed and online

Are you a non-member trustee?

☐

Yes

☐

No

Note: if **no** you must provide your residential address

TRUSTEE/MEMBER 2 DETAILS

Title ☐ Mr ☐ Mrs ☐ Miss ☐ Ms Other

Gender ☐ Male ☐ Female Date of birth / /

Given name(s)

Surname

Any other names known by (if applicable)

Your residential address cannot be a PO Box or c/o another party.

RESIDENTIAL ADDRESS

Street number and name

Suburb

State Postcode Country

MAILING ADDRESS

Street number and name or PO box

Suburb

State Postcode Country

Is this the primary mailing address for this account?

☐ Yes ☐ No

OCCUPATION

CONTACT DETAILS

Work phone number Home phone number

Fax number Mobile phone number

Email address

Are you an Australian resident for tax purposes?

☐ Yes ☐ No Please specify your country

Tax File Number OR exemption details (if applicable)

ONLINE ACCESS

Is ClientView access required? *Required to view statements online and Corporate Actions online.*

☐ Yes ☐ No

STATEMENTS

How would you like Wrap statements issued?

☐ Online only – ClientView access is required (*note: annual statement will always be provided in hard copy*)

☐ Printed and online

Are you a non-member trustee?

☐ Yes ☐ No Note: if **no** you must provide your residential address

TRUSTEE/MEMBER 3 DETAILS

Title ☐ Mr ☐ Mrs ☐ Miss ☐ Ms Other

Gender ☐ Male ☐ Female Date of birth / /

Given name(s)

Surname

Any other names known by (if applicable)

Your residential address cannot be a PO Box or c/o another party.

RESIDENTIAL ADDRESS

Street number and name

Suburb

State Postcode Country

MAILING ADDRESS

Street number and name or PO box

Suburb

State Postcode Country

Is this the primary mailing address for this account?

☐ Yes ☐ No

OCCUPATION

CONTACT DETAILS

Work phone number Home phone number

Fax number Mobile phone number

Email address

Are you an Australian resident for tax purposes?

☐ Yes ☐ No Please specify your country

Tax File Number OR exemption details (if applicable)

ONLINE ACCESS

Is ClientView access required? *Required to view statements online and Corporate Actions online.*

☐ Yes ☐ No

STATEMENTS

How would you like Wrap statements issued?

☐ Online only – ClientView access is required (*note: annual statement will always be provided in hard copy*)

☐ Printed and online

Are you a non-member trustee?

☐ Yes ☐ No Note: if **no** you must provide your residential address

TRUSTEE/MEMBER 4 DETAILS

Title ☐ Mr ☐ Mrs ☐ Miss ☐ Ms Other

Gender ☐ Male ☐ Female Date of birth / /

Given name(s)

Surname

Any other names known by (if applicable)

Your residential address cannot be a PO Box or c/o another party.

RESIDENTIAL ADDRESS

Street number and name

Suburb

State Postcode Country

MAILING ADDRESS

Street number and name or PO box

Suburb

State Postcode Country

Is this the primary mailing address for this account?

☐ Yes ☐ No

OCCUPATION

CONTACT DETAILS

Work phone number Home phone number

Fax number Mobile phone number

Email address

Are you an Australian resident for tax purposes?

☐ Yes ☐ No Please specify your country

Tax File Number OR exemption details (if applicable)

ONLINE ACCESS

Is ClientView access required? *Required to view statements online and Corporate Actions online.*

☐ Yes ☐ No

STATEMENTS

How would you like Wrap statements issued?

☐ Online only – ClientView access is required (*note: annual statement will always be provided in hard copy*)

☐ Printed and online

Are you a non-member trustee?

☐ Yes ☐ No Note: if **no** you must provide your residential address

3. TRUSTEE COMPANY DETAILS (IF APPLICABLE)

Company name

Registered office address

Suburb

State

Postcode

Country

Tax File Number

ABN (or exemption)

4. OPENING BALANCE

Initial contributions by member/employer

Provide full details of your contributions using the forms on pages 63 and 65 of the Guide.

Transfer from other superannuation funds/rollover funds

Fund name

Amount

Fund name

Amount

Fund name

Amount

Fund name

Amount

Total of expected rollovers

Please indicate how the opening balance will be provided:

☐

Cheque (attached to this application form)

☐

In-specie transfer of assets

☐

Funds transfer by internet/phone (eg BPAY®)

Please ensure cheques are made payable to: Perpetual Trustee Company Limited

5. PENSION ACCOUNT

I am an existing DIY Super client ☐ Yes ☐ No

Account number

Fund name

Member name

Is this a transfer of an existing fund? ☐ Yes ☐ No

I hereby elect to receive a pension, subject to the conditions imposed by the Australian Taxation Office.

Purchase price \$ or entire balance ☐

Commencement date / /

Preferred first payment date / /

(must be at least one week after commencement date)

Amount of pension required to the end of June

☐ Minimum or amount \$ (subject to minimum amount required)

☐ Maximum (transition to retirement pensions only)

☐ Tick this box if you want your accumulation account to remain open

Frequency

☐ Weekly Day of week

☐ Fortnightly Day of week

☐ Monthly Start date

☐ Quarterly Start date / /

☐ Half yearly Start date / /

☐ Yearly Start date / /

☐ I have attached a completed 'Tax file number declaration' form if I am less than 60 years of age

NOMINATED BANK ACCOUNT DETAILS

Name of financial institution

Branch

BSB

Account/Membership number

Account name

REVERSIONARY PENSION DETAILS

☐ Non-reversionary

☐ Reversionary – I wish my accumulated balance at my death to be used to continue a pension to my surviving spouse or dependant. **(Note: binding death benefit nominations are not available if you select this option).**

Reversionary beneficiary's full name

Date of birth / / Tax File Number (TFN)

Signature of reversionary beneficiary

Date / /

The bank account nominated for receipt of pension payments must be in the name of the pension member.

6. BROKER DETAILS

Our preferred brokers will be automatically set on the account. However, if you wish to nominate another authorised broking institution to trade on your portfolio, in addition to our preferred online brokers, please nominate your authorised broking institution(s) here.

Broker name

Broker code

7. ADVISER DETAILS

Dealer name

Adviser name (adviser who is linked to the account)

Dealer code

Adviser code

For more information regarding this application form please contact my assistant/support staff:

8. FEE DETAILS

Perpetual will add GST to the base fee set by the adviser.

