

SMSF ORDER FORM

Fund Name _____		Superannuation Fund	
State where Fund is to be established _____			
Main contact details for this fund:			
Surname:		Given Name(s)	
Telephone:	Mobile:	Fax:	
Street:		State:	Postcode
Suburb:			
Email _____			
Signed: _____		Date: _____	
By signing I agree that as Trustee all information supplied in relation to the creation of this fund is true and correct.			

Details of Individual Member/Trustee-1		Mr.	Mrs.	Miss	Ms
Surname:	Given Name(s)				
Street:					
Suburb:			State:		
Postcode	Place of Birth:		DOB	/	/
Are you a disqualified person under the <i>Superannuation Industry (Supervision) Act 1993 (SISA)</i>				Yes	No

Details of Individual Member/Trustee-2		Mr.	Mrs.	Miss	Ms
Surname:	Given Name(s)				
Street:					
Suburb:			State:		
Postcode	Place of Birth:		DOB	/	/
Are you a disqualified person under the <i>Superannuation Industry (Supervision) Act 1993 (SISA)</i>				Yes	No

Details of Individual Member/Trustee-3		Mr.	Mrs.	Miss	Ms
Surname:	Given Name(s)				
Street:					
Suburb:			State:		
Postcode	Place of Birth:		DOB	/	/
Are you a disqualified person under the <i>Superannuation Industry (Supervision) Act 1993 (SISA)</i>				Yes	No

Details of Individual Member/Trustee-4		Mr.	Mrs.	Miss	Ms
Surname:	Given Name(s)				
Street:					
Suburb:			State:		
Postcode	Place of Birth:		DOB	/	/
Are you a disqualified person under the <i>Superannuation Industry (Supervision) Act 1993 (SISA)</i>				Yes	No

Payment by Credit Card		
Credit Card Number:	_____	
Name on Credit Card:	_____	
Credit Card Expiry Date:	Month: _____	Year: _____
CVV Number	_____	
(On the back of the card in the signature strip, following the full card number)		
Payment Amount:	_____	
Note All Credit Card Payment are made via Stratapay Pty Ltd (We accept all major credit cards except American Express & Diners Club)		

COMPLETE THIS FORM AND FAX TO (02) 9899 4943

NB: This information will be treated in the strictest confidence and will only be used to establish an SMSF per the *Superannuation Industry (Supervision) Act 1993 (SISA)*.

DECLARATION

Circle Answer

Is this fund being established strictly for retirement benefits only Y / N

Do you have the time and skills to manage this fund Y / N

Are you aware that as trustee you are legally responsible for the ongoing management and running of the fund Y / N

Have you clearly understood the annual costs associated with operating the fund Y / N

Have you determined if your current superannuation fund can be rolled into a self managed superannuation fund Y / N

ASIC GUIDELINES IN RESPECT OF ESTABLISHING MY SELF MANAGED SUPER

I understand that the ASIC have released guidelines with respect to establishing an SMSF. ASIC considers that, whilst the individual circumstances of each case will always be relevant, as a rough guide, it may be inappropriate to advise a client to establish a fund with a balance of less than \$200,000, primarily because in such a case an SMSF may not be cost competitive (both in establishment and ongoing costs) compared with other available options. ASIC does recognise, however, that some people are willing to accept this on the basis that they prefer making their own investment decisions. This may be the case, for instance, where you wish to target high risk/high return investment strategies.

I state that I am aware of these guidelines but given that I wish to make my own investment decisions I still wish to establish an SMSF. I further state that should my investment returns fail to meet my expectations the impact of both initial and ongoing costs on the return of my SMSF will be further exacerbated.

SIGNED

DATE

GUIDE TO COMPLETING THE SMSF ORDER FORM

WHAT IS AN SMSF

With the exception of single member funds, an SMSF is defined as follows:

The SMSF Definition

- Has less than 5 members;
- Each individual trustee of the fund is a fund member;
- Each member of the fund is a trustee;
- No member of the fund is an employee of another member of the fund, unless those members are related; and
- No trustee of the fund receives remuneration for his or her services as a trustee.

An SMSF can also have a company as a trustee (known as a corporate trustee) if:

- Each director of the company is a member of the fund;
- Each member of the fund is a director of the company; and
- The fund has less than 5 members; no member is an employee of another member (unless related) and the trustee does not receive remuneration for their services as a trustee.

The requirement that all members be trustees ensures that each member is fully involved and has the opportunity to participate in the decision-making processes of the fund. This promotes true self-management.

All superannuation funds are required to appoint trustees. Trustees are responsible for ensuring the fund is properly managed and that it complies with the SISA rules and other legal obligations.

To be an SMSF, all fund members must also be appointed as trustees of the fund (except single member funds). A SMSF requires no less than 2 trustees and no more than 4. All trustees must be related. A trustee is not required to contribute to a fund.

Single Member Funds

It is possible to have an SMSF with only one member.

If the single member fund 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 there are only two directors of that company; or
- Not be an employee of the other director of the trustee company and there are only two directors of that company.

If the single member fund 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.

WHO CAN BE A TRUSTEE

The decision to become a trustee of an SMSF should not be taken lightly. Trustees are responsible for ensuring that their fund complies with SISA as well as many other legislative and administrative requirements. Penalties may apply if trustees contravene any of these requirements. It is recommended that trustees familiarize themselves with the requirements of running a fund before committing to this option

Essentially anyone over the age of 18 can be a trustee of a superannuation fund except if they are a disqualified person. An individual is a disqualified person:

- At any time, the person has been convicted of an offence involving dishonesty, or
- At any time, the person has been subject to a civil penalty order under SISA, or
- The person is an insolvent under administration (e.g. an undischarged bankrupt).
- A company would not be permitted to act as trustee if:
 - A responsible officer of that company is a disqualified person (a responsible person includes a director, secretary or executive officer); or
 - A receiver, official manager, or provisional liquidator has been appointed to the company; or
 - Action has commenced to wind up the company.

A trustee of a SMSF must act in accordance with:

- The clauses of the superannuation fund trust deed (governing rules);
- The provisions of the SISA; and
- Other general rules, for example those imposed under tax law and trust law.

THE SISA COVENANT RULES

The SISA contains covenants 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 **SISA covenants** bind trustees to:

- act honestly in all matters;
- exercise the same degree of care, skill and diligence as an ordinary prudent person;
- act in the best interest of the fund members;
- keep the assets of the fund separate from other assets (e.g. the trustees personal assets);
- retain control over the fund;
- develop and implement an investment strategy;
- allow members access to certain information.

SHOULD YOU HAVE ANY FURTHER QUESTIONS ON THE ABOVE INFORMATION, PLEASE CONTACT THE ATO INFORMATION LINE ON 131020.