



MKTG406 (03/07)



# Manage

Self-managed super

Everything for the DIY investor

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**Important Information.** This Service Information and Administration Agreement (referred to as the 'document') provides information about the CommSec Self-Managed Superannuation Fund Administration Service ('CommSec SMSF Manager') that Commonwealth Securities Limited ("CommSec") can provide to the trustee/members of a self managed superannuation fund (referred to in this document as a 'fund' or 'SMSF') to assist in the administration and (where necessary) the establishment of a fund.

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A trustee of a self-managed superannuation fund is responsible for ensuring that it satisfies all of its obligations, including any disclosure obligations in relation to the fund. This document will assist trustees using the CommSec SMSF Manager service in satisfying their disclosure obligations. However, there will be additional information that a trustee will need to disclose to each member of the fund or the trustee will need to ensure that each member of the fund has access to that information. CommSec does not act in the capacity of trustee.

CommSec SMSF Manager is a service offered by CommSec to assist in the administration and (where necessary) the establishment of a fund. CommSec or its licensed related entities to which it has delegated administration functions in relation to CommSec SMSF Manager are referred to in this document as 'CommSec', 'we', 'our' or 'us'. CommSec SMSF Manager is a service of Commonwealth Bank of Australia administered by its wholly owned but non-guaranteed subsidiary Commonwealth Securities Limited ABN 60 067 254 399 AFSL 238814, a Participant of the ASX Group. Colonial First State is a subsidiary of the Commonwealth Bank of Australia ABN 48 123 123 124 which provides support services to CommSec in the administration of this product. A reference to 'trustee,' 'you' or 'your' in this document means you as trustee of a fund. CommSec may change any of the terms and conditions of the service which are set out in this document. If that occurs you will be provided with notification of the change which, if it is materially adverse, will be at least 30 days prior to the change.

The issue of this document is authorised solely by CommSec. Apart from CommSec neither the Commonwealth Bank of Australia nor any of its subsidiaries are responsible for any statement or information contained in this document.

If you are printing an electronic copy of this document, you must print all pages including the application forms. If you make this document available to another person, you must give them the entire electronic file or printout, including the application forms. A paper copy of this document (and any supplementary documents) can also be obtained free of charge on request by calling CommSec on 13 15 20.

CommSec SMSF Manager is available only to persons receiving this document within Australia.

This brochure has been prepared without taking account of the objectives, financial situation or needs of any particular individual. Because of that, before acting on the information in this brochure, you should consider its appropriateness to your circumstances, having regard to your objectives, financial situation and needs.

Examples used in this brochure are for illustrative purposes only.

# Let us help you take control

Running your own self-managed super fund (SMSF) allows you to become actively involved in creating and directing your financial future. But you could find yourself bogged down in time-consuming paper work and complex compliance obligations. That's where CommSec SMSF Manager can lend a hand.

We will do the bulk of the administration work and provide compliance support, leaving you free to get on with the job of controlling your fund's investments.

## Why choose CommSec SMSF Manager?

<b>Compliance made easy</b>	As a trustee of an SMSF, you're responsible for managing and keeping up with compliance requirements. Funds that lose their status as a complying fund will no longer receive concessional tax treatment. On top of that, further penalties may apply.  CommSec's highly experienced team of industry specialists can help you with the ongoing compliance of your fund. They will do this by reviewing all your transactions, submitting returns to the Australian Taxation Office (ATO) and keeping your fund up to date with legislation.
<b>Value for money</b>	CommSec SMSF Manager offers you a comprehensive SMSF administration service at a competitive price. After paying a one-off establishment fee, you will be charged a flat, annual administration fee, payable in four equal instalments. And you will only pay for other services such as auditing if you request them or if required as part of the service*.
<b>Direct service</b>	A dedicated administration team will service CommSec SMSF Manager funds.
<b>Expertise at your fingertips</b>	If you need an auditor for your fund, CommSec can provide one. Or if you prefer, you can use your own auditor or accountant to audit your fund. The choice is yours.

\* An additional service fee may apply in a number of instances such as complex/neglected funds, properties with complex tenancy arrangements and services outside the normal administration functions.

Before deciding whether CommSec SMSF Manager is for you, it's important to note that there are a few requirements for using this service.

CommSec SMSF Manager is only available for CommSec customers. The Trust Deed of your fund must conform to the CommSec standard trust deed (see page 11 for more details).

CommSec SMSF is not available for listed shares not traded through or sponsored by CommSec. There are also some restrictions on holding assets other than shares, property and managed funds administered by Colonial First State (see page 20 for more details). Finally, in order to use this service, you will need to open

- › a CommSec Trading account, and
- › a Commonwealth Direct Investment Account (CDIA) to use as the fund's nominated cash account.

### I can do that

1. The strategy	2. How they did it	3. The result
Adam and Valerie are a married couple in their early fifties. Both keen, experienced investors with CommSec, they decided to set up an SMSF. They wanted to be able to research investment opportunities and enjoy a sense of control over their financial future.  But they soon found that they spent more time doing paper work and trying to understand compliance requirements than choosing the best possible investments for their fund.	Adam and Valerie enlisted the help of CommSec SMSF Manager to take care of the bulk of the administration work.  For this service, they paid a one-off establishment fee plus an annual administration fee. They also paid an additional fee for a residential investment property owned by the fund.  So, for a one-off fee of \$550, plus an annual fee of \$1,760, Adam and Valerie were able to put the paperwork behind them. (See 'Fees and charges – an example' on page 18 to find out how their fee was calculated.)	Adam and Valerie were freed from most of the mundane but essential administration tasks that go along with managing an SMSF.  They were then able to spend more time doing what they were really interested in: finding the best possible home for their hard earned cash and saving for a comfortable retirement.

**Assumptions:** Adam and Valerie's fund has an account balance of \$500,000, including one property investment with a value of \$200,000. Fees and charges are subject to change. This example is hypothetical and for illustrative purposes only.

## What is a self managed superannuation fund?

Under Australian superannuation law, you can choose to contribute your personal superannuation contributions (and in some cases, direct your employer to pay employer contributions) to a superannuation fund of your choice.

Self-managed superannuation funds invest contributions and provide a benefit to members on retirement. The difference between a self-managed superannuation fund and other types of superannuation funds is that the members of self-managed superannuation funds are also the trustees or directors of a corporate trustee. That means they control the investments of the fund, the payment of their benefits and are ultimately responsible for the ongoing compliance of the fund.

Generally, a superannuation fund is a self-managed superannuation fund if:

- › It has four or less members
- › Each member of the fund is a trustee or a director of the corporate trustee
- › No member of the fund is an employee of another member of the fund, unless they are related
- › No trustee of the fund receives any remuneration for their services as trustee, and
- › The fund has a trust deed that meets the requirements of the Superannuation Industry (Supervision) Act 1993 (SIS Act).

Different rules apply to single member funds and in some circumstances, certain other people can act as a trustee (or a director of a corporate trustee). You should seek financial advice to assist you in determining how to structure your superannuation fund.

## Pros and cons of managing your own super

An SMSF may be suitable for you if you like the idea of greater investment freedom and are able to actively participate in the management of your fund.

While this can be very satisfying, it's important to consider the various responsibilities that go with managing your own super fund.

- › You are responsible for all aspects of the management of the fund.
- › You must ensure your SMSF complies with super, tax and other laws. There are penalties for breaching these laws.
- › You are responsible for ensuring that the administration of your fund is handled appropriately.
- › Your super fund may be affected by changes in super laws, taxation and other laws.
- › You will face the usual risks involved with investment – the effect of the market on investments, as well as specific effects on individual securities within asset classes.