Any amendments to this section must be signed in full by the applicant(s).

Fees can be charged on cash where the AFSL holder has previously agreed with Perpetual to have this option available.

The adviser service fee is an annual fee, calculated daily on the portfolio valuation and deducted monthly.

Please note: Perpetual will add the applicable GST to the base fee rate set by your adviser.

ESTABLISHMENT FEE (GST INCLUSIVE)

One-off flat dollar fee

☐

New fund – \$450

☐

Existing fund – \$1,000

CONTRIBUTION FEE (if blank no fee will be charged)

Amount to be charged on each contribution and/or rollover to the account (ex-GST)

% per contribution/rollover

ADVISER FEE

Perpetual advisers only, complete **section A**. All other advisers, complete **section B**.

A) Perpetual Adviser Fee

☐

Advisory fee

☐

Custody fee

☐

Discretionary fee

The standard fee and minimums will apply unless you complete **section B**.

OR

B) Please specify the tiers and rates to be applied (must be **exclusive** of GST)

(i) Tiered fees

From	To	Rate % pa (ex-GST)
\$0.00	\$	
\$	\$	
\$	\$	
\$	\$	
\$	\$	
\$	\$	

(ii) Flat fee (Percentage)

(iii) Flat fee (specific dollar amount)

pa ex-GST

Specify if a minimum monthly fee is to be applied (must be **exclusive** of GST)

per month

FINANCIAL PLANNING FEE (EX-GST)

As agreed between the client and their adviser

(specific dollar amount only)

9. TRUSTEE CONFIRMATIONS AND UNDERTAKINGS

By signing this application form, I confirm that:

- Perpetual is appointed by the trustee to administer the Fund in accordance with the terms of the SMSF Service.
- I/We will provide Perpetual with any information requested in relation to the Fund and promptly notify Perpetual in writing of any change to the information in this application form.
- I/We acknowledge that Perpetual will hold personal information about me and will disclose this information to my/our financial adviser in relation to the service described in this Guide.
- I/We acknowledge that Perpetual will cease to disclose this personal information if I/we notify Perpetual in writing that the financial adviser no longer acts on my/our behalf.
- Perpetual is authorised and directed to take all necessary actions to arrange the deduction and payment of all fees and charges and recover expenses from the Fund in accordance with this Guide.
- Perpetual may rely on any information provided by an adviser for the Fund.
- I/We authorise Perpetual to accept investment requests from the adviser whose details appear in section 7 and Perpetual is authorised to continue to take account of requests from my/our adviser until I/we notify Perpetual in writing otherwise.
- I/We authorise and direct Perpetual to pay the amounts shown in section 8 to the adviser whose details appear in section 7 from my/our Perpetual Cash Account.
- I/We consent and understand that a period longer than 30 days may be required to effect a full transfer or rollover to another fund if any of the assets held within my Fund are illiquid investments that may take longer than 30 days to redeem.
- I/We have read and understood the SMSF Service Administration Service Guide and Financial Services Guide issue number 10 dated 4 April 2016.
- I/We agree to participate in the SMSF Service and be bound by the terms of participation as detailed in the SMSF Service Administration Service Guide and Financial Services Guide issue number 10 dated 4 April 2016.
- I/We are over 18 years of age and not under any legal disability.
- I/We certify that the member whose details appear in Section 2 is commencing an accumulation account and is eligible to make contributions as follows (please tick the appropriate box/es – refer to page 18 for details)

- ☐ I am an Australian tax resident or I understand the restrictions for non-residents of Australia making contributions or rolling over other superannuation balances into a SMSF
- ☐ I declare that I am eligible to make personal contributions and acknowledge that I am aged less than 65; or that I am aged 65 years or over but under age 75 and in the current financial year have worked in paid employment for at least 40 hours in a period of not more than 30 consecutive days.
- ☐ I am aged between 65 and 74 and if my employer is making voluntary contributions (including salary sacrifice) on my behalf, then I declare that in the current financial year I have worked in paid employment for at least 40 hours in a period of not more than 30 consecutive days.
- ☐ I am eligible to receive spouse contributions and acknowledge that I understand and satisfy legislative requirements for such contributions.

And/or

I/We certify that the member whose details appear in Section 5 is commencing a pension account and has satisfied the following condition of release:

- ☐ I have reached the age of 65.
- ☐ I have ceased employment between the ages of 60 and 65.
- ☐ I have ceased employment having reached my preservation age, and it is not my intention to work again.
- ☐ I am permanently incapacitated, and have met the additional requirements needed.
- ☐ I have been diagnosed with a terminal medical condition likely to result in my death within 24 months and have met the additional requirements needed.
- ☐ I have reached my preservation age but I am still working ('Transition to retirement' provisions will apply to your account based pension – please see page 23 of the Guide for details).

INDIVIDUAL DIRECTOR/TRUSTEE/MEMBER SIGNATURES

Signature of trustee/member 1

Date / /

Signature of trustee/member 2

Date / /

Signature of trustee/member 3

Date / /

Signature of trustee/member 4

Date / /

- ☐ I/We have completed a 'Customer identification form – Trusts and trustees' and attached a copy of an appropriate form/s of identification as detailed on page 7.
- ☐ I/We have attached a copy of the 'Trustee declaration' form on page 67 (retain originals for your records).

COMPANY SIGNATURES

COMPANY
SEAL

Signature

Date

 / /

Full name

Capacity

☐

Sole director

☐

Director

Signature

Date

 / /

Full name

Capacity

☐

Sole Director

☐

Company secretary

Please make your cheque payable to Perpetual Trustee Company Limited and send it together with your completed application form to: Perpetual Self Managed Super Fund Service, GPO Box 5106, Sydney NSW 2001

Members' interests in their account are subject to investment risk. These risks may include the loss of income and principal invested and possible delays in repayment. Neither Perpetual, nor any member of the Perpetual Group, guarantees the performance of the account or the return of any investment.

10. PERPETUAL ADVISER USE ONLY

Fund:

myClient ID

Trustee representative / member 1:

myClient ID

Trustee / member 2:

myClient ID

Trustee / member 3:

myClient ID

Trustee / member 4:

myClient ID

NOMINATION OF BENEFICIARY

Original form should be retained by the trustee, with a copy provided to Perpetual.

