

WHY USE THE HEFFRON SMSF TRUST DEED?

Self managed superannuation funds (“SMSF”) are governed by comprehensive legislation and guidance from the various regulators. As a result, it is easy to underestimate the important role played by a fund’s trust deed.

In fact, the trust deed is a superannuation fund’s most important document. It provides guidance to trustees and members on:

- what they can do;
- what they must do; and
- what they cannot do.

In the event of any dispute between parties or regulatory action by the ATO, it will be the first document to be scrutinised.

An obsolete deed or a deed that is difficult for the trustee or their advisers to understand, can result in:

- non-compliance with superannuation law. This can result in trustee fines, disqualifications or the fund becoming non-compliant and losing its tax concessions; and/or
- long and painful legal disputes between parties. This is a particular risk when a member dies and there is a dispute about where benefits are to be paid.

It is therefore critical that a fund’s trust deed remains up to date and that trustees and their advisers are able to read and understand the deed.

The Heffron SMSF Trust Deed, which has been drafted in conjunction with a lawyer specialising in SMSFs:

- is a short form, plain English deed which clearly explains the framework for the day to day running of the fund;
- provides specific and comprehensive guidance on what trustees and members can and cannot do in relation to matters that are *not* specifically dealt with in superannuation law. This is particularly evident when it comes to dealing with issues such as:
 - What happens when a trustee passes away?
 - What happens if all trustees die in the same accident?
 - What rights does the member’s executor have to be involved in the fund?
- will remain compliant with the law for long periods without requiring an annual upgrade. This results in less legal work and significant future cost savings; and
- is written specifically for SMSFs and accommodates all the latest SMSF strategies.

For further information on Heffron’s SMSF Trust Deed service please call 1300 172 247 or go to www.heffron.com.au.