**DIY TIP** › **Know your role and responsibilities.** As a good guide to self managed superannuation, we recommend that you read the ATO publication 'Role and responsibilities of trustees' published for self-managed superannuation funds at [ato.gov.au/super](https://ato.gov.au/super)

# What CommSec will do

While setting up an SMSF can be a rewarding and worthwhile experience, it can also be time-consuming. CommSec SMSF Manager offers a wide-ranging service, providing you with administrative, compliance, reporting and record-keeping services. Of course, as trustee of your fund, you will still need to complete some of the administrative and compliance work yourself.

In the following pages you will find an outline of our responsibilities. There is a summary of your responsibilities on page 11 of this brochure.

## Setting up your fund

After you send us your application forms, we will provide a number of documents and services in your Welcome Kit. The documents we will send will depend on whether you are establishing a new fund, or transferring an existing one to us.

Once you receive your Welcome Kit, simply complete the relevant documents listed below and return them to us.

### Welcome kit documents

New funds	Existing funds
New trust deed	Deed of Variation
Member and trustee minutes	Member and trustee minutes (if required)
ATO guide for SMSF trustees	A form to change the registration details of your fund with the ATO
	ATO guide for SMSF trustees

## Administration

Hand over the bulk of your paper work to CommSec SMSF Manager. We will take care of these administration tasks:

Ongoing	Yearly
Maintenance of fund, trustee and member records.	Reconciliation of all bank and investment transactions.
Recording, reconciliation and reporting to the Australian Taxation Office (ATO) of benefit and pension payments.	Making sure there is supporting documentation for all transactions.
Calculation of Pay As You Go (PAYG), Instalment Activity Statement (IAS) and Business Activity Statement (BAS) obligations and lodgement of regulatory returns with the ATO.	Compliance review and reporting.
Assistance with the fund's initial and annual pension entitlement calculations.	Providing trustees with an annual compliance booklet, including member statements (see 'Reporting' on page 8).
Assistance in obtaining the fund member's actuarial certificates for pensions.	Providing annual accounting records which can be readily used for the annual audit.
Obtaining regular valuations of all assets held by the fund, in line with legislative requirements.	At your request, we will organise an auditor to undertake the fund's annual audit (see 'Compliance' on page 8).
	Preparing and managing the fund's tax return lodgement.
	Organising an actuary to provide an annual actuarial certificate, where required.

From time to time we will need to get information from you about your fund's activities, such as investment transactions, contributions and benefit payments.

## Reporting

So that you always know how your fund is performing, CommSec SMSF Manager will keep you informed by sending you an annual compliance booklet.

To help you keep track of your fund's progress, CommSec SMSF Manager allows you to see the annual compliance booklet through your secure CommSec login.

The annual compliance booklet consists of a number of documents. These are explained below.

Document name	Details
<b>Financial statements</b>	Details your fund's position at the reporting date (30 June) and fund operations for the year to date.
<b>Member statements</b>	Details each member's account details at the reporting date and movements during the period.
<b>Tax return</b>	A copy of your fund's annual tax and regulatory return lodged with the ATO.
<b>Investment summary report</b>	Outlines the current value of the fund's investments against the original cost of those investments.
<b>Investment strategy report</b>	Current assets by asset class allocation compared against the current investment strategy.
<b>Investment movement report</b>	A detailed report showing a breakdown of the purchases and sales transacted during the period.
<b>Investment disposals report</b>	Outlines the fund's gain or loss position on investments sold during the period.
<b>Investment income report</b>	A breakdown of all income received by the fund during the period.

## Compliance

As mentioned earlier, it's essential that you make sure your fund remains compliant. CommSec SMSF Manager will help you to do this, by notifying you of all the major tasks related to compliance that you need to carry out.

If we become aware that your fund breaches any SMSF rules relating to contributions, benefit payments or the fund's investments, we will notify you of these breaches.

### Annual audit

Self managed superannuation legislation requires that your fund's account, statements and compliance information are audited each year by an approved auditor.

CommSec SMSF Manager will play an important part in the audit process by conducting a final fund review and preparing and compiling your fund's audit papers. These can be sent to an auditor of your choice. Or if you'd prefer, we will arrange a standard audit of your fund through our appointed provider.

### Actuarial services

For some pension types, you will need actuarial calculations. The CommSec SMSF administration team will be responsible for obtaining the annual actuarial certification as required.

## Record keeping and correspondence

### Record keeping

Current legislation states that you need to keep certain records relating to your SMSF for a minimum of five years, while other records need to be kept for a minimum of 10 years.

CommSec will maintain these records for you while your fund is administered by us.

### Correspondence

To administer your fund properly the CommSec SMSF administration team will need to see most of the correspondence received by your fund.

We will receive all the information about CommSec holdings, Colonial First State investments and CDIA transactions directly, so there will be no need for you to provide any information relating to these investments to us. Correspondence from the Australian Taxation Office (ATO) relating to the fund will be sent directly to us and we will send it to you if you need to sign the documents.

From time to time we will need information from you about any real property holdings the fund has. This could include information such as periodic valuations of the property or details of expenses. We will ask you to provide this information when it's needed.

You will need to send us copies of correspondence about non-standard assets held by your fund. Examples of the types of correspondence we will need include investment confirmations and periodic statements.

Further information about this is detailed in the 'What you need to do' section of this document (page 10).

# What you need to do

As the trustee, you are ultimately responsible for the operation of your fund, so you have certain obligations and responsibilities.

While CommSec SMSF Manager will provide tools to help you, it's vital that you understand your responsibilities as the trustee of your fund.

## Setting up your fund

Responsibility	New funds	Existing funds
<b>Establish the fund</b>	<p>The first thing you need to do is create a Trust Deed.</p> <p>Together with the relevant laws and documentation, the Trust Deed governs the relationship between the trustee (or trustees) and members. It also outlines the rules under which the fund operates.</p> <p>Funds administered by CommSec SMSF Manager must use a standard Trust Deed.</p> <p>We will send you a standard Trust Deed in your Welcome Kit. You then need to execute the Trust Deed at an initial meeting of trustees or directors of your fund.</p>	<p>We will provide you with a Deed of Variation which the trustee (or trustees) will need to execute, so that the fund's Trust Deed conforms to the CommSec SMSF Manager standard Trust Deed.</p> <p>Before you can execute the Deed of Variation, you will need to independently consider the amendments that will be made to your fund's Trust Deed, and decide whether they are consistent with your trustee duties.</p>
<b>Set up the investment strategy and manage the assets</b>	<p>You are responsible for setting up the investment strategy of the fund and managing the fund's assets. We recommend you seek financial advice.</p> <p>When you apply for CommSec SMSF Manager, you need to tell us what the investment strategy of your fund is. This strategy governs the investments held by the fund, as well as informing all members of the investment parameters that the fund will follow.</p> <p>The following investments are allowed (see 'Allowable investments' on page 19 for more details):</p> <ul style="list-style-type: none"> <li>› CommSec traded and sponsored listed securities.</li> <li>› CommSec manufactured structured products (for example, Capital Series products).</li> <li>› Colonial First State managed investments.</li> <li>› Real property.</li> <li>› Commonwealth Direct Investment Account (CDIA) or Colonial First State Cash Management Trust (CMT).</li> <li>› Non-standard assets, such as Managed investments not held with Colonial First State, Term Deposits and collectibles (for example, artwork, coins and antiques) are limited to five individual holdings.</li> </ul>	

**Open a cash account**

You will need to establish a cash account for the fund and provide us with the account details.

The fund's cash account must be a Commonwealth Direct Investment Account (CDIA).

We will draw the CommSec SMSF Manager fees and costs from this account. In the future we may, after notifying you, use this account to meet fund liabilities on your behalf.

**Making contributions and benefit payments**

Once your fund is set up, you will also be responsible for arranging the acceptance of contributions to your fund. You will also pay any benefits, and notify us when these payments are made.

It's also your job to make sure that the fund only allows contributions and benefit payments that are permitted under the governing legislation.