1. FUND AND MEMBER DETAILS (MUST BE COMPLETED)

Superannuation fund name

Account number

Member name

2. BENEFICIARY DETAILS (MUST BE COMPLETED)

Please read the 'Important notice for beneficiary nominations' overleaf before you complete this section.

If you want all or part of the benefit to be paid to your estate (and distributed in accordance with your Will) you should write 'Legal Personal Representative' in the row headed 'name' and write the relevant percentage in 'allocation (%)'.

If you have selected a reversionary pension in section 5 of the application form, binding nominations are not available to you.

Nomination Type (please select one only)

☐

Binding

OR

☐

Non-binding (please complete Option 1 only)

Option 1 – Primary beneficiary only

Beneficiary 1

Name

Relationship to me

allocation (%)

Date of birth

 DD / MM / YYYY

Beneficiary 2

Name

Relationship to me

allocation (%)

Date of birth

 DD / MM / YYYY

Beneficiary 3

Name

Relationship to me

allocation (%)

Date of birth

 DD / MM / YYYY

Beneficiary 4

Name

Relationship to me

allocation (%)

Date of birth

 DD / MM / YYYY

Total

100%

If a primary beneficiary nominated to receive a benefit predeceases you or if a person nominated is not your dependant or Legal Personal Representative (LPR) at the time of your death, that person's benefit will be (please select only one of the following options):

☐

distributed equally amongst the surviving nominated dependants and/or nominated LPR. If there are no surviving nominated dependants or nominated LPR, it will be paid at the trustee's discretion,

OR

☐

distributed to my LPR,

OR

☐

distributed in accordance with the trustee's discretion.

Option 2 – Single primary beneficiary and alternate beneficiary. If you select this option the Nomination Type must be Binding.

Primary beneficiary

Name

Relationship to me allocation (%)

Date of birth / /

Should your primary beneficiary predecease you, your benefit will be paid to the alternate beneficiaries in accordance with the below allocations.

Alternate beneficiary 1

Name

Relationship to me allocation (%)

Date of birth / /

Alternate beneficiary 2

Name

Relationship to me allocation (%)

Date of birth / /

Alternate beneficiary 3

Name

Relationship to me allocation (%)

Date of birth / /

Alternate beneficiary 4

Name

Relationship to me allocation (%)

Date of birth / /

Total

If an alternate beneficiary nominated to receive a benefit predeceases you or if a person nominated is not your dependant or LPR at the time of your death, that person's benefit will be **(please select only one of the following options. If you do not complete the following section the binding nomination rules overleaf will apply):**

☐ distributed equally amongst the surviving nominated dependants and/or nominated LPR. If there are no surviving nominated dependants or nominated LPR, it will be paid at the trustee's discretion,

OR

☐ distributed to my LPR,

OR

☐ distributed in accordance with the trustee's discretion.

3. DECLARATION BY MEMBER (MUST BE COMPLETED)

I direct the trustee to distribute the benefit payable in respect of me in the event of my death in accordance with this form. This nomination form supersedes any previous nomination of beneficiary. I acknowledge that I have read the binding nomination rules below, and that my nomination complies with these requirements.

Signature of member

Date / /

4. DECLARATION BY WITNESSES (BINDING NOMINATION ONLY)

We, the undersigned, declare that we are at least 18 years of age and that this notice was signed by the member in our presence. (Please ensure that the date each of the witnesses signs this form is the same date as the member signs, otherwise this nomination will not be valid).

Witness 1

Name

Address

Suburb

State

Postcode

Signature of witness 1

Date / /

Witness 2

Name

Address

Suburb

State

Postcode

Signature of witness 2

Date / /

IMPORTANT NOTICE FOR BENEFICIARY NOMINATIONS

For the purpose of paying a death benefit, a dependant includes:

- a person who is financially dependent upon you at the date of death
- a child, adopted child, step-child, ex-nuptial child or
- a spouse (including a de facto or same sex spouse) or
- a person with whom you have a close personal relationship and share a residence with and one or each of you provides the other with financial support, domestic support and personal care.

A dependant is also a person with whom you have a close personal relationship, but the other requirements detailed above aren't satisfied because either or both of you suffer from a physical, intellectual or psychiatric disability.

General rules

- In order to be effective, a binding nomination must be signed by two (2) witnesses who are at least 18 years old and who are not named in this nomination form. Also, in order to have effect, this form must be received by the trustee.
- Only your dependants or LPR are eligible to receive your death benefit. Eligibility of a nominated person is determined at the date of your death.
 - Your binding nomination will cease to have effect if you subsequently marry, remarry, divorce, commence or terminate a de facto relationship (as defined in the Family Law Act 1975 (Cth)) or have a child.
- If you wish to amend or revoke your binding nomination, you may do so by providing a notice to that effect to the trustee, witnessed in the same manner as your original nomination (i.e. by two (2) persons over the age of 18 years who are not named in the nomination form). Perpetual will provide a form for this purpose, upon request.
- You must provide all details requested in this form. If you do not, the trustee may need to contact you to obtain further information. In the absence of certain information, the rules governing binding nominations adopted by the trustee provide for the following:
 - If you fail to specify an allocation for all of the nominated persons, your entire death benefit will be distributed equally amongst those persons nominated who are eligible to receive it. If you do specify allocations in respect of all nominated persons but the sum of those allocations is other than 100%, the allocations will be adjusted proportionately amongst your nominated persons.
 - If you specify an allocation in respect of some but not all of the nominated persons, the residual amount will be distributed equally amongst those nominated persons in respect of whom no allocation is specified. In the event there is no residual amount, no benefit will be paid to those persons in respect of whom no allocation is specified.

Additional rule applying to Option 1

- If a dependant nominated to receive a benefit predeceases you or if a person nominated is not your dependant or LPR at the time of your death, and you have not specified otherwise in this form, that person's benefit will be distributed equally amongst your surviving nominated dependants and/or LPR. If you have no surviving nominated dependants or current LPR, your death benefit will be paid in accordance with the trustee's discretion.

Additional rule applying to Option 2

- If a dependant nominated to receive the benefit predeceases you or if the person nominated is not your dependant or LPR at the time of your death, that person's benefit will be distributed to the alternate beneficiaries in accordance with the allocations specified in this form. Should one or more of the alternate beneficiaries nominated to receive a benefit predecease you or if a person nominated is not your dependant or LPR at the time of your death, that person's benefit will be paid in accordance with the selection made in this form. If you have not made that selection in this form, that person's benefit will be distributed equally amongst the surviving nominated dependants and/or LPR. If there are no surviving nominated dependants or current LPR it will be paid in accordance with the trustee's discretion.

