

MERCER INVESTMENT NOMINEES LIMITED
ABN 79 004 717 533
('Trustee')

MERCER MASTER FUND

MERCER PERSONAL SUPERANNUATION DIVISION

CONSOLIDATED DESIGNATED RULES

Being Designated Rules dated 22 January 1996 as amended by

Amending Deeds dated:

27 August 1996

22 August 1997

26 August 1998

2 February 2001

28 February 2002

24 May 2004

29 October 2004

18 July 2006

12 July 2007

31 August 2010.

TABLE OF CONTENTS

1.	INTERPRETATION	1
1.1	Definitions.....	1
1.2	Words and Phrases.....	3
1.3	Similar Terms.....	4
1.4	Law.....	4
1.5	Severance	5
1.6	Express References	5
1.7	Headings and Index.....	5
2.	MEMBERSHIP	5
2.1	Membership	5
2.1A	Reject application or refuse to admit	6
2.2	Admission of Members.....	6
2.3	Information and Evidence.....	6
2.4	Special Restrictions or Conditions.....	6
2.5	Cessation of Membership	7
2.6	Cooling off Period.....	7
3.	MEMBER INVESTMENT CHOICE	7
3.1	Choice of Portfolio.....	7
3.2	Revocation or Variation by Member.....	7
3.3	Revocation or Variation by Trustee	7
3.4	Compliance with Superannuation Law	8
3.5	Trustee's Liability.....	8
4.	FEES AND EXPENSES	8
4.1	Annual Fee	8
4.2	Entry and Exit Fees	8
4.2A	Tax Reimbursement Fee	8
4.3	Switching Fee.....	9
4.4	Indexation of Fees.....	9
4.5	Reimbursement of Expenses.....	9
4.6	Allocation of Fees and Expenses	9
4.7	Reimbursement Cap.....	10
5.	CONTRIBUTIONS - GENERAL PROVISIONS.....	10
5.1	Employer Contributions.....	10
5.2	Member Contributions.....	10
5.2A	Contributions by Member's Spouse	10
5.2B	Government Co-contributions	10
5.3	Payment of Contributions	10
5.4	Contributions other than Cash	11
5.5	Contributions Paid by Mistake.....	11
5.6	Regular Contribution Plan	11

6.	MEMBERS' ACCOUNTS	11
6.1	Accounts to be Maintained	11
6.2	Member Account	11
6.3	Sub-Accounts	12
6.4	Division Expenses.....	12
6.5	Closing of Accounts.....	13
6.6	Issue of Units	13
6.7	Redemption of Units.....	13
7.	BENEFITS.....	13
7.1	Payment of Benefits	13
7.2	Interest Payments	14
7.3	Proof of Entitlement.....	14
7.4	Amount, Timing and Form of Lump Sum Benefits.....	14
7.4A	Release of amount if permitted by Superannuation Law	15
7.5	Amount, Timing and Form of Income Benefits.....	15
7.6	Payment of Death Benefits.....	15
7.6A	Binding Nominations	16
7.7	Beneficiary under Disability	17
7.8	Augmentation of Benefit.....	18
8.	TRANSFERS TO THE DIVISION.....	18
8.1	Transfer from Another Fund	18
8.2	Admission as Member	18
8.3	Internal Transfers	18
9.	TRANSFERS FROM THE DIVISION.....	18
9.1	Transfer to Another Fund.....	18
9.2	Internal Transfers	18
9.3	Treatment of Transfer Amount	19
9.4	Effect of Transfer from the Division.....	19
10.	LIFE INSURANCE AND SALARY CONTINUANCE SCHEME	
	BENEFITS.....	19
10.1	Insured Benefits	19
10.1A	Insured Benefits - transferred Members.....	19
10.2	Premiums	19
11.	REDUCTIONS IN BENEFITS.....	19
11.1	Taxation	19
11.2	Deductions and Forfeiture.....	20
11.3	Assignment of Benefit	20
11.4	Insurance Offset	21
11.5	Corporations Act Restriction	21
11.6	Spouse Contribution Splitting.....	21
12.	AMENDMENTS	22
12.1	Power to Amend	22
12.2	Retrospective Effect.....	22

13.	TERMINATION OF MEMBER ACCOUNTS.....	22
13.1	Trustee's Discretion.....	22
13.2	Application of Assets.....	23
13.3	Securing of Entitlements.....	23

MERCER MASTER FUND

DESIGNATED RULES FOR THE MERCER PERSONAL SUPERANNUATION DIVISION (A DIVISION OF THE MERCER SUPER TRUST)

The trust deed of the Mercer Master Fund (**'Master Deed'**) provides that 'Rules' means, in relation to a Fund or a Division, the provisions of the Master Deed, the applicable Relevant Requirements and the applicable Designated Rules. The Master Deed further provides that 'Designated Rules' means, in relation to a Fund or a Division, any further provisions designated by the Trustee from time to time as forming part of the Designated Rules applicable to that Fund or that Division.

