

TERMS & CONDITIONS

Supervision SMSF is the business name under which the related entities Supervision SMSF Superannuation Australia Pty Ltd (ABN 54 105 828 117) and Supervision SMSF Solutions Pty Ltd (AFSL 435751). Supervision Superannuation (Australia) Pty Ltd provide specialist accounting, taxation & administration services for Self-Managed Superannuation Funds. Supervision SMSF Solutions Pty Ltd holds an Australian Financial Services Licensee and provide financial service and investment products solutions suitable for an SMSF. These two entities are related and unless separately named, are referred to as "Supervision SMSF". These terms and conditions apply to services provided by either entity.

1 DEFINITIONS

"Client" means the Trustee of the SMSF, financial adviser, accountant or other representative advised to Supervision SMSF to have authority to act on behalf of the SMSF.

"SMSF" means the Self-Managed Superannuation Fund of the Client.

"Service Package" means the "Take Control", "More Flexibility" and "Peace of Mind" packages offered by Supervision SMSF.

"Service package fee" means the fee for compliance and administration services for the service package.

"Termination Date" means the date notice of termination is provided.

2 APPOINTMENT

On submission of application form, the Client appoints Supervision SMSF to provide services to the SMSF on the following terms and conditions.

3 NO ADVICE

- 3.1 Supervision SMSF has not provided any advice regarding the suitability or made any recommendation regarding the establishment of the SMSF. The application to establish an SMSF was made after due consideration independently and/or following professional financial advice being obtained from a qualified financial adviser.
- 3.2 A copy of the Financial Services Guide (FSG) for Supervision SMSF has been provided. Any financial product advice provided by Supervision SMSF was general advice only and does not take into account the Clients objectives, financial situation or needs.

4 APPROVED PROVIDERS

Macquarie Bank Cash Management Account
Australian Money Market
CMC Markets Stockbroking
AIA Australia – SMSF Master Insurance Plan
Scaffold

5 MANDATORY ACCOUNTS

- 5.1 Depending upon the service package requested, mandatory client accounts may be required to be established with Approved Providers and limit SMSF transactions to those provided by the Approved Providers.
- 5.2 Disclosure documents for Approved Providers has been provided.
- 5.3 Client will provide any additional documentation as required by the Approved Provider.
- 5.4 Supervision SMSF take no responsibility for the turn-around time of any of the Approved Providers, however will provide assistance if requested by the Client or Approved Provider.

6 SMSF TRANSFER SERVICES

- 6.1 Prepare all documents and liaison with parties as necessary to transfer SMSF services to Supervision SMSF.
- 6.2 Written requests for changes or amendments following submission of application may result in additional charges.

- 6.3 Prepare the account opening application documents for all mandatory accounts with Approved Providers from details provided on application form.
- 6.4 Provide documents electronically email to nominated email address or by mail as provided on the application form, with details of actions required by the Client and where to return the documentation.
- 6.5 Supervision SMSF take no responsibility for the turn-around time on roll-overs coming from other institutions.
- 6.6 Have no obligations under these terms and conditions until such time as the Client has returned all transfer and/or account establishment documentation to Supervision SMSF.

7 SMSF ESTABLISHMENT SERVICES

- 7.1 Prepare all documents necessary to establish the SMSF from information as submitted in the on-line application form. Written requests for changes or amendments following submission of application may result in additional charges.
- 7.2 Prepare the account opening application documents for all mandatory accounts with Approved Providers from details provided on application form.
- 7.3 Provide documents electronically by email to nominated email address on the application form with details of actions required by the Client and where to return the documentation.
- 7.4 Supervision SMSF take no responsibility for the turn-around time on roll-overs coming from other institutions.
- 7.5 Have no obligations under these terms and conditions until such time as the Client has returned all and/or account establishment documentation to Supervision SMSF.