BENEFIT TRANSFER REQUEST

Please complete this form in black ink using **BLOCK** letters.

1. MEMBER DETAILS

Under the Superannuation Industry (Supervision) Act 1993, you are not obliged to disclose your TFN, but there may be tax consequences (see page 34 for details).

Title ☐ Mr ☐ Mrs ☐ Miss ☐ Ms Other

Given name(s)

Surname

Date of birth / / Tax File Number (TFN)

Are you an Australian resident for tax purposes? ☐ Yes ☐ No

CONTACT DETAILS

Daytime phone number Mobile phone number

Email address

RESIDENTIAL ADDRESS

Street number and name

Suburb

State Postcode Country

PREVIOUS ADDRESS

Suburb

State Postcode Country

If you know that the address held by your 'FROM' fund is different to your current residential address, please give details here.

2. FUND DETAILS

FROM other provider

Fund name

Fund postal address

Fund phone number

Membership or account number

Australian business number (ABN)

Unique Superannuation Identifier (USI) (if known)

TO Perpetual

Fund name

Membership or account number (if known)

Australian business number (ABN) (if known)

Transfer amount ☐ Full ☐ Partial Nominated amount \$

Special instructions

3. PROOF OF IDENTITY

☐ I have attached a **certified** copy of my driver's licence or passport

OR

I have attached **certified** copies of both:

☐ Birth/Citizenship Certificate or Centrelink Pension Card

AND

☐ one of the following:

- Centrelink payment letter (less than 12 months old) or
- Government notice (less than 12 months old) or
- Local council notice (less than 3 months old)

CERTIFICATION OF PERSONAL DOCUMENTS

All copied pages of ORIGINAL proof of identification documents (including any linking documents) need to be certified as true copies by an individual approved to do so (see below).

The person who is authorised to certify documents must sight the original and the copy and make sure both documents are identical, then make sure all pages have been certified as true copies by writing or stamping 'certified true copy' followed by their signature, printed name, qualification (eg Justice of the Peace, Australia Post employee, etc) and date.

The following can certify copies of the originals as **true and correct** copies:

- a permanent employee of Australia Post with five or more years of continuous service
- a finance company officer with five or more years of continuous service (with one or more finance companies)
- an officer with, or authorised representative of, a holder of an Australian Financial Services Licence (AFSL), having five or more years continuous service with one or more licensees
- a notary public officer
- a police officer
- a registrar or deputy registrar of a court
- a Justice of the Peace
- a person enrolled on the roll of a State or Territory Supreme Court or the High Court of Australia, as a legal practitioner
- an Australian consular officer or an Australian diplomatic officer
- a judge of a court
- a magistrate, or
- a Chief Executive Officer of a Commonwealth court.

4. AUTHORISATION

By signing this request form I am making the following statements:

- I declare I have fully read this form and the information completed is true and correct.
- I am aware I may ask my superannuation provider for information about any fees or charges that may apply, or any other information about the effect this transfer may have on my benefits, and do not require any further information.
- I discharge the superannuation provider of my 'FROM' fund of all further liability in respect of the benefits paid and transferred to my 'Perpetual' fund.

I request and consent to the transfer of superannuation as described above and authorise the superannuation provider of each fund to give effect to this transfer.

Given name(s)

Surname

Signature

Date

/

/

CERTIFICATE OF COMPLIANCE

To whom it may concern

Fund name

ABN (if available)

As Trustees for the abovenamed Self Managed Superannuation Fund ('the Fund'), we confirm that the Fund is registered as a Complying Superannuation Fund and complies with:

- the provisions of the Superannuation Industry (Supervision) Act 1993 and Regulations ('SIS');
- provides for benefits to be transferred into the Fund; and
- the preservation requirements as set out in SIS.

We also confirm that the Trust Deed ('the Deed') establishing the Fund allows for acceptance of all contribution types including superannuation guarantee contributions from any employer on behalf of a member.

Further confirmation as to the Fund's compliance can be obtained from the Australian Government's Super Fund Lookup website, which can be accessed online via www.superfundlookup.gov.au or by calling 13 10 20. Please quote the Fund's Australian Business Number (ABN) (provided above) when initiating the search.

Yours faithfully

Trustee signature

Full name

Trustee signature

Full name

Trustee signature

Full name

Trustee signature

Full name

Date

 / /

COMPANY SIGNATURES



Signature

Date

DD

 /

MM

 /

YYYY

Full name

Capacity

☐

Sole director

☐

Director

Signature

Date

DD

 /

MM

 /

YYYY

Full name

Capacity

☐

Sole Director

☐

Company secretary

CONTRIBUTION DETAILS – EMPLOYERS

Important note:

Contribution Limit Reminder An annual limit of \$30,000 (indexed) applies to concessional contributions and generally \$180,000 for non-concessional contributions. For people aged 49 or over higher concessional contribution limits may apply. Please refer to the Guide for further information. Members under age 65 can make non-concessional contributions of up to three times the non-concessional contributions cap over a three-year period under the ‘bring forward’ option. You should speak to your financial adviser about these limits when considering your situation. Contributions made in excess of the above limits will attract additional tax.

CONTRIBUTION DETAILS

Superannuation fund name	<input type="text"/>		
Account number	<input type="text"/>		
Member name	<input type="text"/>		
Employer name	<input type="text"/>		
Total contribution amount	\$	<input type="text"/>	
Contribution frequency	<input type="checkbox"/> One-off	<input type="checkbox"/> Monthly	<input type="checkbox"/> quarterly <input type="checkbox"/> annually
Employer superannuation guarantee (SG) contribution	\$	Employer salary sacrifice contribution	\$ <input type="text"/>
Personal after-tax contribution	\$ <input type="text"/>	Employer other contribution	\$ <input type="text"/>
Member name	<input type="text"/>		
Employer SG contribution	\$ <input type="text"/>	Employer salary sacrifice contribution	\$ <input type="text"/>
Personal after-tax contribution	\$ <input type="text"/>	Employer other contribution	\$ <input type="text"/>
Member name	<input type="text"/>		
Employer SG contribution	\$ <input type="text"/>	Employer salary sacrifice contribution	\$ <input type="text"/>
Personal after-tax contribution	\$ <input type="text"/>	Employer other contribution	\$ <input type="text"/>
Member name	<input type="text"/>		
Employer SG contribution	\$ <input type="text"/>	Employer salary sacrifice contribution	\$ <input type="text"/>
Personal after-tax contribution	\$ <input type="text"/>	Employer other contribution	\$ <input type="text"/>

Employer SG contribution – These are employer contributions which are compulsory under superannuation legislation.