You will need to provide us with details of each contribution or benefit payment you make. You can do this by completing the relevant form provided in your welcome kit. Additional forms can be downloaded from the website or obtained by contacting CommSec SMSF Manager administration. For more information, see page 27-28.

**Meeting your obligations**

All SMSFs have to lodge documents with the ATO each year. Depending on your fund's circumstances and how it is structured, you may also need to make payments to the ATO.

CommSec SMSF Manager will tell you when you need to make payments. We will also supply you with any documents you need to do so.

**Ensuring your fund remains compliant**

It's your ultimate responsibility to make sure your fund is and remains compliant. There are penalties for funds that become non-complying.

We will support you by regularly providing information and reporting on your fund's ongoing compliance requirements. However, it will be up to you to resolve any of the issues we identify.

If you have concerns about understanding the requirements, we suggest you seek professional advice before establishing an SMSF.

**Corporate trustees**

If you need a corporate trustee, you will need to establish the company either by yourself or with the help of a professional adviser. It's important that you know the requirements under the Corporations Act 2001.

If any changes occur in your fund which will affect the corporate trustee, you must let us know as soon as they happen.

**Providing us with details about fund investments**

When you make an investment you must let us know about the investment details. For real property holdings and any non-standard assets (see pages 19-20 for details) you will need to send us copies of all investment correspondence, including investment confirmations and periodic statements. From time to time we will request other information about the fund. You will need to provide us with this information within a reasonable timeframe.

So we can administer your fund adequately, you must provide us with accurate information. CommSec cannot be held liable for any consequences which are a result of late, incorrect or incomplete information.

# Affordable rates

While having someone else administer your fund will save you time, you don't want its cost to eat away at your fund's profits.

CommSec SMSF Manager has a competitive, straightforward fee system. For instance, the administration fee is not asset-based, so no matter what the size of your fund, your administration fee will be the same flat fee.

Our standard fees are shown in the table below. Your fund may also incur other operational charges too. These costs, such as the cost of maintaining a corporate trustee, are not covered by the CommSec SMSF Manager service.

Fee	Amount*	Details†
<b>Establishment Fee</b> This is the fee charged when establishing CommSec SMSF Manager	\$550	This is the fee payable for the establishment of the fund and includes the preparation of a new deed for new funds or the deed of variation for existing funds.  The fee is deducted when you first obtain CommSec SMSF Manager.  Under normal circumstances, this will be the only fee charged to establish a CommSec SMSF Manager on your behalf.  However, some funds may be deemed by us to be 'complex' or 'neglected' in which case additional service fees may apply. If your fund falls into this category we will let you know how much you will need to pay and how we will charge you during the CommSec SMSF Manager establishment process.

\* Fees include GST, except where otherwise stated.

† All fees are deducted by direct debit from your fund's CDIA.

Fee	Amount*	Details†
<b>Administration Fee</b> The fee charged for the ongoing administration of your fund.	\$1,430 (per annum)	This fee commences when we have processed your CommSec SMSF Manager application and is deducted quarterly (in arrears).  The full quarterly fee is deducted in the quarter in which your application is processed.
<b>Pension Fee</b> This fee applies when pensions are being paid from the fund.	\$330 (per annum)	This fee covers provision of up to four Allocated, Term Allocated and Pre-retirement Pensions only.
<b>Additional Pension Fee</b>	\$110 (per annum)	When more than four pensions are being paid, a fee will be payable for each additional pension.
<b>Property Fee</b> The fee charged for any real property held by the fund.	\$330 (per property)	This fee is charged annually per real property holding (see page 19): <ul style="list-style-type: none"> <li>› upon establishment for funds with existing property holdings, or</li> <li>› on purchase for funds adding property for the first time, and</li> <li>› at the start of each financial year for subsequent years property is held by the fund.</li> </ul> We can charge you an Additional Service Fee for the time we believe is over and above what the standard fee for property covers – for instance, when a property has complex tenancy arrangements.  If you need to pay an Additional Service Fee, we will let you know during the CommSec SMSF Manager establishment process.  If you are establishing a new fund with us and you think you will have significant property holdings, discuss this with us before you apply.
<b>Non-standard Asset Fee</b>	\$132 (per asset)	This fee is charged when non-standard assets are held. This fee is charged: <ul style="list-style-type: none"> <li>› upon establishment for funds with existing non-standard asset holdings, or</li> <li>› on purchase for funds adding non-standard assets for the first time, and</li> <li>› at the start of each financial year for subsequent years non-standard assets are held by the fund.</li> </ul> It is charged per asset, per annum. There are some restrictions on the number and type of assets which can be held (see page 20).

\* Fees include GST, except where otherwise stated.

† All fees are deducted by direct debit from your fund's CDIA.

## Additional fees and costs

The following fees are charged on a per item basis. All fees are deducted by direct debit from your CDIA.

Type of fee or cost	Amount*	Details
<b>Additional Service Fee</b> This will be charged if CommSec SMSF Manager has to provide services outside the normal administrative functions.	\$66 (per hour)	If such a charge is warranted, we will notify you of the fee prior to undertaking the work. The fee will be deducted as a single item, and specific accounting of the time taken to complete the work will not be provided.  This fee will be applied in situations where we consider an action 'extraordinary' to the daily administration of a self-managed superannuation fund, or in situations not specifically provided for in this document.
<b>CommSec SMSF Audit Fee</b>	\$495 (per annum)	This fee is payable if the annual audit is completed by the CommSec SMSF Manager appointed auditor.  An additional audit fee will apply for a qualified audit. We will let you know if this is required.
<b>External Audit Fee</b>	\$110 (per annum)	You can arrange to have your annual fund audit completed by your accountant.  This fee is payable for the preparation of audit working papers which we provide to your accountant.  <i>The fee for the audit work will be arranged by you directly with your accountant.</i>
<b>Actuarial Fee</b> The fee for use of the CommSec SMSF actuarial service.	\$330 (per annum)	Only certain pensions require actuarial certificates.  The fee for allocated and term allocated pensions is deducted annually (per fund).

Type of fee or cost	Amount*	Details
<b>Trust Deed Amendment Fee</b>	\$165 (per amendment)	When there are changes to superannuation laws and practices (where necessary), we will send you a Deed of Variation, which, once executed, will bring your Trust Deed up to date with the changes.  We will deduct the Trust Deed Amendment Fee each time we do this.  This fee is charged for any amendments made to the fund's Trust Deed, including when you add or remove a member/trustee from your fund.
<b>Direct Debit Dishonour Fee</b>	\$55	This fee may be charged if there is not enough money in your nominated cash account to meet the fees and costs of the fund.
<b>Accounts for prior years</b>	\$990 (per year outstanding)	We will prepare accounts for funds which join the service after 30 June for which the accounts for the previous year have not been completed.  A fee will be charged for each year outstanding.
<b>Other fees and costs</b>	Varies	Unless specified otherwise in this document, any fees or expenses relating to the administration of your fund or its investments are paid by the fund, and not by CommSec SMSF Manager.  Some examples of such expenses include costs for the management or valuation of investments, ATO levies, and annual review fees for corporate trustees.
<b>Transferring your fund</b>	Varies	You will need to pay fees and charges applicable to the transfer of the fund to another administration service provider, including the CommSec SMSF Manager Administration Fee, until the transfer has been completed.

Type of fee or cost	Amount*	Details
<b>Winding up your fund</b>	Varies	<p>The trustee(s) must pay any fees and charges that apply to winding up the fund, including the CommSec SMSF Manager administration fee, until the winding up process has been completed.</p> <p>This process may take up to 14 months to be finalised, depending on when you request to wind up the fund, as well as the ATO lodgement requirements.</p>

\* Fees include GST, except where otherwise stated.