The Trustee has determined, by a resolution passed on 22 January 1996, that the following provisions (as subsequently amended in accordance with their terms) will, until a further determination to the contrary, be the Designated Rules of the Mercer Personal Superannuation Division, a Division of the Mercer Retirement Trust.

By Amending Deed No. 7 to the Master Deed the initial Trustee of the Fund changed the name of the Mercer Retirement Trust to the Mercer Super Trust.

MERCER PERSONAL SUPERANNUATION DIVISION

DESIGNATED RULES

1. INTERPRETATION

1.1 Definitions

In these Designated Rules:

'Actuary' means a person who:

- (a) is a Fellow or Accredited Member of the Institute of Actuaries of Australia; or
- (b) employs a qualified actuary for the purpose of providing actuarial advice.

'Another Fund' means, in relation to a Member Account, a superannuation or other benefit arrangement other than the Member Account, and includes another fund, division, plan or member account in the Mercer Master Fund.

'Binding Nomination Form' of a Member means a notice given by the Member to the Trustee, which is received and accepted by the Trustee, nominating one or more Dependants of the Member or the Member's legal personal representative (or both) as the beneficiary or beneficiaries of the Member's death benefit.

'Child' of a person includes:

- (a) any child born after the death of the person;
- (b) an adopted child, a step-child or an ex-nuptial child of the person;
- (c) a child of a person's spouse;
- (d) someone who is a child of the person within the meaning of the Family Law Act 1975 (Cth.); and
- (e) any other person who is a child for the purposes of Superannuation Law.

'Dependant' of a Member means:

- (a) a Spouse of the Member;
- (b) a Child of the Member;
- (c) any person the Trustee considers is (or was at the date of death of the Member) wholly or partly dependent on the Member; and

- (d) any person with whom the Member as at the relevant date (which in the case of a deceased person is the time of death) has an Interdependency Relationship.

'Designated Rules' has the meaning set out in the Master Deed.

'Disability Income Insurance Scheme' means a scheme effected through the Division whose main object is to provide income insurance to a Member who become disabled in terms of the insurance policies effected or otherwise acquired for that purpose.

'Division' means the Mercer Personal Superannuation Division, being one of the divisions constituting the Fund.

'Employer' means a person or company by whom a Member is employed, and in relation to a particular Member means the Employer by which that Member is employed.

'First Insertion Member' means a person who last became a Member before 1 September 1997.

'Fund' means the trust known as the Mercer Super Trust established under the Master Deed.

'Interdependency Relationship' has the meaning given to that term by section 10A of the *Superannuation Industry (Supervision) Act 1993*.

'Life Insurance' means death or disability insurance effected through the Division in respect of a Member.

'Master Deed' means the trust deed dated 28 June 1995 which provided for the establishment of the Mercer Master Fund.

'Member' means a person who has been admitted to membership of the Division and who has not ceased to be a Member under rule 2.5.

'Portfolio' has the meaning set out in the Master Deed.

'Retirement Date' means the Member's 65th birthday.

'Splittable Contributions' has the meaning given to those words in regulation 6.42 of the *Superannuation Industry (Supervision) Regulations 1994*.

'Splitting Application' means a application made by a Member under rule 11.6(a).

'Spouse' of a Member includes:

- (a) the Member's husband, wife, widow or widower;
- (b) another person (whether of the same sex or a different sex) with whom the Member is in a relationship that is registered under a law of a State or Territory prescribed for the purposes of s 22B of the Acts Interpretation Act 1901 (Cth.) as a kind of relationship prescribed for the purposes of that section;
- (c) another person who, as contemplated by Superannuation Law, although not legally married to the Member, in the Trustee's opinion lives, (or immediately before the Member's death, lived), with the Member on a genuine domestic basis in a relationship as a couple;
- (d) any other person, who, for the purposes of Superannuation Law, would be regarded as the spouse of the Member.

'Superannuation Law' has the meaning set out in the Master Deed.

'Tax' has the meaning set out in the Master Deed.

'Tax Deduction' means, in relation to a deceased Member, the amount of the tax deduction that is reasonably likely to be allowable to the Fund in respect of the payment of the death benefit in relation to that member as a result of the operation of section 295- 485 of the Income Tax Assessment Act 1997 (Cth).

'Termination Date' means the date determined by the Trustee as the date on which a Member Account is to terminate under rule 13.1.

'Total and Permanent Disablement' of a Member means disablement which the insurer under the relevant Life Insurance determines qualifies as permanent disablement under that policy.

'Trustee' means the trustee for the time being of the Fund.

'Unit' has the meaning set out in the Master Deed.