Employer salary sacrifice contribution – These are amounts paid by the employer as salary sacrifice contributions and are in addition to SG contributions.

Employer other contributions – These are amounts paid by the employer and are not SG or salary sacrifice contributions.

Personal after-tax contribution – Contribution made by the member for which a tax deduction is not claimed (also known as a non-concessional contribution).

Are you an Australian resident for tax purposes? ☐ Yes ☐ No

Signature of member

Date / /

This page left blank intentionally.

CONTRIBUTION DETAILS – INDIVIDUALS

(To be completed by the person for whom the contribution is being made.)

Important note:

Contribution Limit Reminder An annual limit of \$30,000 (indexed) applies to concessional contributions and generally \$180,000 for non-concessional contributions. For people aged 49 or over higher concessional contribution limits may apply. Please refer to the Guide for further information. Members under age 65 can make non-concessional contributions of up to three times the non-concessional contributions cap over a three-year period under the 'bring forward' option. You should speak to your financial adviser about these limits when considering your situation. Contributions made in excess of the above limits will attract additional tax.

CONTRIBUTION DETAILS

Superannuation fund name	<input type="text"/>		
Account number	<input type="text"/>		
Member name	<input type="text"/>		
Cash contribution amount	\$ <input type="text"/>	In specie contribution amount	\$ <input type="text"/>

CONTRIBUTION BREAK-UP

Total contribution	\$ <input type="text"/>	Spouse contribution	\$ <input type="text"/>
Personal after-tax contribution	\$ <input type="text"/>	Personal concessional contribution	\$ <input type="text"/>

Personal concessional contribution – contributions made by the member for which they intend to claim a tax deduction.

Personal after-tax contribution – contributions made by the member for which a tax deduction is not claimed (also known as non-concessional contribution).

Spouse contribution – contributions made by a member's spouse. The contribution counts as a non-concessional contribution for the receiving spouse.

Note: We will contact you each year to confirm if you intend to claim a tax deduction for any personal contributions. You cannot claim a tax deduction or request to alter a previous tax deduction notification if you have commenced a pension using all or part of the contribution you wish to claim or alter.

ELIGIBILITY TO CONTRIBUTE

- If applicable, I declare that I am eligible to make a personal contribution and acknowledge that I am aged less than 65; or that I am aged 65 years or over but under age 75 and in the current financial year have worked in paid employment for at least 40 hours in a period of not more than 30 consecutive days.
- If I am aged between 65 and 74 and my employer is making voluntary contributions (including salary sacrifice) on my behalf, then I declare that in the current financial year I have worked in paid employment for at least 40 hours in a period of not more than 30 consecutive days.
- If applicable, I am eligible to receive spouse contributions and acknowledge that I understand and satisfy the legislative requirements for such contributions.

Are you an Australian resident for tax purposes? ☐ Yes ☐ No

Signature of member

Date / /

This page left blank intentionally.

Trustee declaration

To be completed by new trustees and directors of corporate trustees of self-managed super funds.

! Read this declaration in conjunction with *Key messages for self-managed super fund trustees* at ato.gov.au/smsfessentials

Who should complete this declaration?

You must complete this declaration if you become a trustee or director of a corporate trustee (trustee) of:

- a new self-managed super fund (SMSF)
- an existing SMSF.

You must sign this declaration within 21 days of becoming a trustee or director of a corporate trustee of an SMSF.

A separate declaration is required to be completed and signed by each and every new trustee.

You must also complete the declaration if you:

- have been directed to do so by us
- are a legal personal representative who has been appointed as trustee on behalf of a:
 - member who is under a legal disability (usually a member under 18 years old)
 - member for whom you hold an enduring power of attorney
 - deceased member.

Information you need to read

Make sure you read *Key messages for self-managed super fund trustees* at ato.gov.au/smsfessentials. It highlights some of the key points from the declaration and some important messages.

Before completing this declaration

Before you complete and sign this declaration, make sure you:

- read each section
- understand all the information it contains.

➤ If you have any difficulties completing this declaration or you do not fully understand the information it contains:

- speak to a professional adviser
- visit ato.gov.au/smsf
- phone us on **13 10 20**.

When completing this declaration

When you complete this declaration, remember to:

- insert the full name of the fund at the beginning
- sign and date it
- ensure it is signed and dated by a witness (anyone 18 years old or over).

What should you do with the declaration?

You must keep your completed declaration for at least 10 years and make it available to us if we request it.

We recommend that you keep a copy of your completed declaration and refer to it and the information in *Key messages for self-managed super fund trustees* when making important decisions, such as those relating to choosing investments, accepting contributions and paying benefits.

! Do not send your completed declaration to us.

© Australian Taxation Office for the
Commonwealth of Australia, 2014

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).

Published by

Australian Taxation Office
Canberra
August 2014

JS 32597



Self-managed super fund trustee declaration

I understand that as an individual trustee or director of the corporate trustee of

Fund name

I am responsible for ensuring that the fund complies with the *Superannuation Industry (Supervision) Act 1993* (SISA) and other relevant legislation. The Commissioner of Taxation (the Commissioner) has the authority and responsibility for administering the legislation and enforcing the fund's compliance with the law.

I must keep myself informed of changes to the legislation relevant to the operation of my fund and ensure the trust deed is kept up to date in accordance with the law and the needs of the members.

If I do not comply with the legislation, the Commissioner may take the following actions:

- impose administrative penalties on me
- give me a written direction to rectify any contraventions or undertake a course of education
- enter into agreements with me to rectify any contraventions of the legislation
- disqualify me from being a trustee or director of a corporate trustee of any superannuation fund in the future
- remove the fund's complying status, which may result in significant adverse tax consequences for the fund
- prosecute me under the law, which may result in fines or imprisonment.

