



SELF-MANAGED  
SUPERANNUATION FUND  
ADMINISTRATION AGREEMENT

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## **Preamble**

The Super Group Pty Limited ("TSG") herein offers an administration and compliance service to persons wishing to establish and operate a self-managed superannuation fund ("SMSF") – being a fund with fewer than five members where all members are trustees or directors of a trustee company (the "Fund").

This service enables the Fund to operate in accordance with the Superannuation Industry (Supervision) Act 1993 (the "SIS Act"), its Regulations, the Corporations Act 2001 and, Part IX of the Tax Act; all hereinafter referred to as the Acts. Compliance with the Acts entitles the Fund to a concessional tax rate on contributions, investment earnings, realised capital gains and benefit payments.

Every Fund must either have a constitutional corporation as its trustee or provide old aged pensions. Where old aged pensions are the dominant purpose, ALL members shall fulfil the role as trustee (unless otherwise permitted by the Acts). Where a corporate entity is trustee, ALL members shall be directors, and ALL directors shall be members (unless otherwise permitted by the Acts).

Under this Agreement, the Trustee will choose:

- Where to invest
- With whom to invest
- How much to invest.

The Trustee will have total and absolute investment control within the confines of the Acts.

As Trustee, you will normally have legal title to Fund assets and be signatory on statutory returns, transactions and other relevant documentation. You may appoint an agent to undertake a signatory function if permitted by the Acts. You may also appoint an Investment Advisor to assist you with your Fund's asset allocation and investment mix.

This Agreement is designed to assist Trustees meet all compliance and regulatory requirements imposed on them by the Acts. For example, TSG will:

- where necessary, complete and submit an Application to Register for The New Tax System – Superannuation entities;
- assist the Trustee in ensuring that moneys due to the Fund are collected and disbursements from the Fund are paid;
- maintain a record system, including books of account and membership details;
- retain and assist with the recording of trustee minutes;
- process applications for membership and, if necessary, assist with the collection of medical evidence regarding new applications and disability and life claims;
- assist the Trustee to ensure that members are supplied each year with written statements relating to their membership of the Fund;
- calculate amounts of benefits due from the Fund and attend to their payment;

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- liaise with actuaries, auditors and solicitors as the case may be and where necessary;
  - monitor compliance with the standards under the SIS Act, its Regulations and with other relevant legislation; and
  - monitor compliance with the provisions of the trust deed governing the Fund.

In addition, TSG will assist the Trustee with ensuring that the following operating standards for superannuation funds are satisfied.

Standards relating to:

- the persons who may contribute to the Fund;
- the amount of contributions that the Fund may accept;
- the circumstances in which the Fund may accept contributions;
- the form in which benefits may be provided;
- the preservation, payment and portability of benefits;
- the level of benefits provided and the level of assets held by the Fund;
- the investment of assets of the Fund;
- the disclosure of information about the Fund to the Regulator,
- the financial position of the Fund;
- the funding and solvency of the Fund; and
- the winding-up of the Fund.

**Please note. The Trustee cannot abrogate its legal responsibilities unless otherwise permitted by the Acts.**

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## THE AGREEMENT

### ***Fund Establishment***

TSG will establish an SMSF for those persons who elect to establish a fund under this Agreement. Anyone who meets either the contribution standards, benefit accrual standards or currently has superannuation benefits is permitted to establish a Fund. To establish a Fund under this Agreement, simply complete the Application to Establish a Self-Managed Superannuation Fund and complete and sign this Agreement and return both, together with payment of the Establishment Fee to Locked Bag 171 Edgecliff NSW 2027.

For persons who already have an SMSF and who wish to use TSG's administration service, simply complete and sign this Agreement and return it together with payment of the Takeover Fee to the address above.

### ***Regulatory Address***

It is a condition of this Agreement that the Fund's address for Regulatory purposes be: Locked Bag 171 Edgecliff NSW 2027 (Unless otherwise approved).

### ***Trust Deeds***

Every fund operating under TSG's administration service and this Agreement shall use a standard TSG trust deed. Pre-existing funds choosing to operate under this Agreement will have their deeds replaced, by amendment, with TSG's standard trust deed.

The standard TSG deed complies with current legislation, is designed for an SMSF, is very flexible and is accompanied with solicitor sign-off. TSG will take all reasonable steps to ensure that each deed issued under this Agreement continues to comply with the requirements relating to governing rules contained in the SIS Act. (Future deed amendments may incur an extra charge).

### ***Bank Accounts***

Under this agreement, every Fund shall open and operate a Macquarie Bank cash management account (CMA), with a cheque book facility. The Trustee shall grant TSG fee authority, tax authority and enquiry authority on the CMA. The CMA shall be the Fund's Primary Operating Account. The Trustee may establish additional accounts for investment or other purposes.