1.2 Words and Phrases

In these Designated Rules:

- (a) unless otherwise defined, or unless a contrary intention appears, words and phrases have the same meaning as in Superannuation Law;
- (b) the term:
 - (i) 'amendment' includes an addition, variation, deletion and substitution;

- (ii) 'beneficiary' includes a contingent beneficiary, a potential beneficiary, a Member and a pensioner;
- (iii) 'for example' is only illustrative and means including without limitation;
- (iv) 'including' means including without limitation;
- (v) 'may' confers absolute discretion on the person entitled to exercise a right or power conferred but does not infer any obligation to exercise that right or power;
- (vi) 'person' includes:
 - (A) a body corporate and any other person recognised at law;
 - (B) a partnership and any other group or association;
 - (C) a governmental authority,

but the expression 'natural person' must be given its normal meaning;

- (c) any power, right or discretion given under these Designated Rules, for example, the power to determine or agree, may be exercised:
 - (i) from time to time; and
 - (ii) generally or in any particular case;
- (d) reference to a benefit is taken to be a reference to all or part of that benefit;
- (e) the singular includes the plural and vice versa; and
- (f) words implying one gender include the other genders.

1.3 Similar Terms

A term similar to any term defined in these Designated Rules has a corresponding meaning, for example, 'Totally and Permanently Disabled' has a corresponding meaning to 'Total and Permanent Disablement' and 'amend' has a corresponding meaning to 'amendment'.

1.4 Law

References to any law include:

- (a) that law as amended, re-enacted or replaced and any law that supersedes that law; and

- (b) any regulation, binding determination and ruling made in connection with that law.

1.5 Severance

Any provision of these Designated Rules which is:

- (a) invalid in whole or in part; or
- (b) would need to be limited or read down in order to be valid,

is severed or limited or read down to the extent of the invalidity, but the remainder of the provision continues in full force and effect.

1.6 Express References

- (a) An express reference to one matter (including a rule or law) must not be taken as excluding other matters (including rules or laws).
- (b) An express reference in these Designated Rules to a rule must not be taken to infer that that rule does not have relevance to other rules which do not contain specific references.
- (c) References to these Designated Rules or any rule of these Designated Rules includes the Designated Rules or rule as amended, re-enacted or replaced.

1.7 Headings and Index

The index and headings in these Designated Rules are included for convenience and do not affect the interpretation of these Designated Rules.

2. MEMBERSHIP

2.1 Membership

- (a) A person who wishes to participate in the Division may apply to do so by requesting, in a form acceptable to the Trustee and constituting an eligible application under Superannuation Law, the establishment of a Member Account in the Division for that person.
- (b) The Trustee may admit a person as a Member of the Division without an application form if the person meets any automatic admission arrangement determined by the Trustee.

2.1A Reject application or refuse to admit

The Trustee may:

- (a) reject any application; or
- (b) refuse to admit any person as a Member,
without giving any reason.

2.2 Admission of Members

A person becomes a Member of the Division:

- (a) from the date the Trustee accepts the person's application for membership; or
- (b) from the date the person is to be automatically admitted as a Member under any automatic admission arrangement determined by the Trustee,

(subject in both cases to the Trustee receiving any eligible application required under Superannuation Law), or any other (earlier or later) date determined by the Trustee.

2.3 Information and Evidence

Each Member must:

- (a) give such information and evidence; and
- (b) sign such documents; and
- (c) undergo such medical examinations and tests; and
- (d) satisfy such other requirements,

as and when the Trustee requires.

2.4 Special Restrictions or Conditions

The Trustee may:

- (a) admit a Member on special terms, conditions and restrictions on benefits; and
- (b) remove any special terms, conditions and restrictions previously imposed.

2.5 Cessation of Membership

A person ceases to be a Member when all benefits which are or may be payable in respect of the Member have been paid, transferred or otherwise applied (including in the purchase of an annuity or pension from an institution).

2.6 Cooling off Period

If the Trustee issues Units in respect of a Member and:

- (a) the Member requests redemption of those Units; and
- (b) Superannuation Law requires the Trustee to redeem those Units,

then the Trustee must redeem those Units and pay to, or at the direction of, the Member the amount calculated in accordance with Superannuation Law.

3. MEMBER INVESTMENT CHOICE

3.1 Choice of Portfolio

The Trustee may invite a Member to elect to have any part of:

- (a) the Member Account of the Member; and
- (b) the contributions, Government co-contributions or transfers to the Division made in respect of the Member,

invested by reference to one or more Portfolios.

3.2 Revocation or Variation by Member

At the invitation, or with the approval, of the Trustee, a Member may:

- (a) elect to revoke or vary any previous election made by the Member under rule 3.1; or
- (b) make further elections under rule 3.1.