Sole purpose

I understand it is my responsibility to ensure the fund is only maintained for the purpose of providing benefits to the members upon their retirement (or attainment of a certain age) or their beneficiaries if a member dies. I understand that I should regularly evaluate whether the fund continues to be the appropriate vehicle to meet this purpose.

Trustee duties

I understand that by law I must at all times:

- act honestly in all matters concerning the fund
- exercise skill, care and diligence in managing the fund
- act in the best interests of all the members of the fund
- ensure that members only access their super benefits if they have met a legitimate condition of release
- refrain from entering into transactions that circumvent restrictions on the payment of benefits
- ensure that my money and other assets are kept separate from the money and other assets of the fund
- take appropriate action to protect the fund's assets (for example, have sufficient evidence of the ownership of fund assets)
- refrain from entering into any contract or do anything that would prevent me from, or hinder me in, properly performing or exercising my functions or powers as a trustee or director of the corporate trustee of the fund
- allow all members of the fund to have access to information and documents as required, including details about
 - the financial situation of the fund
 - the investments of the fund
 - the members' benefit entitlements.

I also understand that by law I must prepare, implement and regularly review an investment strategy having regard to all the circumstances of the fund, which include, but are not limited to:

- the risks associated with the fund's investments
- the likely return from investments, taking into account the fund's objectives and expected cash flow requirements
- investment diversity and the fund's exposure to risk due to inadequate diversification
- the liquidity of the fund's investments having regard to the fund's expected cash flow requirements in discharging its existing and prospective liabilities (including benefit payments)
- whether the trustees of the fund should hold insurance cover for one or more members of the fund.

Accepting contributions and paying benefits

I understand that I can only accept contributions and pay benefits (income streams or lump sums) to members or their beneficiaries when the conditions specified in the law and the fund trust deed have been met.

Investment restrictions

I understand that, as a trustee or director of the corporate trustee of the fund, subject to certain limited exceptions specified in the law, I am prohibited from:

- lending money of the fund to, or providing financial assistance to, a member of the fund or a member's relative (financial assistance means any assistance that improves the financial position of a person directly or indirectly, including the provision of credit)

- acquiring assets (other than business real property, listed securities, certain in-house assets and acquisitions made under mergers allowed by special determinations or acquisitions as a result of a breakdown of a relationship) for the fund from members or other related parties of the fund
- borrowing money (or maintaining an existing borrowing) on behalf of the fund except in certain limited circumstances (while limited recourse borrowing arrangements are permitted, they can be complex and particular conditions must be met to ensure that legal requirements are not breached)
- having more than 5% of the market value of the fund's total assets at the end of the income year as in-house assets (these are loans to, or investments in, related parties of the fund – including trusts – or assets subject to a lease or lease arrangement between the trustee and a member, relative or other related party)
- entering into investments that are not made or maintained on an arm's length (commercial) basis (this ensures the purchase or sale price of the fund's assets and any earnings from those assets reflects their market value).

Administration

I understand that the trustees of the fund must:

- keep and retain for at least 10 years
 - minutes of all trustee meetings at which matters affecting the fund were considered (this includes investment decisions and decisions to appoint members and trustees)
 - records of all changes of trustees, including directors of the corporate trustee
 - each trustee's consent to be appointed as a trustee of the fund or a director of the corporate trustee
 - all trustee declarations
 - copies of all reports given to members
- ensure that the following are prepared and retained for at least five years
 - an annual statement of the financial position of the fund
 - an annual operating statement
 - copies of all annual returns lodged
 - accounts and statements that accurately record and explain the transactions and financial position of the fund
- appoint an approved SMSF auditor each year, no later than 45 days before the due date for lodgment of the fund's annual return and provide documents to the auditor as requested
- lodge the fund's annual return, completed in its entirety, by the due date
- notify the ATO within 28 days of any changes to the
 - membership of the fund, or trustees or directors of the corporate trustee
 - name of the fund
 - contact person and their contact details
 - postal address, registered address or address for service of notices for the fund
- notify the ATO in writing within 28 days if the fund becomes an Australian Prudential Regulation Authority (APRA) regulated fund.

DECLARATION

By signing this declaration I acknowledge that I understand my duties and responsibilities as a trustee or director of the corporate trustee of the self-managed superannuation fund named on this declaration (or if the fund's name changes, that name). I understand that:

- *I must ensure this document is retained for at least 10 years or while I remain a trustee or director of the corporate trustee (whichever is longer) and, if I fail to do this, penalties may apply.*
- *I may have to make this document available for inspection by a member of staff of the ATO and, if I fail to do this, penalties may apply.*
- *I do not have access to the government's financial assistance program that is available to trustees of APRA regulated funds in the case of financial loss due to fraudulent conduct or theft.*

Trustee's or director's name

Trustee's or director's signature

Date

Day	Month	Year
<input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

Witness' name (witness must be 18 years old or over)

Witness' signature

Date

Day	Month	Year
<input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

Tax file number declaration

Information you provide in this declaration will allow your payer to work out how much tax to withhold from payments made to you.

— This is not a TFN application form.
To apply for a TFN, go to ato.gov.au/tfn

! Terms we use

When we say:

- **payer**, we mean the business or individual making payments under the pay as you go (PAYG) withholding system.
- **payee**, we mean the individual being paid.

Who should complete this form?

You should complete this form before you start to receive payments from a new payer – for example, when you receive:

- payments for work and services as an employee, company director or office holder
- payments under return-to-work schemes, labour hire arrangements or other specified payments
- benefit and compensation payments
- superannuation benefits.

! You need to provide all information requested on this form. Providing the wrong information may lead to incorrect amounts of tax being withheld from payments made to you.

- ! You do not need to complete this form if you:
- are a beneficiary wanting to provide your tax file number (TFN) to the trustee of a closely held trust. For more information, visit ato.gov.au/trustsandtfnwithholding
 - have reached 60 years of age and started a super benefit that does not include an untaxed element for that benefit.
 - are receiving superannuation benefits from a super fund and have been taken to have quoted your TFN to the trustee of the super fund.



Section A: To be completed by the payee

Question 1

What is your tax file number (TFN)?

- We and your payer are authorised by the *Taxation Administration Act 1953* to request your TFN. It's not an offence not to quote your TFN. However, quoting your TFN reduces the risk of administrative errors and having extra tax withheld. Your payer is required to withhold the top rate of tax from all payments made to you if you do not provide your TFN or claim an exemption from quoting your TFN.

How do you find your TFN?