## Fees and charges – an example

Fees	Details	Fee Amount
<b>On establishment</b>		
Establishment Fee	New Fund	On establishing a new fund, you would be charged \$550
<b>Ongoing</b>		
Administration Fee	Flat fee	\$1,430
<b>Plus</b> Property Fee	Payable per property (assuming holding of one property)	\$330
<b>Total ongoing fee</b>		<b>\$1,760</b>
<b>Total cost</b> of administration for the first year	Total cost	<b>\$2,310</b>

Assumptions: The fund in this example is a new fund with a balance of \$500,000, including one property investment with a value of \$200,000. Note that the administration fee is not asset-based and will be the same regardless of the size of the fund. Fees and charges are subject to change. This example is hypothetical and for illustrative purposes only.

The fees in this table don't include the costs associated with the investments of the fund (which will depend on the investments you choose) or the costs of auditing, actuarial services, trust deed amendments or additional service fees.

We may increase or alter fees at our absolute discretion. This could include increases, decreases, changes in operation or instructions of new arrangements, such as moving to transaction-based fees.

We will notify you in advance if the changes will increase any CommSec SMSF Manager fees and costs.

## Allowable investments

CommSec SMSF Manager allows you to have four types of investments in your fund: standard investments, real property, cash and non-standard assets. The following table outlines the details of each investment category and some of the requirements for each.

Investment type	Allowable investments
<b>Standard investments</b>	<ul style="list-style-type: none"> <li>➤ Securities traded and sponsored with CommSec.</li> <li>➤ CommSec manufactured structured products.</li> <li>➤ Managed investments held directly with Colonial First State*.</li> </ul>
<b>Real property</b>	<p>Residential or commercial (non-business Real Property). You must:</p> <ul style="list-style-type: none"> <li>➤ Make sure the investment is managed by a licensed real estate agent, a property manager, or a trustee/fund representative.</li> <li>➤ Have a lease or lease arrangement between the trustee of the fund and any tenant.</li> <li>➤ Provide us with an annual schedule detailing the flow of income and expenses, at financial year-end.</li> <li>➤ Be responsible for the property insurance.</li> <li>➤ Property development is not allowed for Business Real Property (BRP).</li> </ul> <p>You:</p> <ul style="list-style-type: none"> <li>➤ Must ensure the investment is managed by either a licensed real estate agent, a property manager, or a trustee/fund representative.</li> <li>➤ Can invest up to 100% of the fund's assets to acquire BRP.</li> <li>➤ Can allow the property to be owned by the fund and a related party as tenants in common.</li> <li>➤ Are responsible for property insurance.</li> </ul> <p>Property development is not provided for.</p>

\* This includes FirstChoice Wholesale Investments, FirstChoice Investments, Colonial First State Managed Investment Funds, Colonial First State Cash Management Trust, Colonial First State Premier CMT, Colonial First State Wholesale Hedge Funds and Colonial First State Diversified Strategies Fund.

Investment type	Allowable investments
<b>Cash</b>	<ul style="list-style-type: none"> <li>➤ Commonwealth Direct Investment Account (CDIA).</li> <li>➤ Colonial First State Cash Management Trust (CMT).</li> <li>➤ Colonial First State Premier Cash Management Trust (CMT).</li> </ul>
<b>Non-standard assets</b> (limited to five individual holdings)*	<p>Unlisted shares/ trusts</p> <ul style="list-style-type: none"> <li>➤ Unlisted trusts (excluding managed funds). All investment in unlisted shares or unit trusts must be made via an application form. A confirmation certificate must be received detailing the application price and holding.</li> <li>➤ All managed funds (Colonial First State administered managed funds are not included in the non-standard assets limit).</li> </ul> <p>Cash</p> <ul style="list-style-type: none"> <li>➤ Bank accounts.</li> <li>➤ Term deposits.</li> </ul> <p>Other: (for example, collectibles such as artwork, coins and antiques)</p> <ul style="list-style-type: none"> <li>➤ Must have a commercial arrangement in place detailing the earnings revenue.</li> <li>➤ A confirmation certificate must be received, detailing the type of investment and application price.</li> <li>➤ Property insurance is the trustee's responsibility.</li> </ul>
<b>Assets which will not be administered</b>	<p>The following assets are excluded from the CommSec SMSF Manager administration service.</p> <ul style="list-style-type: none"> <li>➤ Investments held in wrap accounts.</li> <li>➤ Listed shares and investment trusts not traded through or sponsored by CommSec.</li> <li>➤ Real property development within the fund.</li> <li>➤ Non-SIS compliant assets.</li> </ul>

\* 'Holdings' are defined as individual assets – for example, a coin collection would be one holding.

## Choosing a strategy

As the trustee, the task of choosing your investment strategy and investments is up to you. We strongly recommend you seek professional advice. Here are some of the factors you need to consider when deciding on your investment strategy:

- **Your attitude toward risk.**
- **Your investment time frame.**
- **Your investment objectives, including your target retirement income.**
- **Your investor profile.**

You should also be aware of the advantages and disadvantages of managing your own super fund.

### Your attitude toward risk

Are you comfortable with a certain amount of volatility, or do you see yourself as a more prudent investor? It's important that you determine what level of risk you're comfortable with before outlining your fund strategy.

But remember, by trying to avoid risk altogether you could run the greatest risk of all – failing to achieve your financial goals for retirement.

Here's an overview of the different investment outcomes you might expect from investing in different asset classes.

Asset class	Income potential	Growth potential	Tax effectiveness	Risk
Cash	Low	–	–	Low
Fixed Interest	High	Low-Medium	–	Medium
Property	High	Medium	Medium-High	Medium
Australian shares	Medium	Medium-high	Medium-High	High
International shares	Low	High	–	High

This information is to be used as a general guide only.

## Your time frame

Your investment time frame can also be an important factor in deciding what kind of strategy is best for you. The amount of risk you are willing to tolerate may be different if you're planning to retire in five years, instead of 25 years.

Growth assets, such as shares and property, have historically offered higher returns over the long term, but they have also been more volatile over the short term.

Of course, your investment time frame is not the only consideration when making a decision. The type of investments you will make will also depend upon your appetite for risk, especially the risk of short-term loss.

## Your investment objectives

No-one likes to take unnecessary risks with their money – especially their retirement savings. That's why many people take a cautious approach to setting a strategy for their SMSF.

But it's also important to choose investments that can deliver the returns you need for a comfortable retirement. By selecting low-risk, low-yielding investments, you could run the risk that your fund won't be able to support the kind of retirement lifestyle you expect.

A financial adviser can help you calculate the amount you need to have invested in super to generate your target retirement income, plus the investment returns required to achieve it.

## Your investor profile

All of these factors – your experience, your attitude to risk, your time-frame, and your investment objectives – come together to form your individual investor profile:

Risk–return characteristics	Lower risk Lower growth		Higher risk Potentially higher growth		
	Defensive	Conservative	Moderate	Growth	Aggressive
Matching profiles					

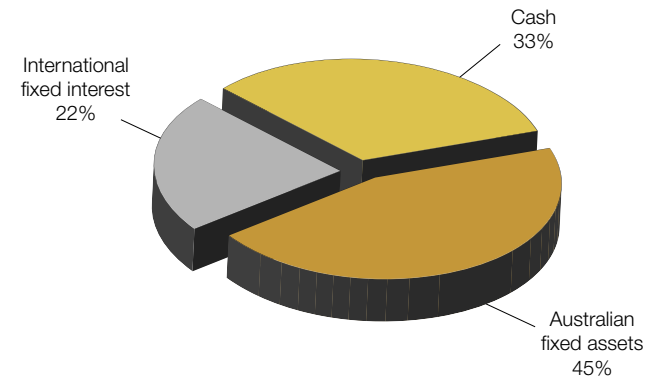
The profile you choose will influence your fund's strategy and the way you allocate your funds.

The following charts outline different investor profiles and the kinds of fund strategies that investors with each profile might be comfortable with.