3.3 Revocation or Variation by Trustee

The Trustee may revoke or vary any election made by a Member under rules 3.1 or 3.2:

- (a) as required by Superannuation Law; or
- (b) as the Trustee considers the circumstances require.

3.4 Compliance with Superannuation Law

No election, revocation or variation may be made under rules 3.1, 3.2 or 3.3 other than in compliance with Superannuation Law. The Trustee must ensure that any information required to be given to a Member prior to the making of an election, revocation or variation under rules 3.1, 3.2 or 3.3 is provided on the basis, and within the time, required by Superannuation Law.

3.5 Trustee's Liability

Without limiting clause 21 of the Master Deed, but subject to Superannuation Law, the Trustee will not be liable or responsible for, or in connection with, any cost, loss, expense or detriment suffered by any person as a result of the exercise, partial exercise or non-exercise of any power exercisable by the Trustee under this rule 3, including, without limitation, any detriment suffered as a result of the Trustee failing to act on any election by a Member or any delay by the Trustee in doing so.

4. FEES AND EXPENSES

4.1 Annual Fee

The Trustee may deduct and retain for its own use out of each Member Account a fee in respect of each day it acts as Trustee equal to:

- (a) in the case of a First Insertion Member, the sum of \$8.00 per month; or
- (b) in the case of a Member who is not a First Insertion Member, the greater of:
 - (i) 1.0% per annum of the Member Account; and
 - (ii) the sum of \$8.00 per month.

4.2 Entry and Exit Fees

The Trustee may deduct and retain for its own use:

- (a) out of each contribution, Government co-contribution and transfer accepted into a Member Account, a fee equal to 8.0% of the amount contributed or transferred; and
- (b) out of each benefit payment or transfer made from a Member Account, a fee of \$250 for that benefit payment or transfer.

4.2A Tax Reimbursement Fee

The Trustee shall be entitled to receive an additional fee of \$800 from each Member in respect of whom the Trustee claims from the Commissioner of Taxation a tax offset for tax previously paid by the Trustee in respect of no-TFN contributions income (as defined in the Income Tax Assessment Act 1997) of the Fund which relates to that

Member if all other benefits to which the Member is entitled have been paid from the Fund.

4.3 Switching Fee

The Trustee may deduct and retain for its own use out of the proceeds of a switching request the sum of \$250 for each switching request.

4.4 Indexation of Fees

At the end of each calendar year the Trustee may increase the dollar amounts referred to in rules 4.1, 4.2(b), 4.2A and 4.3 by an amount not exceeding the increase (if any) between 31 May in that calendar year and 31 August 1995 in the amount of the full-time adult average weekly ordinary time earnings as published by the Australian Bureau of Statistics. The revised dollar amounts apply for the whole of the following calendar year.

4.5 Reimbursement of Expenses

The Trustee is, in addition to its right of indemnity under clause 18 of the Master Deed and its other remuneration, entitled to recover out of the Division the following costs, charges and expenses:

- (a) disbursements in connection with the acquisition or disposal of any asset, including commission and brokerage;
- (b) any Tax or reimbursement of Tax properly charged to the Trustee in connection with the Division but excluding any Tax payable personally by the Trustee on its own account;
- (c) all costs in connection with the initiation, carriage, defence and settlement of any tribunal or court proceedings;
- (d) arranging transfers into the Division under rule 8;
- (e) arranging transfers out of the Division under rule 9; and
- (f) all other costs, charges and expenses incurred in connection with the administration, maintenance, management or operation of the Division other than the usual overhead expenses of the Trustee.

4.6 Allocation of Fees and Expenses

Amounts paid or payable to the Trustee under this rule 4 must be allocated in accordance with rule 6.

4.7 Reimbursement Cap

The Trustee may from time to time:

- (a) waive its right to recover some or all of the costs, charges and expenses in respect of which it is entitled to reimbursement under rule 4.5; and
- (b) charge a monthly expense recovery fee in place of the rights waived under sub-rule (a) at a rate not exceeding 1.0% per annum of the redemption price of all the Units issued in respect of the Division.

5. CONTRIBUTIONS - GENERAL PROVISIONS

5.1 Employer Contributions

- (a) Subject to the other provisions of these Designated Rules, a Member's Employer may contribute such amounts as may be agreed from time to time between the Trustee, the Employer and the Member.
- (b) The Employer may make additional contributions in respect of the Member at any time.
- (c) If the Employer is a company, its contributions may be paid on its behalf by another company in any group of companies to which it belongs.

5.2 Member Contributions

Subject to the other provisions of these Designated Rules, each Member may contribute such amount (if any) as that Member determines from time to time.

5.2A Contributions by Member's Spouse

Subject to the other provisions of these Designated Rules, a Member's Spouse may, to the extent permitted under Superannuation Law, contribute such amounts as may be agreed from time to time between the Trustee, the Spouse and the Member.