8 COMPLIANCE AND ADMINISTRATION SERVICES

- 8.1 Provide an online reporting access to daily updated reports.
- 8.2 Maintain Capital Gains tax records.
- 8.3 Maintain detailed membership records for each member. Individual member balances, rollover and contribution information, tax and preservation components are included on the Member Statements. The accuracy of these reports is subject to the accuracy and completeness of the information provided to Supervision SMSF.
- 8.4 Prepare and lodge Lump Sum withdrawal documents for the members, including preparation and management of associated documentation such as minutes and payment summaries and other Tax Office requirements. The Client is responsible for ensuring they are eligible to withdraw lump sum withdrawals and Supervision SMSF takes no liability for any errors or admissions made.
- 8.5 Prepare and lodge BAS/IAS in accordance with PAYG obligations.
- 8.6 Prepare 290-170 Notices as required for member contributions and confirm all contributions received by the SMSF for members.
- 8.7 Prepare financial year annual reports that include:
 - Operating Statement (Profit and Loss)
 - Statement of Financial Position (Balance Sheet)
 - Notes to Accounts
 - Member Statements
 - Taxation and Regulatory Return
 - Minutes of Meetings/Resolutions of Trustees
- 8.8 Taking into account provisions including but not limited to Clause 10 & 12, Supervision SMSF reserves the right to determine the timing in relation to the preparation of annual reports. The Client is responsible to sign and return all documents by the requested due dates, if not, then Supervision SMSF provide no assurances the SMSF will meet ATO prescribed lodgement deadlines.
- 8.9 Arrange for the annual audit to be undertaken by an independent and appropriately registered auditor engaged at the discretion of Supervision SMSF.

9 ADDITIONAL SERVICES

Services not included in service packages provided when required on request.

Accounting, Tax & Compliance Services

- Pension establishment
- Actuarial certificate application

- Roll-over documentation
- GST Registration and annual GST return preparation
- Limited Recourse Borrowing Arrangement (“LRBA”) establishment
- Audit & compliance management including rectification of identified compliance breaches or audit qualifications
- Advice on general SMSF taxation or compliance issues

SMSF Management and Documentation Services

- Trust Deed Replacement
- SMSF Wind-Up
- SMSF Transfer

Corporate Trustee Services

- Trustee Company Registered Office including maintenance and custody of corporate registers and company secretarial documents.

Investment & Portfolio Administration Services

- Investment mailing office
- Investor administration support
- Corporate Actions support including payment arrangements, completion of forms or other paperwork related to corporate actions

10 CLIENT OBLIGATIONS

- 10.1 Attend to matters to maintain compliance, including but not limited to signing and return of documents within a reasonable time and without unnecessary delay.
- 10.2 Responsible for accuracy and completeness of the SMSF including but not limited to providing Supervision SMSF with details for transactions where details have been requested or not able to be identified from data feed information.
- 10.3 Maintain sufficient cash funds at all times to meet the SMSF outgoings including but not limited to fees payable to Supervision SMSF.
- 10.4 Other than for gross negligence or fraud, provide Supervision SMSF a minimum initial contract term of two (2) years from the date of application.

11 SUPERVISION SMSF FEES

- 11.1 Service package fee is subject to corresponding service package conditions being met, including but not limited to use of mandatory accounts of Supervision SMSF Approved Providers. Where conditions are not met, services may be charged at “Miscellaneous Accounting” fee.
- 11.2 Other services, unless otherwise stated, are provided at “Miscellaneous Accounting” fee.
- 11.3 Fees are reviewed annually and changes will be notified and updated on the Fee Schedule available on Supervision SMSF website.
- 11.4 The “Take Control” package 1st year free offer extends to services provided under Supervision’s regular package fees listed under Clause 8. Compliance & Administration Services. It does not include any additional services listed in our fee schedule or to any regulatory fees or brokerages paid to third party suppliers during the operation of your SMSF.

12 FEE PAYMENT TERMS

- 12.1 Trustee company fee (for corporate trustees) is payable on application. The Client authorises Supervision SMSF to pay this fee from the credit card account nominated on the application form.
- 12.2 Monthly service package fees are due and payable in advance by direct debit withdrawal from the SMSF’s operating cash account. The Client will provide authority for Supervision SMSF to deduct this fee directly.
- 12.3 Monthly service package fees will accrue until funds are available in the SMSF operating cash account up to 3 months following SMSF establishment. The Client authorises Supervision SMSF to pay any accrued fees and subsequent monthly fees from the nominated credit card account until funds are available in SMSF operating cash account.