### Defensive

- › **Defensive funds** > are designed to achieve low to moderate capital growth over a short-term investment horizon.
- › **Defensive investors** > accept lower returns and lower risk to preserve capital.

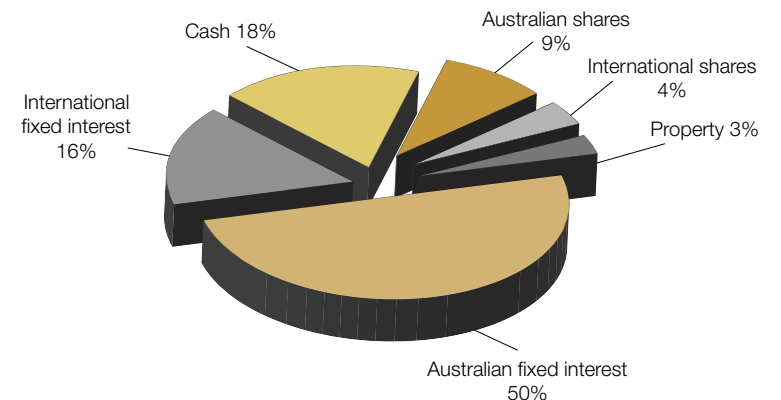
#### Defensive super fund



### Conservative

- › **Conservative funds** > are designed to achieve modest capital growth over a short to medium-term investment horizon.
- › **Conservative investors** > accept more risk, while still putting a priority on capital preservation.

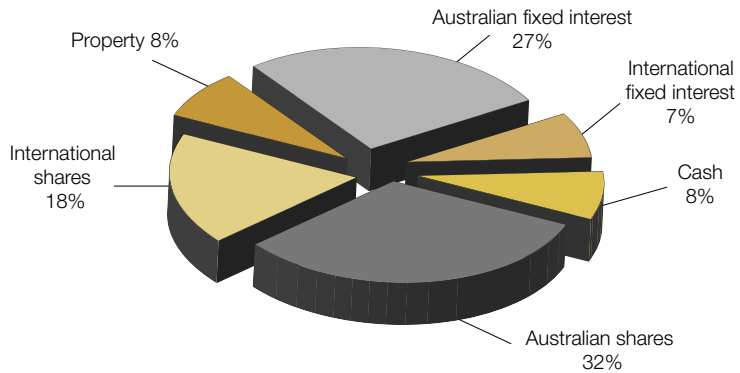
#### Conservative super fund



**Moderate**

- › **Moderate funds** > are designed to achieve steady capital growth over a short to medium-term investment horizon.
- › **Moderate investors** > invest in a balance of income and growth assets.

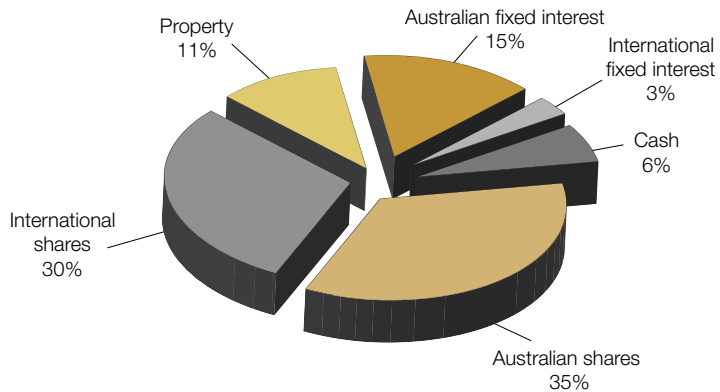
**Moderate super fund**



**Growth**

- › **Growth funds** > are designed to achieve steady capital growth over a short to medium-term investment horizon.
- › **Growth investors** > accept moderate risk and volatility to achieve higher growth.

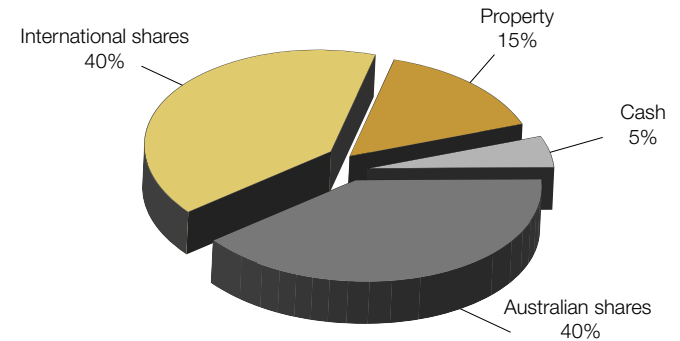
**Growth super fund**



**Aggressive**

- › **Aggressive funds** > are designed to achieve modest capital growth over a short to medium-term investment horizon.
- › **Aggressive investors** > are comfortable with a higher level of risk to achieve potentially high returns.

**Aggressive super fund**



Please note that the investor profiles shown above are indicative only, and your own preferred investor profile may be different. Investment decisions should always be made with regard to your own investment objectives, financial situation and particular needs.

# CommSec SMSF Manager quick guide

Using CommSec SMSF Manager is easy. You can contact us via telephone, fax, email or mail, depending on what you want to do. See page 36 for our contact details.

The table below contains some frequently asked questions about how to use CommSec SMSF Manager.

Question	Answer	How to contact us
<b>Who can set up a CommSec SMSF Manager?</b>	<p>CommSec SMSF Manager is designed for CommSec customers and provides for managed fund investments through Colonial First State.</p> <p>Before deciding to set up an SMSF, make sure it is appropriate for your circumstances and consider the risks.</p> <p>The recommended minimum fund size is \$200,000. Costs associated with smaller SMSFs may be high compared to fees charged by independently managed superannuation funds.</p> <p>You should make sure you understand the impact fees may have on your fund. You may want to seek financial advice to discuss whether a self-managed super fund is appropriate for you.</p>	Mail
<b>How do I change my CommSec SMSF Manager details?</b>	<p>Please tell us if you wish to make changes to your contact details.</p> <p>Certain types of changes will need to be in writing, accompanied by certified documentation.</p>	Mail
<b>How do I change my CommSec Trading details?</b>	Log on to your commsec.com.au and click <b>My Profile</b> . You can change most of your account details online, or download a form to change your settlement account or address details.	Online, mail

Question	Answer	How to contact us
<b>What do I do to update or delete a member or trustee?</b>	<p>Notify us and we will coordinate all the necessary forms for you, which you then simply sign and send back to us.</p> <p>Certain changes may require a change to the Trust Deed and incur a fee. Please refer to 'Additional fees and costs' on page 16 for further details.</p> <p>Where there are changes to corporate trustees (such as contact or director details), you must notify us of the changes as soon as possible.</p> <p>Late notices (that is, more than 28 days after the change) may incur charges imposed by the Australian Securities and Investments Commission (ASIC).</p>	Email, mail, fax
<b>How do I update the fund's investment strategy?</b>	<p>Complete and sign the Investment Strategy form available from our web site. You can also request a copy by phone.</p> <p>This form must be signed by all the trustees.</p>	Mail, fax
<b>How do I inform CommSec SMSF Manager of investments made by the fund?</b>	<p>Let us know of any new investments or any changes to existing investments.</p> <p>You must supply us with notification of the transaction and copies of the relevant documents.</p> <p>The investment must be made in the name of the trustees.</p>	Mail, fax
<b>What do I need to do to make a benefit payment?</b>	<p>You arrange for benefit payments to be made from your fund's CDIA. You must also complete the Benefit Payment form available from our web site or by phoning us.</p> <p>This form must be signed by the member who receives the payment.</p>	Mail, fax
<b>How do I make a contribution?</b>	<p>You make the contribution to the fund's CDIA. You must complete the Contribution form available from our web site or by phoning us.</p> <p>If the contribution is an in specie transfer of assets, please contact us and we will help with the necessary paperwork.</p> <p>This form must be signed by each member making a contribution.</p>	Mail, fax