5.2B Government Co-contributions

The Trustee may accept a Government co-contribution paid in respect of a Member.

5.3 Payment of Contributions

Contributions will be paid at the times and in the manner determined by the Trustee, subject to any requirements of Superannuation Law.

5.4 Contributions other than Cash

The Trustee may accept contributions other than in cash including, for example, superannuation guarantee shortfall vouchers. These contributions will be valued in accordance with clause 11 of the Master Deed.

5.5 Contributions Paid by Mistake

The Trustee must repay contributions, or Government co-contributions which:

- (a) it determines were paid by mistake, unless:
 - (i) Superannuation Law prevents that repayment; or
 - (ii) the person who mistakenly paid the amount and the Trustee agree otherwise; or
- (b) the Trustee should have refused to accept under clause 10 of the Master Deed.

5.6 Regular Contribution Plan

The Trustee may make available a regular contribution plan on such terms and conditions, including the charging of a fee, as the Trustee determines. Contributions may be made under a regular contribution plan by completing an application in a form approved by the Manager and by lodging a direction for future amounts to be contributed by direct debit to an Australian bank or other account acceptable to the Trustee.

6. MEMBERS' ACCOUNTS

6.1 Accounts to be Maintained

The Trustee must establish and maintain a Member Account in respect of each Member.

6.2 Member Account

The following amounts must be credited to a Member Account:

- (a) any Employer contributions in respect of the Member;
- (b) any contributions by the Member;
- (ba) any amounts contributed by the Spouse of the Member under rule 5.2A;
- (bb) any Government co-contribution accepted by the Trustee in respect of the Member under rule 5.2B;

- (c) any bonus or rebate (but not commission) paid under any Life Insurance policy;
- (d) any amount paid to the Division by an insurer on the death or Total and Permanent Disablement of the Member;
- (e) any amount transferred into the Division which the Trustee determines is appropriate to credit to the Member Account; and
- (f) any other amount which the Trustee and the Member agree is appropriate to credit to the Member Account,

and the following amounts must be debited to a Member Account:

- (i) any amount debited to the Member Account under rule 6.4;
- (ii) any amount which the Trustee determines to debit to the Member Account because of a roll over, transfer or allotment to Another Fund;
- (iii) any premiums paid in respect of Life Insurance or a Disability Income Insurance Scheme for the Member;
- (iiiA) any amount which is permitted by Superannuation Law to be debited to a Member Account and which the Member, (in accordance with any form prescribed by the Trustee in that regard), requests the Trustee to debit to the Member's Member Account;
- (iv) the portion of any benefit paid from the Member Account under these Designated Rules; and
- (v) any other amount which these Designated Rules require to be debited to the Member Account or the Trustee considers it appropriate and equitable to debit to the Member Account.

6.3 Sub-Accounts

The Trustee may:

- (a) establish sub-accounts within any Account; and
- (b) maintain and operate any sub-account for any purpose and in any manner the Trustee considers appropriate.

6.4 Division Expenses

- (a) Each Member's share of the Division's expenses must be:
 - (i) deducted from contributions, or Government co-contributions before they are credited to the Member Account; or

- (ii) debited to the Member Account; or
 - (iii) dealt with in any other manner determined by the Trustee; or
 - (iv) any combination of (i), (ii) or (iii),
- whichever the Trustee determines.

- (b) The Trustee may make:
 - (i) any deduction or debit under this rule on an estimated basis; and
 - (ii) appropriate subsequent adjustments to take account of any difference between estimated and actual amounts.

6.5 Closing of Accounts

The Trustee must close a Member Account after all benefits which could become payable in respect of the Member have been paid or applied. Any amount remaining in a Member Account at that time is forfeited to the Division.

6.6 Issue of Units

Upon amounts being credited to a Member Account, Units referable to the relevant Portfolio must be created and issued as provided for in the relevant provisions of the Master Deed. Those Units will be held by the Trustee until they are redeemed or cancelled pursuant to rule 6.7.

6.7 Redemption of Units

Upon amounts being debited to a Member Account, Units referable to the relevant Portfolio and held by the Trustee in relation to that Account must be redeemed and cancelled as provided for in the relevant provisions of the Master Deed.

7. BENEFITS

7.1 Payment of Benefits

The Trustee must comply with Superannuation Law in relation to benefits, including:

- (a) the preservation of benefits;
- (b) the transfer of unclaimed benefits; and
- (c) non-payment of any benefit during a 'period of technical insolvency' (as defined in Superannuation Law) without the approval of an Actuary.

7.2 Interest Payments

The Trustee may add interest to a benefit payable in respect of the period between the date the benefit became payable and the date of payment of the benefit (but only to the extent that the benefit does not already include interest for the period).