You can find your TFN on any of the following:

- your income tax notice of assessment
- correspondence we send you
- a payment summary your payer issues to you.

If you have a tax agent, they may also be able to tell you your TFN.

If you still can't find your TFN, you can:

- phone us on **13 28 61** between 8.00am and 6.00pm, Monday to Friday
- visit your nearest shopfront (phone us on **13 28 61** to make an appointment).

If you phone or visit us we need to know we are talking to the correct person before discussing your tax affairs. We will ask you for details only you, or your authorised representative would know.

Do you need to apply for a TFN?

If you don't have a TFN and want to provide a TFN to your payer, you will need to apply for one.

For more information about applying for a TFN, visit ato.gov.au/tfn

You may claim an exemption from quoting your TFN.

Print X in the appropriate box if you:

- have lodged a TFN application form or made an enquiry to obtain your TFN. You now have 28 days to provide your TFN to your payer, who must withhold at the standard rate during this time. After 28 days, if you have not given your TFN to your payer, they will withhold the top rate of tax from future payments
- are claiming an exemption from quoting a TFN because you are under 18 years of age and do not earn enough to pay tax, or you are an applicant or recipient of certain pensions, benefits or allowances from the
 - Department of Human Services – however, you will need to quote your TFN if you receive a Newstart, Youth or sickness allowance, or an Austudy or parenting payment
 - Department of Veterans' Affairs – a service pension under the *Veterans' Entitlement Act 1986*
 - Military Rehabilitation and Compensation Commission.

Providing your TFN to your super fund

Your payer must quote your TFN to the super fund they pay your contributions to on your behalf. If your super fund does not have your TFN, you can provide it to them. This ensures:

- your super fund can accept all types of contributions to your accounts
- additional tax will not be imposed on contributions as a result of failing to provide your TFN
- you can trace different super accounts in your name.

Under the *Superannuation Industry (Supervision) Act 1993*, your super fund is authorised to collect your TFN, which will only be used for superannuation purposes. The trustee of your super fund may provide your TFN to another super provider if your benefits are being transferred. You may write to the trustee of your super fund and ask them not to provide your TFN to any other trustee.

- For more information about providing your TFN, visit ato.gov.au/supereligibility

Question 6

On what basis are you paid?

Check with your payer if you are not sure.

Question 7

Are you an Australian resident for tax purposes?

Generally, we consider you to be an Australian resident for tax purposes if you:

- have always lived in Australia or you have come to Australia and now live here permanently
- are an overseas student doing a course that takes more than six months to complete
- have been in Australia continuously for six months or more and for most of that time you worked in the one job and lived in the same place
- will be or have been in Australia for more than half of the financial year (unless your usual home is overseas and you do not intend to live in Australia).

If you go overseas temporarily and do not set up a permanent home in another country, you may continue to be treated as an Australian resident for tax purposes.

- ! The criteria we use to determine residency is not the same as that used by the Department of Immigration and Border Protection, or the Department of Human Services.

— Foreign resident tax rates are different

A higher rate of tax applies to foreign residents' taxable income, and foreign residents are not entitled to a tax-free threshold.

You are not entitled to claim the tax-free threshold and tax offsets if you are not an Australian resident for tax purposes. However, there is an exception with seniors and pensioners, zone or overseas forces tax offsets.

- To check your Australian residency status for tax purposes or for more information, visit ato.gov.au/residency

Answer **no** to this question if you are not an Australian resident for tax purposes. You must also answer no at questions 8, 9 and 10 (unless you are a foreign resident claiming a seniors and pensioners, zone or overseas forces tax offset).

Question 8

Do you want to claim the tax-free threshold from this payer?

The tax-free threshold is the amount of income you can earn each financial year that is not taxed. By claiming the threshold, you reduce the amount of tax that is withheld from your pay during the year. It is available only to people who are Australian residents for tax purposes – that is, people who answered yes at question 7.

Answer **yes** if you want to claim the tax-free threshold, you are an Australian resident for tax purposes, and one of the following applies:

- you are not currently claiming the tax-free threshold from another payer
- you are currently claiming the tax-free threshold from another payer and your total income from all sources will be less than the tax-free threshold.

Answer **no** if one of the following applies:

- you answered no at question 7
- you are currently claiming the tax-free threshold from another payer and your total income from all sources will be more than the tax-free threshold
- you do not want to claim the tax-free threshold.

! If you receive any taxable government payments or allowances, such as Newstart, Youth Allowance or Austudy payment, you are likely to be already claiming the tax-free threshold from that payment.

> For more information about the current tax-free threshold, which payer you should claim it from, or how to vary your withholding rate, visit ato.gov.au/taxfreethreshold

Question 9

Do you want to claim the seniors and pensioners tax offset by reducing the amount withheld from payments made to you?

— Claim benefits and tax offsets with only one payer

You are not entitled to reduce your withholding amounts, or claim the seniors and pensioners tax offset (SAPTO), with more than one payer at the same time.

If you receive income from more than one source and need help with this question, phone **1300 360 221** between 8.00am and 6.00pm, Monday to Friday.

How your income affects the amount of your tax offset

You must meet the eligibility conditions to receive SAPTO. Your rebate income, not your taxable income, determines the amount of SAPTO, if any, you will receive.

Answer **yes** if you are eligible and choose to claim SAPTO with this payer. To reduce the amount withheld from payments you receive during the year from this payer, you will also need to complete a *Withholding declaration* (NAT 3093).

Answer **no** if one of the following applies:

- you are not eligible for SAPTO
- you are already claiming SAPTO with another payer
- you are eligible but want to claim your entitlement to the tax offset as a lump sum in your end-of-year income tax assessment.

> For more information about your eligibility to claim the tax offset or rebate income, visit ato.gov.au/taxoffsets

Question 10

Do you want to claim a zone, overseas forces or invalid and invalid carer tax offset by reducing the amount withheld from payments made to you?

— Claim tax offsets with only one payer

You are not entitled to claim tax offsets with more than one payer at the same time.

You may be eligible for one or more of the following:

- a zone tax offset if you live or work in certain remote or isolated areas of Australia
- an overseas forces tax offset if you serve overseas as a member of Australia's Defence Force or a United Nations armed force
- an invalid and invalid carer tax offset.

Answer **yes** to this question if you are eligible and choose to receive tax offsets by reducing the amount withheld from payments made to you from this payer. You also need to complete a *Withholding declaration* (NAT 3093).