**The Fund's address for all banking purposes shall be care of TSG** (unless otherwise approved).

**Cheque and deposit books issued under the Primary Operating Account shall be held by TSG** (unless otherwise approved). The Trustee may appoint an agent on the Primary Operating Account. (The Trustee may, under certain conditions, have custody of the cheque and deposit books).

Fund transactions of a regulatory nature shall be conducted only through the Fund's Primary Operating Account. Examples include: contributions, rollovers, benefit payments, taxes and levies. Bank statements will be made available to the Trustees.

A minimum balance must be retained in the Primary Operating Account to meet Fund expenses. Examples include: taxes, fees, life insurance, administration charges, investment property outgoings and other costs that arise from time to time. (Usually 5% of Fund assets is retained in the account. For large Fund balances this may be less.)

TSG will notify the Trustee if the Primary Operating Account balance is insufficient to meet on-going operating expenses. If insufficient funds are available to meet TSG's fees, then TSG reserves the right to at any time deduct from the Fund any outstanding unpaid amounts. TSG shall have the discretion to terminate this Agreement if fees remain unpaid.

Cheques will only be drawn upon receipt of adequate evidence of the nature of the payment or upon a written request from the Trustee, their agent or the Regulator.

**All cheques will be sent to the Trustee for signature unless alternative written arrangements have been made.**

### ***Fee Collection***

**At the end of each calendar month TSG will calculate the monthly fee in accordance with the Fee Schedule and deduct the amount from the Primary Operating Account within 15 days from the end of the relevant month.**

### ***Contributions, Transfers and Rollovers***

Provided a member meets all relevant tests, the Fund is permitted to receive superannuation contributions, transfers, rollovers and any other receipts on the member's behalf.

An employer may make contributions to the Fund, including salary sacrifice contributions, contributions pursuant to an award, and SGC contributions. The Fund may also receive member contributions. All contributions to the Fund are discretionary.

TSG undertakes to ensure that member and/or employer contributions are recorded and maintained correctly, taking into account concessional and non-concessional member and/or employer contributions.

The Fund is permitted to receive contributions "in-specie". Some "in-specie" contributions may not be permitted by the Acts. There are limits imposed on funds acquiring assets, including by way of contributions, from members or their relatives.

TSG will, based on evidence supplied by the contributor, determine the appropriate taxation treatment of each contribution. TSG will notify each member of their maximum contribution limits. The member may otherwise contact TSG to obtain this information.

Principally, contributions may be made either (but not limited to):

- by mailing to our office a cheque made payable to the Fund; or
- by electronic means into the Fund's Primary Operating Account.

All contributions shall be accompanied with sufficient information detailing the nature of the contribution and to whom it relates.

If superannuation benefits are rolled into the Fund, TSG will identify and maintain each benefit class in accordance with that detailed on the ETP Rollover documentation.

All contributions, transfers and rollovers shall be deposited into the Primary Operating Account. Thereafter, the Trustee may then redirect the funds into any authorised investment(s) or account.

## **Fund Investments**

### **All Fund investments shall be approved by the Trustee.**

The Trustee must as soon as practicable formulate and give effect to an investment strategy.

SMSFs established under TSG's fund establishment service will be provided a generic investment strategy, which will be the initial strategy of the Fund. This may need to be endorsed by the Trustee if it is to be adopted by the Fund.

We strongly recommend you carefully consider your Fund's investment strategy. If TSG has supplied an investment strategy under this Agreement, it may not be suitable to you. Every fund will have its own, unique approach to investment. Please consider your desired investment approach and, if necessary, amend the strategy initially supplied. This can be done by way of trustee minute. You may wish to consult an Investment Adviser/Financial Planner who may be able to assist you with the development of an investment philosophy suitable to your needs.

TSG will be happy to assist with the preparation of trustee minutes that reflect a new investment strategy.

Adherence to your Fund's investment strategy is of the utmost importance under the Acts. Your Fund's investment strategy must be considered when selecting Fund investments.

After the Trustee has formulated an investment strategy, it may commence directing Fund assets to achieve its investment objective.

To purchase investments (or to pay Fund expenses other than payments initiated by TSG or TSG's administration charge) the Trustee shall notify TSG of the nature of the investment and request that TSG either draw a Fund cheque or arrange for payment for the investment. All requests shall be in writing, where facsimile transmissions or email are acceptable.

Unless otherwise arranged, TSG will send all cheques to the Trustee for signature and remitting.

For example, contributions shall be deposited into the Fund's Primary Operating Account and recorded thus. Any cheque request relating to the reinvestment of such monies shall be in writing, where details of the nature of the investment will be provided to TSG (e.g. copy of contract note will constitute sufficient notice).