7.3 Proof of Entitlement

The Trustee may delay payment of a benefit until any proof of entitlement it requires is supplied.

7.4 Amount, Timing and Form of Lump Sum Benefits

- (a) Subject to the provisions of these Designated Rules, a lump sum benefit equal to the aggregate of the total amounts standing to the credit of a Member's Member Account will become payable in respect of the Member if:
- (i) the Member retires from any business, trade, profession, vocation, calling, occupation or employment in which the Member was engaged (whether the retirement occurred before or after the Member joined the Division);
 - (ii) the Member requests payment of his or her benefit after the Member's Retirement Date;
 - (iii) if an Employer has, at any time, contributed in respect of the Member, the Member ceases to be employed by the Employer;
 - (iv) the Member ceases to work for gain or reward in any business, trade, profession, vocation, calling, occupation or employment on account of the Member's ill-health (whether physical or mental);
 - (v) the Member dies; or
 - (vi) Superannuation Law otherwise requires or permits the Member's benefit to be paid.
- (b) Instead of taking a benefit in a lump sum, a beneficiary may elect that all or part of that benefit be replaced with another benefit payable (either or both):
- (i) in a different form; or
 - (ii) in different circumstances,

unless the Trustee determines otherwise, but the beneficiary must make the election at the time and within the period determined by the Trustee.

- (c) Any election under sub-rule (b) to which effect is given is final and binding on all persons, including any person with a contingent entitlement.
- (d) The Trustee may purchase a pension or annuity from a suitable institution, and every person will be bound by the Trustee's decision and the terms on which the pension or annuity is arranged.
- (e) Any pension or annuity the Trustee considers is a trivial amount may be paid in lump sum form.

7.4A Release of amount if permitted by Superannuation Law

Notwithstanding any other provisions of the Rules the Trustee:

- (a) may, subject to any conditions that the Trustee may consider appropriate, pay all or part of the amount standing to the credit of a Member's Member Account if permitted by Superannuation Law; and
- (b) must pay all or part of the amount standing to the credit of a Member's Member Account if required by Superannuation Law.

7.5 Amount, Timing and Form of Income Benefits

Subject to the provisions of these Designated Rules, an income benefit equal to the amount received by the Trustee from an insurer under a Disability Income Insurance Scheme in respect of a Member will become payable to that Member as and when that amount is received by the Trustee from the insurer.

7.6 Payment of Death Benefits

- (a) Any benefit which:
 - (i) is payable on the death of a Member; or
 - (ii) became payable before the death of a Member but was unpaid on the death of the Member,
 must be paid in accordance with whichever of sub-rule (b), (c) or (d) applies.
- (b) If a Binding Nomination Form of the Member is valid and in effect having regard to rule 7.6A then the benefit must be paid in accordance with the Binding Nomination Form.
- (c) If the benefit is not required to be paid under sub-rule (b) then it must be paid to:
 - (i) one or more of the Member's Dependents; or

- (ii) the Member's legal personal representative,

whichever (or both) the Trustee determines, and in such proportions as the Trustee determines.

- (d) If:

- (i) the benefit is not required to be paid under sub-rule (b); and
- (ii) a Dependant or legal personal representative of the Member has not been located under sub-rule (c),

then the benefit may be paid to any one or more natural persons the Trustee determines.

7.6A Binding Nominations

A Binding Nomination Form of a Member is:

- (a) invalid if:

- (i) one or more of the nominees in the Binding Nomination Form was neither a Dependant nor legal personal representative of the Member at the time of the Member's death;
- (ii) the proportion of the benefit to be paid to one or more of the nominees in the Binding Nomination Form is not certain or readily ascertainable from the notice;
- (iii) the Binding Nomination Form is not in the form or in accordance with the guidelines determined by the Trustee from time to time;
- (iv) the Member remarried after giving the Binding Nomination Form to the Trustee;
- (v) one or more of the nominees in the Binding Nomination Form has died prior to the death of the Member;
- (vi) the Member was legally incapable of making the Binding Nomination Form;
- (vii) it is unlawful for the Trustee to pay the benefit to one or more of the nominees in the Binding Nomination Form; or
- (viii) the Binding Nomination Form was not completed in accordance with Superannuation Law; and

- (b) not in effect:
 - (i) if a period of three years (or a shorter period determined by the Trustee prior to the completion of the Binding Nomination Form) has elapsed from the day the Binding Nomination Form was signed or last confirmed or amended by the Member;
 - (ii) if the Binding Nomination Form was revoked by the Member by giving to the Trustee written notice in the form specified by the Trustee from time to time and completed in accordance with Superannuation Law and the Rules;
 - (iii) if and for so long as the Trustee is prevented from making a payment in respect of the Member due to the operation of the Family Law Act 1975 or an order made under that Act; or
 - (iv) if the Member was subject to a Court order at the date of the Member's death prohibiting the Member from completing a Binding Nomination Form or requiring the Member to revoke a Binding Nomination Form that is otherwise valid and in effect.