Question	Answer	How to contact us
<b>How do I obtain my benefits as a pension?</b>	<p>You will need to complete a Pension Commencement form available from our web site or by phoning us.</p> <p>The start of a pension may mean an actuarial certificate will need to be prepared. We can organise this for you, but be aware that fees may apply (see 'Additional fees and costs' on page 16 for more information).</p>	Mail, fax
<b>What do I do to nominate a person to receive my benefits when I die?</b>	<p>You complete a Binding Death Nomination form available from our web site or by phoning us.</p>	Mail
<b>What is the process for winding up a fund?</b>	<p>You will need to notify us. We will assist you with the steps needed to wind up your fund, which include:</p> <ul style="list-style-type: none"> <li>› Disposing of your fund's assets and either rolling over all member benefits to another complying superannuation fund, or making final benefit payments to members.</li> <li>› Preparing and lodging any outstanding income tax and regulatory returns.</li> <li>› Notifying you of payments required to meet the fund's outstanding liabilities (paying these is a condition of wind-up).</li> <li>› Ensuring Eligible Termination Payment (ETP) reporting obligations are met when paying out benefits to the fund's members.</li> </ul> <p>Disposing of the fund's assets may realise capital gains or losses in the fund, with possible tax consequences.</p> <p>It can take up to 14 months to wind up a fund. We will continue to charge the Administration Fee until the winding-up process is complete.</p>	Mail

Question	Answer	How to contact us
<b>Who should I inform if want to transfer the fund to another administration provider?</b>	<p>If you want to transfer the administration of your fund to another provider, please let us know in writing.</p> <p>We will contact you or your adviser to perform the transfer.</p> <p>You should allow up to 90 days to complete the transfer. We will provide you with:</p> <ul style="list-style-type: none"> <li>› printed copies of the fund ledger reports, and</li> <li>› copies of fund documents we hold (this may be in the form of an electronic file).</li> </ul>	Mail, fax

# Account management

Superannuation law may change from time to time, so it's important to keep up-to-date. You can find out more about current superannuation laws from [www.ato.gov.au/super](http://www.ato.gov.au/super)

Current information about your fund and CommSec SMSF Manager is easily accessible.

Once you have established an account with us, we will make sure you are kept informed of your fund's details, by providing you with the following documents:

## When you establish CommSec SMSF Manager

- › A welcome letter.
- › Welcome Kit (refer to page 6).

## Yearly

- › Annual Compliance booklet, including financial account information, taxation details, member statements and investment reports.

## Periodically

- › We may send you educational material from time to time which provides you with information on general investing, superannuation and our products. If you don't want to receive this information, simply let us know in writing.

# Time to get started

Before you set up your CommSec SMSF Manager, you need to have set up a CommSec Trading Account. You will also need to have opened a Commonwealth Direct Investment Account (CDIA).

Then, to set up your CommSec SMSF Manager, follow these three easy steps.

	If you are setting up a new fund	If you are transferring an existing fund
STEP 1	Fill in the CommSec SMSF Application Form at the back of this brochure and send it to us.	Fill in the CommSec SMSF Application Form. Send this to us together with a copy of your fund's existing trust deed.
STEP 2	We will establish your CommSec SMSF Manager details and send you a Welcome Kit.	We will establish your CommSec SMSF Manager details and send you a Welcome Kit.
STEP 3	Complete the documents contained in the Welcome Kit (new trust deed, member and trustee minutes) and return them to us.	Complete the documents contained in the Welcome Kit (deed of variation, member and trustee minutes and ATO change of details form). Obtain all historical information for the fund and then return all the documents to us.

# CommSec Self-Managed Super Fund Terms and Conditions

## Privacy

### 1. COLLECTION OF PERSONAL INFORMATION

We collect personal information (including your full name, address and contact details) so that we may administer our relationship with you, provide you with the products and services you request, as well as information on products and services that may be of benefit or interest to you.

Where it is necessary to do so, we also collect information on individuals such as company directors and officers (where the company is our client) as well as clients' agents and persons dealing with us on a 'one-off' basis. The law can also require us to collect personal information.

We may take steps to verify the information we collect; eg a driver's licence provided as identification may be verified with the appropriate authority to protect against impersonation. If you provide us with incomplete or inaccurate information, we may not be able to provide you with the products or services you are seeking.

### 2. DISCLOSURE OF PERSONAL INFORMATION

We are permitted by the Privacy Act to disclose personal information to other members of the Commonwealth Bank Group. This enables the Group to have an integrated view of its customers.

Personal information may be communicated to:

- (a) brokers and agents who refer business to us, and external product providers;
- (b) any person acting on your behalf, including your financial adviser, solicitor or accountant, executor, administrator, trustee, guardian or attorney;
- (c) organisations, including overseas organisations, to whom we outsource certain functions.

In all circumstances where our contractors, agents and outsourced service providers become aware of personal information, confidentiality arrangements apply.

Personal information may only be used by our agents, contractors and outsourced service providers for our purposes. We may also disclose personal information to other financial institutions and organisations at their request if you seek credit from them. We may be allowed or obliged to disclose information by law, eg under Court Orders or Statutory Notices pursuant to taxation or social security laws.

### 3. ACCESS TO YOUR INFORMATION

You may (subject to permitted exceptions) access your information by contacting: Client Relations Department, Locked Bag 22, Australia Square NSW 1215. We may charge you for providing access.

## 4. FURTHER INFORMATION

For further information on our privacy and information handling practices, please refer to our Privacy Policy Statement, which is available at [commbank.com.au](http://commbank.com.au) or upon request from any Commonwealth Bank branch.

## General Terms and Conditions

These terms and conditions apply when you apply for a CommSec Self Managed Super Fund (SMSF) account with us and instruct us by phone, fax, email or access CommSec via our website. It is important that you read them carefully before you provide us with instructions so that you know what will apply.

### 1. TRUSTEE DECLARATIONS AND AGREEMENTS

- (a) You agree to be bound by the terms of the Trust Deed of the fund (as amended from time to time) and this document.

- (b) You confirm that you:

- Understand that as trustee of your fund (or director of a company that is the trustee of your fund) you are responsible for all aspects of the operation of your fund and that although CommSec SMSF will assist you in the administration of your fund, you remain responsible for your fund.
- Have read and understood this document and have received this document in Australia.
- Understand and accept the risks of obtaining the CommSec SMSF service and the risks associated with the investments you select as part of your fund's investment strategy.
- Understand and accept the fees and costs described in the sections of this document that deal with fees and costs.
- Authorise and direct the debit of the CommSec SMSF fees and costs account in accordance with the Direct Debit and Credit Request Service Agreement on page 34.
- Understand that neither investment earnings nor the value of investments held through the fund are guaranteed by CommSec or its related entities, and that they may rise or fall.
- Understand that inclusion of a class of investments in the list of allowable investments for your fund does not amount to a recommendation or endorsement of that investment by CommSec or its related entities, and should not be considered financial product advice.
- Agree that any term or condition of the agreement between CommSec and you that is void, illegal or

unenforceable, does not affect the enforceability of the other terms and conditions in the agreement.

### 2. USE OF STANDARD AUDIT

If you request to have the audit completed by our appointed auditor, you will have a direct relationship with the auditor. This audit service is not provided by CommSec and CommSec makes no representations about the service provided by the auditor.

### 3. RESIGNATION OF COMMSEC AS ADMINISTRATOR OF YOUR FUND

- (a) We can resign as administrator of your fund at any time. We do not need to provide you with a reason for our resignation. Without limiting the circumstances in which we can resign, we can resign as administrator of your fund if we are not satisfied that you are, in a timely manner, responding to our requests for information or taking action to make your fund compliant as a result of a notice of breach from us. Additionally, failure to pay fees to us would also be grounds for our resignation. In the event that we intend to resign, we will provide you with written notice in advance.