Moreover, given that share acquisitions have onerous settlement times (3 days), the Trustee shall make best endeavours to establish a Chess Sponsored share trading account where settlements are initiated by the broker/facilitator. Otherwise, TSG may draw a Fund cheque on receipt of faxed or emailed copy of relevant contract note. The Trustee shall instruct their broker to fax or email a copy of the contract note to TSG. Alternatively, the Trustee may choose to settle the trade via Bpay.

**All investments will be registered in the Trustee's name on account of the Fund, care of The Super Group. For example, for a corporate trustee this will be "ABC Pty Ltd <XYZ Superannuation Fund A/C>" or for individual trustees, "Mr & Mrs Individual Trustee <XYZ Superannuation Fund A/C>".**

This agreement does not restrict the types of investments a Fund may undertake but for those not permitted by the Acts.

TSG reserves the right to terminate this agreement immediately if the Trustee pursues an investment course which is not permitted by the Acts. TSG will not be liable for any investment(s) undertaken by the Fund. TSG does not guarantee the success of any investment made by the Fund's Trustee. TSG does not guarantee capital invested, or any particular rate of capital or income return on moneys invested. We do not make any representation with respect to the income, or return from, or any taxation consequences of, any investment made by the Fund's Trustee.

**The Fund's address for investment purposes shall be** (unless otherwise approved):

**Locked Bag 171  
Edgecliff NSW 2027**

This enables TSG to capture and record all investment related transactions and coordinate the Fund's regulatory requirements. Failure to adhere to this request impedes TSG from ensuring all Fund transactions are identified and that compliance related matters are addressed. If this is not adhered to, TSG reserves the right to terminate this agreement immediately or charge an additional fee.

### ***Insurances***

The Fund is permitted to insure its members against death and/or total and permanent disablement and/or sickness. This is usually a tax deductible expense to the Fund. The Trustee is free to choose a preferred insurer and/or Insurance Broker.

TSG will maintain a record of the amounts of the insurance for each member, in respect of death, disablement or sickness benefits. If instructed, TSG will deal with an appropriately qualified insurance agent to review and record any adjustments to insurance held by the Fund.

### ***Fund Reporting***

A SMSF is required to maintain books of account that record items of receipt and expenditure (including contributions received, fund investments and benefit payments) for the purposes of determining and managing the taxation liability of the Fund and to meet reporting requirements under the Acts.

Under this agreement, TSG will prepare and maintain all books of account so as to correctly record and explain the transactions and financial position of the Fund. TSG will, on a yearly or if required, quarterly basis prepare and issue all statutorily required documents including, but not limited to:

- Operating Statement;
- Statement of Financial Position;
- Notes to the Accounts;
- Trustee Statement and Trustee's Report;
- Investment Summary Report;
- Investment History Reports (showing all realised/unrealised capital gains/losses);



- Member Statements; and,
- Regulatory and Taxation Returns.

TSG will, on a monthly basis, reconcile the Fund's bank account. TSG will on at least a quarterly basis issue investment summary reports, a general ledger report, and a tax reconciliation report showing the Fund's current tax position (interim tax reconciliation reports may exclude the effects of indexation). The Trustee may request additional reports to assist with the management of the Fund.

Financial reports will be prepared in accordance with the cash basis of accounting and Fund assets will be reported at net market values (unless otherwise approved).

Each Fund asset will be separately identified, showing purchase price, CPI Indexed or Discounted Value (where appropriate), percentage weighting and latest net market value (if available). A full transaction history can be provided for each Fund asset.

Fund expenses usually consist of investment-related expenses, general administration expenses, taxation expenses and other expenses. TSG will separately disclose these expenses in the Fund's Operating Statement, general ledger and by way of note.

For as long as this or subsequent agreements with TSG are in force, TSG will retain, on behalf of the Trustee, all financial records of the Fund prepared by TSG for the required statutory period. Copies of these will be provided to the Trustee each year.

The Trustee shall appoint The Tax Group (a registered tax agent) to prepare Taxation and Regulatory Returns and, if applicable, Business/Instalment Activity Statements for the Fund. (Any prospective obligations imposed on the Fund to prepare and lodge other regulatory/statutory returns may impose an additional charge).

Upon the return of all signed Returns and documents, TSG will lodge any relevant documents with the appropriate regulatory bodies.

The accounts, statements and annual returns must be audited by an approved auditor, and an audit certificate must be given within the prescribed period after the year of income and in the approved format.

Each year TSG will, on behalf of the Trustee and subject to the Acts engage an ASIC Registered Auditor to audit the Fund. TSG will not be liable for any act, omission or error made by the Auditor.