7.7 Beneficiary under Disability

- (a) If:
 - (i) a beneficiary (including a Member) is under a legal disability (for example, if the beneficiary is a minor); or
 - (ii) the Trustee considers that the beneficiary is unable to manage his or her affairs; or
 - (iii) the Trustee considers that the beneficiary would be unable to deal with the benefit in a suitable way,the Trustee may apply the whole or part of the benefit:
 - (A) towards the maintenance or education of the beneficiary; or
 - (B) directly for the benefit of the beneficiary; or
 - (C) to a guardian, trustee, spouse, parent or child of the beneficiary or some other person who the Trustee considers has the care and custody of the beneficiary for the time being.
- (b) Any payment or application under sub-rule (a) is a complete discharge to the Trustee for the amount paid or applied and no person has a right of action against the Trustee for that amount on any grounds.

7.8 Augmentation of Benefit

Subject to Superannuation Law, the Trustee may augment the benefit payable upon the death of a Member by an amount not exceeding the Tax Deduction.

8. TRANSFERS TO THE DIVISION

8.1 Transfer from Another Fund

Subject to Superannuation Law, the Trustee may accept money or other assets from:

- (a) Another Fund;
- (b) a Member;
- (c) a prospective Member; or
- (d) any other person,

in respect of a Member or a prospective Member.

8.2 Admission as Member

A prospective Member (in respect of whom money or other assets are accepted under rule 8.1) must become a Member in accordance with rule 2.

8.3 Internal Transfers

Where a transfer to the Division is from Another Fund which is another Fund, Division or Plan, the Trustee may make whatever special arrangements it considers appropriate to ensure that the relevant Member is not disadvantaged by the transfer.

9. TRANSFERS FROM THE DIVISION

9.1 Transfer to Another Fund

If a Member becomes or is eligible to become a member of Another Fund, the Trustee may transfer to that other Fund all or part of the amount representing the benefit to which that Member would have been entitled if an event specified in sub-rule 7.4(a) had occurred on the day of the transfer, without the consent of that Member if permitted under Superannuation Law.

9.2 Internal Transfers

Where a transfer from the Division is to Another Fund which is another Fund, Division or Plan, the Trustee may make whatever special arrangements it considers appropriate to ensure that the relevant Member is not disadvantaged by the transfer.

9.3 Treatment of Transfer Amount

The amount to be transferred to Another Fund under this rule must be treated as a benefit payment for the purpose of clause 13 of the Master Deed.

9.4 Effect of Transfer from the Division

- (a) No person (including any contingent beneficiary) has any right against the Trustee in respect of any money or assets rolled over, transferred or allotted to Another Fund (unless the Trustee agrees otherwise).
- (b) The Trustee has no responsibility to enquire about the application of any money or assets rolled over, transferred or allotted to Another Fund.

10. LIFE INSURANCE AND SALARY CONTINUANCE SCHEME BENEFITS

10.1 Insured Benefits

A Member may apply for Life Insurance or a Disability Income Insurance Scheme or both by requesting, in a form acceptable to the Trustee, the provision of those benefits at a level and subject to such terms, conditions and restrictions as are agreed to between the Member and the Trustee.

10.1A Insured Benefits – transferred Members

Where a Member has transferred to the Division from another Division of the Fund, the Trustee may offer or provide Life Insurance or a Disability Income Insurance Scheme or both in respect of the Member:

- (a) without an application; and
- (b) at a level and subject to such terms, conditions, restrictions and arrangements, as the Trustee determines.

10.2 Premiums

Any premiums paid in respect of Life Insurance or a Disability Income Insurance Scheme provided for a Member under rule 10.1 or rule 10.1A must be debited to the Member Account of that Member.

11. REDUCTIONS IN BENEFITS

11.1 Taxation

- (a) The Trustee must comply with the law in force in relation to the deduction and payment of Tax.

- (b) The benefits payable from the Division are gross of Tax and the Trustee must:
 - (i) deduct any Tax which the law requires it to deduct; and
 - (ii) remit that Tax to the proper authority at the appropriate time.
- (c) The Trustee may adjust (either or both of):
 - (i) the amount of; and
 - (ii) conditions relating to,

any benefits, contributions or Government co-contributions as a result of changes in Tax or Tax arrangements.
- (d) Any adjustment under this rule will have immediate effect without the necessity of amending these Designated Rules.
- (e) The Trustee may make provision for Tax in the Member Account of each Member.