Answer **no** to this question if you are not eligible for the tax offsets, choose to receive any of these tax offsets as an end-of-year lump sum through the tax system, or are already claiming the offset from another payer.

! Foreign resident

If you are not an Australian resident for tax purposes, you are not entitled to claim an invalid and invalid carer tax offset. You may be entitled to claim the zone or overseas forces tax offset.

> For more information about your entitlement, visit ato.gov.au/taxoffsets

Question 11

(a) Do you have a Higher Education Loan Program (HELP) or Trade Support Loan (TSL) debt?

Answer **yes** if you have a HELP or TSL debt.

Answer **no** if you do not have a HELP or TSL debt, or you have repaid your HELP or TSL debt in full.

! You have a HELP or TSL debt if:

- the Australian Government lends you money under HECS-HELP, FEE-HELP, OS-HELP, VET FEE-HELP, SA-HELP or TSL.
- you have a debt from the previous Higher Education Contribution Scheme (HECS).

(b) Do you have a Financial Supplement debt?

Answer **yes** if you have a Financial Supplement debt.

Answer **no** if you do not have a Financial Supplement debt, or you have repaid your Financial Supplement debt in full.

> For information about repaying your HELP, TSL or Financial Supplement debt, visit ato.gov.au/higheredloans

Have you repaid your HELP, TSL or Financial Supplement debt?

When you have repaid your HELP, TSL or Financial Supplement debt, you need to complete a *Withholding declaration* (NAT 3093) notifying your payer of the change in your circumstances.

! Sign and date the declaration

Make sure you have answered all the questions in section A, then sign and date the declaration. Give your completed declaration to your payer to complete section B.

Section B: To be completed by the payer

➤ Lodge online

You can lodge your TFN declaration reports using software that complies with our specifications.

For more information about lodging your TFN declaration report online, visit ato.gov.au/lodgetfndeclaration

❗ Important information for payers - see the reverse side of the Payer's copy of the form.

More information

Internet

- For general information about TFNs, tax and super in Australia, including how to deal with us online, visit our website at ato.gov.au
- For information about applying for a TFN on the web, visit our website at ato.gov.au/tfn
- For information about your super, visit our website at ato.gov.au/superseeker

Useful products

In addition to this TFN declaration, you may also need to complete and give your payer the following forms which you can download from our website at ato.gov.au:

- *Withholding declaration* (NAT 3093) if you want to
 - claim entitlement to the seniors and pensioners tax offset (question 9) or other tax offsets (question 10)
 - change information you previously provided in a TFN declaration.
- *Medicare levy variation declaration* (NAT 0929) if you qualify for a reduced rate of Medicare levy or are liable for the Medicare levy surcharge. You can vary the amount your payer withholds from your payments.
- *Standard choice form* (NAT 13080) to choose a super fund for your employer to pay super contributions to. You can find information about your current super accounts and transfer any unnecessary super accounts through myGov after you have linked to the ATO. Temporary residents should visit ato.gov.au/departaustralia for more information about super.

Other forms and publications are also available from our website at ato.gov.au/onlineordering or by phoning **1300 720 092**.

Phone

- Payee – for more information, phone **13 28 61** between 8.00am and 6.00pm, Monday to Friday. If you want to vary your rate of withholding, phone **1300 360 221** between 8.00am and 6.00pm, Monday to Friday.
- Payer – for more information, phone **13 28 66** between 8.00am and 6.00pm, Monday to Friday.

If you phone, we need to know we're talking to the right person before we can discuss your tax affairs. We'll ask for details only you, or someone you've authorised, would know. An authorised contact is someone you've previously told us can act on your behalf.

If you do not speak English well and need help from the ATO, phone the Translating and Interpreting Service on **13 14 50**.

If you are deaf, or have a hearing or speech impairment, phone the ATO through the National Relay Service (NRS) on the numbers listed below:

- TTY users - phone **13 36 77** and ask for the ATO number you need (if you are calling from overseas, phone **+61 7 3815 7799**)
- Speak and Listen (speech-to-speech relay) users – phone **1300 555 727** and ask for the ATO number you need (if you are calling from overseas, phone **+61 7 3815 8000**)
- Internet relay users - connect to the NRS on relayservice.gov.au and ask for the ATO number you need.

If you would like further information about the National Relay Service, phone **1800 555 660** or email helpdesk@relayservice.com.au

Privacy of information

Taxation law authorises the ATO to collect information and to disclose it to other government agencies. For information about your privacy, go to ato.gov.au/privacy

Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information in this publication and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we must still apply the law correctly. If that means you owe us money, we must ask you to pay it but we will not charge you a penalty. Also, if you acted reasonably and in good faith we will not charge you interest.

If you make an honest mistake in trying to follow our information in this publication and you owe us money as a result, we will not charge you a penalty. However, we will ask you to pay the money, and we may also charge you interest. If correcting the mistake means we owe you money, we will pay it to you. We will also pay you any interest you are entitled to.

If you feel that this publication does not fully cover your circumstances, or you are unsure how it applies to you, you can seek further assistance from us.

We regularly revise our publications to take account of any changes to the law, so make sure that you have the latest information. If you are unsure, you can check for more recent information on our website at ato.gov.au or contact us.

This publication was current at **July 2015**.

© Australian Taxation Office for the Commonwealth of Australia, 2015

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).

Published by

Australian Taxation Office
Canberra
July 2015

JS 34322

This page left blank intentionally.

CONTACT DETAILS

For further information, or a copy of any of our product disclosure statements, please contact Perpetual.

WEBSITE

www.perpetual.com.au

EMAIL

diysuper@perpetual.com.au

PHONE

During business hours (Sydney time)
1800 645 227

POSTAL ADDRESS

Perpetual Self Managed Super Fund Service
GPO Box 5106
Sydney NSW 2001

New South Wales
Angel Place
Level 12
123 Pitt Street
Sydney NSW 2000

Queensland
Central Plaza 1
Level 15
345 Queen Street
Brisbane QLD 4000

South Australia
Level 11
101 Grenfell Street
Adelaide SA 5000

Victoria
Rialto South Tower
Level 35
525 Collins Street
Melbourne VIC 3000

Western Australia
Exchange Plaza
Level 29
2 The Esplanade
Perth WA 6000

www.perpetual.com.au

Perpetual 