- 12.4 Other fees are due and payable up-front as lump sum amount by a direct debit withdrawal from the SMSFs' operating cash account. Supervision SMSF will seek Client authorisation to deduct these fees prior to commencement of the service.
- 12.5 The Client is responsible to ensure there are sufficient funds available in the cash account to meet all fees payable to Supervision SMSF. Where there are insufficient cash in an account to meet the direct debit in any month, a dishonour fee of \$35 will be payable. Any outstanding amount will be deducted as an additional amount in the following month.
- 12.6 Where there are insufficient funds in the cash account for 2 or more consecutive months, this will constitute a breach of agreement terms. Until all outstanding fees are paid, Supervision SMSF will have no obligations under this agreement and may result in the immediate suspension of services.
- 12.7 Where a SMSF has an outstanding amount for 4 or more consecutive months this will constitute a serious breach of agreement terms. Supervision SMSF will have no obligations under this agreement and may result in the immediate termination.

13 CONSEQUENCES OF SUSPENSION

Upon re-instatement of suspended services, Supervision SMSF will make every effort to provide necessary services to restore the SMSFs position and may charge an additional fee. This may also include charges raised by external service providers of the SMSF. Supervision SMSF accepts no liability for any loss suffered by the Client as result of a suspension of services.

14 TERMINATION

The services provided by Supervision SMSF in this agreement may be terminated by either party on giving one (1) months' notice in writing to the other party. No reason need be given for the termination.

15 CONSEQUENCES OF TERMINATION

- 15.1 The Client will be responsible for arranging the annual return, regulatory reporting and audits for the current financial year and any other work that would have been completed by Supervision SMSF and the cost of each of these activities.
- 15.2 Services for SMSF wind-up or transfer to another administrator are provided at the "miscellaneous accounting" rate and due and payable on a monthly basis until finalisation.
- 15.3 Supervision requires a termination fee equivalent to one (1) years "Take Control" package fee if termination occurs prior to commencement of any package fees being paid to Supervision.

16 OWNERSHIP & RISK

The title to any documents prepared for the SMSF do not pass to the Client until payment of all outstanding fees payable to Supervision SMSF, including any termination fee, have been made. Until payment is received, Supervision SMSF is not obligated to supply documents and information to the Client but the Client is treated as having received those documents and services. All risks of compliance with the company, superannuation and taxation legislation and regulations remains the responsibility of the Client from termination date.

17 RELEASE AND INDEMNITY

- 17.1 Supervision SMSF gives an undertaking that in providing the accounting and administration services, it will exercise all reasonable care and skill.
- 17.2 The Client acknowledges that Supervision SMSF does not give investment or legal advice, and is not liable for the rate of return or investment decisions for the SMSF.
- 17.3 Other than for payment of its fees from the operating cash account, Supervision SMSF does not manage, control or have access to transact on any of the investments or accounts.
- 17.4 Supervision SMSF is not responsible for any loss resulting from establishing and running your SMSF including any adverse performance of the investments.
- 17.5 Supervision SMSF is not responsible for any act, omission, deceit, neglect, mistake or default of any person including, without limitation of Supervision SMSF's staff and representatives, except for proven direct loss attributable to the gross negligence, deceit or fraud by Supervision SMSF. To the extent permitted by law,

the Client releases Supervision SMSF, its staff and representatives from all liability in respect of any loss and expenses incurred by the Client.

- 17.6 The Trustee indemnifies Supervision SMSF against all claims made against Supervision SMSF or suffered by Supervision SMSF as a direct or indirect result of the Client failing to comply, or failing to comply in sufficient time, with any of the Trustee's responsibilities. The Trustee acknowledges and confirms that any reference to the obligations of the Trustee includes the obligations of the member and vice versa.

18 VARIATIONS TO AGREEMENT TERMS & CONDITIONS

Supervision SMSF may vary the terms and conditions set out in this document at any time. Current copies of terms and conditions can be found on our website.

19 AGREEMENT

By commencing use of Supervision SMSF services, the Client acknowledges that the receipt and benefit of the services is subject to the preceding terms and conditions.