11.2 Deductions and Forfeiture

- (a) The Trustee may deduct:
 - (i) any amount which the Member owes to the Trustee or the Division; and
 - (ii) any amount which the Trustee thinks is necessary to compensate the Division for loss as a result of the Member's fraud, dishonesty or other misconduct,

from any benefit payable in respect of a Member, except to the extent that Superannuation Law prevents such deduction.
- (b) Any amount deducted under sub-rule (a) must be retained in the Division to be used as the Trustee considers appropriate.

11.3 Assignment of Benefit

- (a) A beneficiary must not assign or charge any benefit under the Division.
- (b) Any benefit which a beneficiary assigns or charges is automatically forfeited, except to the extent that Superannuation Law prevents such forfeiture.
- (c) A beneficiary is not taken to have assigned or charged a benefit by becoming bankrupt.

- (d) The Trustee may apply any benefit (or portion of a benefit) which is forfeited under sub-rule (b) for:
 - (i) the benefit of the beneficiary concerned or (if permitted by Superannuation Law) the Dependants of that beneficiary; or
 - (ii) the general purposes of the Division.

11.4 Insurance Offset

- (a) If:
 - (i) insurance is not obtained in respect of a Member on the insurer's standard terms; or
 - (ii) the level or scope of insurance obtained is restricted in respect of a Member; or
 - (iii) the insurer does not admit or pay all or part of a claim in respect of a Member,

the Trustee must reduce any benefit which:

- (A) is otherwise payable on the death or disablement (or both death and disablement) of the Member; and
 - (B) is not calculated on the basis of the Member's Account balance or proceeds of insurance.
- (b) The Trustee must obtain the advice of an Actuary as to how benefits are to be reduced under sub-rule (a).

11.5 Corporations Act Restriction

The Trustee may refuse to pay any benefit to the extent that the payment would contravene any provision of the Corporations Act 2001.

11.6 Spouse Contribution Splitting

- (a) A Member may apply to the Trustee in accordance with Superannuation Law to roll over, transfer or allot an amount to Another Fund for the benefit of the Spouse of the Member that is equal to an amount of the Member's Splittable Contributions made by or on behalf of the Member in respect of the preceding financial year or, where Superannuation Law permits, the current financial year.
- (b) A Splitting Application must be made in accordance with:

- (i) Superannuation Law; and
 - (ii) such conditions, forms and procedures as the Trustee may determine from time to time.
- (c) The Trustee:
- (i) is not required to accept a Splitting Application;
 - (ii) may accept a Splitting Application if to do so does not contravene Superannuation Law.
- (d) The Trustee may roll over, transfer or allot an amount to Another Fund to give effect to a Splitting Application which it has accepted under sub-rule (c).
- (e) The amount to be rolled over, transferred or allotted to Another Fund under sub-rule (d) must be treated as a benefit payment for the purpose of clause 13 of the Master Deed.

12. AMENDMENTS

12.1 Power to Amend

The Trustee may amend these Designated Rules (including this rule) by deed or resolution to the extent that it is permitted under Superannuation Law and:

- (a) a Member's accrued benefits are not reduced; or
- (b) the Member consents to the reduction in accrued benefits.

12.2 Retrospective Effect

Any amendment under rule 12.1 takes effect:

- (a) on any effective date specified in the agreement, deed or resolution of amendment; or
- (b) if no effective date is specified, on the date the deed of amendment is executed or the resolution or agreement is made.

13. TERMINATION OF MEMBER ACCOUNTS

13.1 Trustee's Discretion

The Trustee may terminate a Member Account after giving reasonable notice to the relevant Member.

13.2 Application of Assets

On termination, the Trustee must apply the assets of the relevant Member Account in the following order of priority:

- (a) all costs, expenses and liabilities which have been incurred or are likely to be incurred in respect of the Member Account (including the termination of the Member Account);
- (b) pension payments being provided from the Member Account which are due for payment but unpaid at the Termination Date;
- (c) the balance of the Member Account (less the amount mentioned in sub-rule (b)) to the Member.

13.3 Securing of Entitlements

- (a) The Trustee may make any arrangements it considers appropriate in securing any entitlements of a beneficiary on the termination of a Member Account, including:
 - (i) the purchase of an annuity; or
 - (ii) the transfer of assets representing the entitlement to Another Fund; or
 - (iii) payment to the Member,or any combination of the above, without the beneficiary's consent and even if the arrangement is contrary to the beneficiary's wishes.
- (b) On completion of the arrangements under sub-rule (a):
 - (i) no person (including any contingent beneficiary) has any right against the Trustee in respect of any entitlement under the relevant Member Account;
 - (ii) the Trustee is discharged from the trusts of the relevant Member Account.
- (c) No person (including any contingent beneficiary) has any right against the Trustee in respect of any money or assets transferred to Another Fund (unless the Trustee agrees otherwise).
- (d) The Trustee has no responsibility to enquire about the application of any money or assets transferred to Another Fund.