- (b) Once we resign as administrator of your fund, we are no longer responsible for maintaining the records in respect of your fund. You are responsible for advising us where to forward your fund records. If you do not advise us within 30 business days of your agreement being terminated, we will send the fund's records to the nominated address we hold and will not retain the records.

### 4. EXISTING FUNDS

- (a) Acceptance of existing funds is at our absolute discretion. We may resign immediately if, during the process of establishing your fund with CommSec SMSF, we discover that the fund records have not been administered to a standard that CommSec considers appropriate.
- (b) Alternatively, at our discretion we may agree with you to undertake steps to rectify the issues. In the event that we agree to rectify the issues, we may charge an Additional Service Fee, in which case we will notify you prior to commencing the work.
- (c) You agree that the Trust Deed for your existing fund must conform to our standard Trust Deed, unless otherwise agreed with us.

### 5. TERMINATION OF THE ADMINISTRATION AGREEMENT

You can terminate the administration agreement under which we provide you with CommSec SMSF services by providing us with 30 days written notice. This will allow us time to prepare fund records to provide to you.

### 6. PROFESSIONAL ADVISERS

- (a) You and your professional advisers will be required

to respond to our queries during the process of establishing CommSec SMSF for an existing fund.

### 7. YOUR AUDITOR

You confirm that CommSec:

- Is entitled to treat the person(s) nominated by you in the application as your auditor for the purposes of the document and is entitled to provide information and reports relating to the fund to that person(s);
- Is entitled to continue to treat that nominated person(s) as your auditor until it is notified by you in writing to cease doing so, and has acknowledged receipt of that notification in writing; and
- Is not liable for any loss or damage suffered by you in connection with the actions of your auditor in relation to CommSec SMSF or the fund.

### 8. VARYING THE TERMS AND CONDITIONS OF THIS AGREEMENT

- (a) CommSec may vary the terms and conditions set out in this document (and your agreement with CommSec under which we provide you with CommSec SMSF) at any time. When varying a term or condition we will:

- Provide you with at least 30 days prior written notice of a change that is materially adverse;
- Provide you with at least seven days prior notice of a change that is material but no adverse; and
- Communicate to you within a reasonable time any changes that are not material.

- (b) If you do not agree to the change, you can terminate your agreement with CommSec under which you receive CommSec SMSF by notifying us prior to the change occurring that you do not agree to the change. If this occurs, your agreement with CommSec (and the provision of CommSec SMSF) will terminate on the earlier of:

- The end of 30 days after we receive your notice (which is the period of notice that you are required to provide to us to terminate your agreement at any time, see the section "Termination of the administration agreement" on page 33), and
- Immediately prior to the change occurring.

- (c) If you do not terminate your agreement prior to the change occurring, you are deemed to have agreed to the change to your agreement with CommSec for the provision of CommSec SMSF.

### 9. LIMITATION OF LIABILITY

You agree and acknowledge that, provided it acts honestly and with reasonable care and diligence in performing the functions required of it by law and under this document, CommSec is not liable for any loss or damage suffered by you in connection with CommSec SMSF. In particular you acknowledge that:

- You accept the terms and conditions set out on page 4 of the document when you instruct us by phone, fax and email.
- CommSec will not be liable for failure to perform any act it is prevented by law from performing.
- CommSec will not be liable to account for any payment or retention of monies made in good faith or to meet a liability to any duly empowered fiscal authority.
- CommSec may rely on advice from any person believed in good faith to be expert in relation to the matter on which they are consulted.
- Unless the law provides otherwise, you agree that all other representations and warranties relating to these services are excluded. Our liability for a breach of a term of the agreement is limited to resupplying the service or paying the cost of providing the service again.
- Subject to the paragraph above, we are not liable in any way (including negligence) for any losses that you suffer (however caused) through using or supplying information by phone, fax and email, and website.
- You will only use CommSec SMSF in accordance with these terms and conditions and your other legal obligations. CommSec is not liable for, and you release and indemnify CommSec against, any liabilities, claims, losses or costs arising from us acting in accordance with any communication that we receive by phone, fax or email about your fund or investments with us.

#### 10. USE OF TELEPHONE, FAX AND EMAIL

##### (a) Security of phone, fax and email requests:

- We have procedures in place to reduce the risk of fraud, but we cannot guarantee that someone trying to impersonate you will not contact us about your fund and change your details. We may dispute liability for any losses which happen because we have acted on phone, fax or email instructions that you have not authorised but which appear to be authorised by you.
- All our customers are automatically given access to communicate with us by phone, fax or email. You need to tell us if you do not want us to accept any future instructions over the phone, fax or email by sending us an original signed request.
- We will not act on instructions about a fund by phone, fax and email instructions by the second business day after we receive a request to cease acting as administrator of your fund. Until this happens, these terms and conditions for phone, fax and email will still apply to your account with CommSec SMSF.

##### (b) Information received by phone, fax or email:

- (i) If the details that we receive in a fax or over the phone or email do not match the details that we have previously received for the fund, then we will not proceed with the request.
- (ii) We also will not process a request if the instructions we receive are incomplete or appear to contain errors. This is to ensure that the instructions are acted on exactly as you were requesting.
- (iii) Fax machines may be convenient, but they are not always reliable. If a query arises over what information we received by fax, we will not accept a fax transmission report from your machine as evidence that we received the fax. This is because, although your fax machine may have confirmed that the fax was sent, we may not have received the complete fax at our end.
- (iv) We can change or cancel these terms for phone, fax and email at any time as long as we give you 14 days written notice.
- (v) Apart from these terms and conditions we may have other requirements for receiving instructions from time to time. You will be notified if this affects you or your request.
- (vi) We are entitled to rely on the validity of any document (including electronic communication) unless we reasonably believe it is not genuine and on information provided by you or your actuary/ auditor/accountant unless we reasonably believe the information is not accurate.

#### DIRECT DEBIT AGREEMENT

We will deduct the fees detailed in 'CommSec SMSF Manager – Affordable Rates' by direct debit from your fund's CDIA.

## We're here to help

To find out more, call us on **13 15 20** between 8 am and 5 pm (Sydney time), Monday to Friday, or visit our web site at **[commsec.com.au](http://commsec.com.au)**

Email: [smsfmanager@commsec.com.au](mailto:smsfmanager@commsec.com.au)

Fax: (02) 8223 7160

Applications postal address:

Reply Paid 60768,

Australia Square

NSW 1214

## SMSF Manager Application Form

### Where to send this form

Send your completed and signed Application Form, together with supporting documentation, to:

**CommSec  
SMSF Manager**

Reply Paid 60768  
Australia Square  
NSW 1214  
*(no postage necessary)*

### What to include with your Application Form

- › If you are setting up a new fund, simply complete this application form and send it to us at the address supplied. We will then send you a Welcome Kit (see page 6 of this brochure).
- › If you are transferring an existing fund, complete this application and send it to us together with a copy of your fund's existing trust deed (see page 6 of this brochure).