## ***Benefit Payments***

Benefits may be paid when a member:

- permanently retires from the workforce after attaining the minimum retirement age (55 years or older depending on the member's date of birth);
- reaches age 65;
- becomes permanently incapacitated or permanently invalid;
- dies; or,
- has unrestricted benefits.

Provided there are no cashing restrictions and instruction is given by the member in the appropriate format, TSG will arrange for the payment of a member's benefits. Payment may be by way of lump sum, pension or any other means permitted by the Acts.

TSG will provide all necessary and relevant documentation including; PAYG Payment Summary Statement, and PAYG Payment Summary – Individual Non Business Certificates. The Tax Group will calculate, deduct and coordinate the remittance of any applicable tax. The Tax Group will also register the Fund for Withholding purposes (if applicable).

Benefits may be paid in the form of an account based pension or any other pension permitted by the Acts.

### ***Pension Payments***

TSG's administration and compliance service can provide for benefits to be paid in the form of a pension.

If benefits are paid in the form of a pension, TSG will (where applicable):

- Provide pension quotes;
- Calculate maximum and minimum pension payments;
- Complete and lodge Tax File Number Declarations;
- Establish a pension payment program on either a monthly, quarterly, but at least yearly basis. (payments may be made using electronic funds transfer);
- Register the Fund for PAYG Withholding;
- Calculate and deduct any relevant tax on a PAYG basis;
- Prepare and lodge PAYG Payment Summary – Individual Non Business certificates relating to pension payments; and,
- Coordinate and obtain necessary actuarial certificates.

TSG will ensure that each relevant pension standard is met.

### ***Indemnity***

To the extent permitted by the Acts and the relevant law, TSG is indemnified by the Trustee against any loss, claim or liability suffered or incurred by TSG in carrying out this agreement including as a result of the Trustee failing to act in accordance with the relevant laws or act in a manner outside the scope of this agreement, except where such loss, claim or liability arises from the negligence or default of, or breach of duty by, TSG.

### ***Limited Recourse against the Trustee***

The Trustee enters into this agreement in its capacity as trustee of the Fund and in no other capacity. TSG acknowledges that the obligations of the Trustee are incurred solely in its capacity as trustee of the Fund. The Trustee is not liable to pay or satisfy any of its obligations under this agreement out of its own assets other than those assets to which it is entitled to be indemnified in respect of any liability incurred by it as trustee of the Fund.

## ***Termination***

This agreement may be terminated:

- (i) by the Fund Trustee by thirty days written notice to TSG;
- (ii) immediately by TSG, or any of its agents, either at their discretion or if the Trustee fails to act in accordance with the relevant laws or acts in a manner contrary to this agreement;
- (iii) immediately by either party if the other party goes into liquidation, is wound up, is dissolved, enters into a scheme of arrangement or is placed under the official management of a receiver or manager; or fails to carry out its obligations under this agreement.

In the event of termination, TSG will forward all Fund records to the Fund's Trustee or their nominated agent.

## ***Variation and Supplemental Agreements***

Whilst this Agreement remains in force, TSG reserves the right to amend, vary, add to or remove any or all parts of this Agreement either by way of replacement, in whole or in part, or by the adoption of a supplemental agreement.

Any administrative arrangements agreed to by TSG and the Trustee not contained in this Agreement will be deemed a Supplemental Agreement for the purposes of this Agreement.

***Please contact us for our current Fee Schedule***



## **Administration Agreement Acceptance Notification**

To: The Administration Manager  
The Super Group Pty Limited  
Locked Bag 171  
Edgecliff NSW 2027

Office use only
Fund No. _____

We/I have read and understood the Agreement, and agree in all respects to its terms and conditions and agree to be bound by its operation at all times. We/I herein appoint of The Super Group Pty Limited as Administrator of our Self Managed Superannuation Fund.

Name of Fund: \_\_\_\_\_

Name of Trustee(s): \_\_\_\_\_

Signed:  
Trustees: \_\_\_\_\_

Director/Individual

Director/Individual

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 201 .

We/I understand that the successful administration and compliance of any superannuation fund is largely dependant on the full and true disclosure of Fund information and the co-operation between the Fund's Trustee and TSG. We/I therefore recognise and hereby agree that full and true disclosure of every Fund transaction will be provided. We/I understand that if the integrity of the Fund's administration is jeopardised because the Trustee withholds Fund information, does not co-operate with TSG in the gathering of Fund information, or does not give expeditious attention to trustee responsibilities, then TSG retains the right to terminate the administration agreement immediately, or at such other time as detailed in this agreement. We/I understand and agree that TSG will not be liable for any loss, outgoing or otherwise suffered by the Fund or any of its Members as a result of the Trustee withholding Fund information, failing to co-operate with the Fund's administration, not adhering to all or any part of this administration agreement, or acting in a manner which is contrary to the Acts.