Thank you for choosing CommSec



**2** Member and trustee details *continued*

Date of birth  /  /   Male  Female

Tax File number

**Service details**

Date eligible service period commenced  /  /

**Employment details**

Under 65  Permanently retired

Aged 65-74 **>>>** Have you worked for at least 40 hours in 30 consecutive days in the current financial year?  Yes  No

**Member/trustee 2**

Member AND/OR  Trustee/Director

Title  Mr  Ms  Mrs  Miss  Dr Other (specify) \_\_\_\_\_

Surname  Given name(s)

Address   
 State  Postcode

Phone numbers Home  ( )  Work  ( )  Fax  ( )

Email address  Mobile

*By providing your email address, you agree that we may use this address to communicate with you and to provide you with information.*

Date of birth  /  /   Male  Female

Tax File number

**Service details**

Date eligible service period commenced  /  /

**Employment details**

Under 65  Permanently retired

Aged 65-74 **>>>** Have you worked for at least 40 hours in 30 consecutive days in the current financial year?  Yes  No

**Member/trustee 3**

Member AND/OR  Trustee/Director

Title  Mr  Ms  Mrs  Miss  Dr Other (specify) \_\_\_\_\_

Surname  Given name(s)

Address   
 State  Postcode

Phone numbers Home  ( )  Work  ( )  Fax  ( )

Email address  Mobile

*By providing your email address, you agree that we may use this address to communicate with you and to provide you with information.*

Date of birth  /  /   Male  Female

Tax File number

**Service details**

Date eligible service period commenced  /  /

**Employment details**

Under 65  Permanently retired

Aged 65-74 **>>>** Have you worked for at least 40 hours in 30 consecutive days in the current financial year?  Yes  No

**Member/trustee 4**

Member AND/OR  Trustee/Director

Title  Mr  Ms  Mrs  Miss  Dr Other (specify) \_\_\_\_\_

Surname  Given name(s)

Address   
 State  Postcode



**6 Investment strategy**

Please indicate below your fund's preferred asset allocation strategy. Please refer to page 21 for further details about what investments are allowed. We strongly recommend you seek professional advice when choosing your investment strategy.

Asset class	Range		
<b>Cash and fixed interest</b>			
Cash	%	to	%
Australian fixed interest	%	to	%
Global fixed interest	%	to	%
<b>Property</b>			
Mortgages	%	to	%
Property	%	to	%
<b>Shares</b>			
Australian shares	%	to	%
Global shares	%	to	%
Derivatives	%	to	%
<b>Other</b>			
Collectibles	%	to	%
Other	%	to	%

All applicants >>> go to **section 7**

**7 Bank account details**

CommSec will deduct all fees and costs from the fund's CDIA.

Do you have an existing CDIA account?  Yes >>> Complete your **account details** below  
 OR  No >>> You will need to complete a **CDIA application**. Please visit [commsec.com.au](http://commsec.com.au) or call **13 15 20** to request a CDIA application form

I/we named under Applicant Details on this application form authorise and request Commonwealth Securities Limited (APCA User ID no. 062934) to arrange for funds to be debited from/credited to my/our account at the financial institution identified below and as prescribed through the Bulk Electronic Clearing System (BECS). This authorisation is to remain in force in accordance with the terms described in the Commonwealth Securities Limited ABN 60 067 254 399 Direct Debit and Credit Request Service Agreement on page 34 of the Terms and Conditions in the CommSec SMSF Manager brochure.

Bank State Branch (BSB) No       Account No

Account Name

All applicants >>> go to **section 8**

**8 Fund auditor**

Please indicate below whether you elect to use the **CommSec** standard auditor or your own nominated auditor. If you elect to use the **CommSec** standard auditor you acknowledge that you will have a direct relationship with the standard auditor. The audit service is provided by Ure Lynam & Co Chartered Accountants and not **CommSec**.

The auditor for the fund will be:

CommSec standard auditor  >>> Please read the **Terms of the engagement** below  
 My nominated auditor  >>> Please complete **Auditor's details** below

**Auditor information**

Please provide details of your nominated accountant who will be conducting the annual audit of your fund.

Accountant's name

Accountant's firm

Address   
 State  Postcode

Contact numbers  
 Phone  ( )  Fax  ( )  Mobile  ( )

Email address

**Terms of the engagement**

I/We agree:

- the audit will be conducted in accordance with the SIS Act and SIS Regulations with the objective of expressing an opinion on the financial statements and on compliance with the SIS Act and the Regulations thereto;
- the work undertaken by the CommSec SMSF Manager appointed auditor to form an opinion is permeated by judgement, in particular regarding the nature, timing and extent of the audit procedures for gathering of audit evidence and the drawing of conclusions based on the audit evidence gathered. In addition, there are inherent limitations in any audit, and these include the use of testing, the inherent limitations of any internal control structure, the possibility of collusion to commit fraud, and the fact that most audit evidence is persuasive rather than conclusive. As a result, our audit can only provide reasonable (not absolute) assurance that the financial statements are free from material misstatement;
- that it is the trustee(s) responsibility for the maintenance of adequate accounting records and internal controls, the safeguarding of superannuation fund assets, the selection of accounting policies, the preparation of financial statements and returns, and compliance with SIS Act and SIS Act Regulations;
- that I/we am/are responsible for the implementation and operations of accounting and internal control systems that are designed to prevent and detect fraud and error;
- that in accordance with section 113 of SIS Act, the financial statements of a regulated superannuation fund must be audited by an approved auditor. The auditor must give the trustee(s) a report of the financial statements in the approved form within the prescribed time after the year of income to which the financial statements relate;
- this appointment of auditor agreement will be effective for future years unless I/we advise you of its amendment or replacement, or the engagement is terminated;
- to provide documents relevant to the report, at the request of the auditor, within 14 days of receiving the request; and
- the fees for use of the standard auditor will be deducted from the fund's nominated Australian financial institution account by CommSec and these fees received by CommSec will be provided to the standard auditor.

All applicants >>> go to **section 9**

**9 Declaration and signature(s)**

By completing and signing the application form to apply for CommSec SMSF Manager, I/we declare and agree that:

- I/we have read and understood the information disclosed in the document to which this application applies, including information on fees and privacy, and have received and applied to receive CommSec in Australia;
- that Commonwealth Securities Limited is appointed administrator of my/our fund;
- I/we am/are bound by the all terms and conditions outlined in this document;
- I/we authorise and direct the debit of the fees and charges described in the document from the fund's nominated Australian financial institution account in accordance with the Direct Debit Authority outlined in this document;
- if I/we have received this document from the internet or other electronic means that I/we received it personally or a printout of it, accompanied by or attached to this application form;
- all information in this form is true and correct;
- I/we authorise CommSec, as the administrator of the fund, to apply on our behalf for an Australian Business Number and/or Tax File Number as required. We also authorise CommSec to lodge the Notice of Election. In doing so, CommSec is to utilise the information provided by us in this application;
- if this application is signed under Power of Attorney, the Attorney declares that he/she has not received notice of revocation of that power (a certified copy of the Power of Attorney should be submitted with this application unless we have already sighted it).

These declarations and agreements are made as at the date on which you sign the application form, and continue (unless varied with the written agreement of CommSec) for as long as you use CommSec.

Prior to its completion and signing, this application must not be handed to any person unless accompanied by the document. CommSec SMSF Manager is offered by Commonwealth Securities Limited ABN 60 067 254 399 AFS Licence 238814.

**All Trustees / Directors must sign**

Signature of Trustee 1 / Director 1	Name	Date
<input style="width: 130px; height: 20px;" type="text" value="X"/>	<input style="width: 200px; height: 20px;" type="text"/>	<input style="width: 100px; height: 20px;" type="text" value="/ /"/>

Signature of Trustee 2 / Director 2	Name	Date
<input style="width: 130px; height: 20px;" type="text" value="X"/>	<input style="width: 200px; height: 20px;" type="text"/>	<input style="width: 100px; height: 20px;" type="text" value="/ /"/>

Signature of Trustee 3 / Director 3	Name	Date
<input style="width: 130px; height: 20px;" type="text" value="X"/>	<input style="width: 200px; height: 20px;" type="text"/>	<input style="width: 100px; height: 20px;" type="text" value="/ /"/>

Signature of Trustee 4 / Director 4	Name	Date
<input style="width: 130px; height: 20px;" type="text" value="X"/>	<input style="width: 200px; height: 20px;" type="text"/>	<input style="width: 100px; height: 20px;" type="text" value="/ /"/>

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Send completed form to >>> **CommSec SMSF Manager**  
**Reply Paid 60768**  
**Australia Square NSW 1214**