



JBWere

Charitable Endowment Fund
Information Memorandum | July 2010

JBWere Pty Ltd
ABN 68 137 978 360
AFSL 341162
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This Information Memorandum is issued by JBWere Pty Ltd ABN 68 137 978 360, AFSL 341162 (JBWere). However, the information about National Australia Trustees Limited ABN 80 007 350 405, AFSL 230703 (NAT) that appears in this Information Memorandum has been provided by, and is used with permission of, NAT, as Trustee of the JBWere Charitable Endowment Fund (CEF).

The investment of funds in the CEF is managed by JBWere, in accordance with an Investment Management Agreement between NAT and JBWere.

NAT is a wholly owned subsidiary of National Australia Bank Limited ABN 12 004 044 937 (NAB). JBWere is 80.1% owned by NAB. A donation to the CEF is not a deposit or liability of NAB or any of its related bodies corporate.

Limitation of liability and disclaimer

This Information Memorandum contains general information only and does not contain any recommendations, statements of opinion or advice. In any event, the information contained in this Information Memorandum does not take into account any individual's objectives, financial situation or needs. Comments contained in this Information Memorandum should not be relied upon in any way when deciding whether or not to donate to the CEF. You should obtain independent advice as to whether donating to a CEF is appropriate for you, having regard to your objectives, financial situation and needs. All statements in the Information Memorandum are based on JBWere's interpretation of the laws applicable to charitable foundations as at the date of this Information Memorandum. The laws regulating charitable foundations are complex. While some of the legal requirements are mentioned in this Information Memorandum, only a very brief summary has been included and accordingly such information may not be complete and should therefore not be relied upon. It is intended only as a guide to some of the main requirements.

Introducing JBWere Philanthropic Services

JBWere Philanthropic Services is a specialist dedicated team established to encourage, promote and facilitate support and assistance of the broader community by individuals, families and companies. By providing professional advice through accessing the significant global resources available to JBWere, the team aims to improve the impact and outcomes achieved by philanthropic activity.

The Philanthropic Services team works with a diverse group of donors, from private individuals to some of Australia's most experienced philanthropic families. The Philanthropic Services team also assists many Australian charitable organisations to effectively manage their resources to maximise the impact of the wide range of services they provide to the Australian community.

The Philanthropic Services team can be contacted for any queries you may have regarding philanthropic options available to you or any aspect relating to the JBWere Charitable Endowment Fund (CEF). See the Corporate Directory on page 19 for contact details.

Overview of the JBWere Charitable Endowment Fund

By making a donation to the CEF, you can:

- improve the effectiveness of your charitable giving activities
- build an endowment over time
- simplify administration
- establish a legacy of giving for your family and for generations to come.

This Information Memorandum explains how the CEF works and sets out the key aims, benefits and processes of donating to the CEF. The table below summarises the key aspects of the CEF.

Creation	A CEF management account is created when you make a minimum initial donation. No separate Australian Taxation Office (ATO) or regulatory approval is required.
Minimum Initial Donation	The minimum Initial Donation is \$20,000 or such other amount as agreed to by JBWere at its discretion. (See 'Donating to the CEF' on page 4 for more details).
Additional Donations	You can make Additional Donations to the CEF as often as you wish. The minimum Additional Donation is \$5,000. (See 'Additional Donations into the CEF' on page 5 for more details).
Management	National Australia Trustees Limited (NAT Trustee) is the Trustee of the CEF and provides trusteeship, governance and administration services to the CEF. JBWere manages all the investment related aspects of the CEF on behalf of the Trustee. (See 'Investment, trusteeship, governance and administration' on page 5 for more details).
Investing your donation	The funds donated to the CEF are managed by JBWere investment professionals who specialise in investment management for the charitable and philanthropic sector. (See 'Investing your donations' on page 6 for more details).
Naming rights	You can request a name for the CEF management account. You also can elect to have grants to Eligible Charitable Organisations attributed to this name as part of the CEF, or you can remain anonymous. (See 'Naming a CEF management account' on page 4 for more details).
Tax advantages*	You are entitled to claim a tax deduction for your Initial and Additional Donations to the CEF provided the deduction does not add to or create a tax loss for you. You may however elect to spread the deduction over a period of up to five years. Any other person making donations to the CEF is entitled to claim a tax deduction for their donations provided the deduction does not add to or create a tax loss. Earnings within the CEF are exempt from Australian income and capital gains tax. (See 'Tax deductibility' on page 4 for more details).
Making grants	You are able to ask the Trustee to make grants from the CEF management account to your preferred Charitable Organisation(s). However, to ensure compliance with all relevant laws governing the CEF, all grants must be decided by the Trustee and can only be made to 'Eligible Charitable Organisations' for the purpose of the Trust Deed of the CEF. Accordingly, the ultimate decision on which Charitable Organisations will receive grants from the CEF rests with the Trustee, and the Trustee is not obliged to make any grants as requested by a donor. (See 'Requesting grants' on page 6 for more details).
Grants advice	You have access to the Philanthropic Services team to assist with any grant requests you may wish to make.
Giving in perpetuity	Because a CEF management account can continue indefinitely, it allows you to create a legacy of giving for decades to come.
Risks associated with donating to the CEF	Once made, your donations are irrevocable and unable to be refunded to you. In addition, the value of investments in a CEF Management Account may diminish subject to market conditions and the performance of the Manager. See page 8 for more details.

* As at the date of this Information Memorandum, given the complexity of taxation legislation and the significant and ongoing changes introduced by governments, it is recommended you obtain advice from your own professional tax advisor before deciding whether to donate to the CEF.

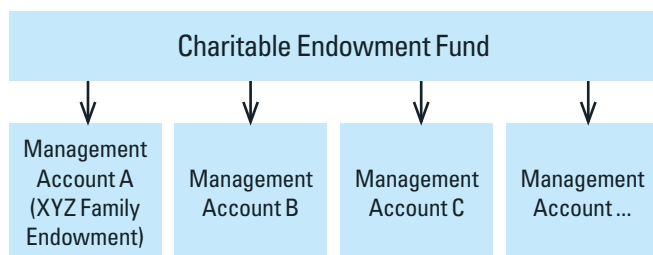
This is a summary of the CEF. You should read the entire Information Memorandum for more information.

How the JBWere Charitable Endowment Fund works

The CEF is a public charitable foundation established in perpetuity and endorsed by the ATO as a Deductible Gift Recipient (DGR) and a Tax Concession Charity (TCC).

Figure 1

The Trustee of the CEF creates individual management accounts attributed to each donor (each a 'CEF management account'). The accounts are management accounts for administration and are not separate parts of the whole trust fund.



You are able to ask the Trustee to make grants from the CEF management account to your preferred Charitable Organisation(s), each of which must be an 'Eligible Charitable Organisation' (see page 10 for definition) for the purpose of the Trust Deed of the CEF in order to receive grants. The ultimate decision, however, rests with the Trustee of the CEF.

The CEF creates an opportunity for your donations to grow through investments after annual grants, enabling you to continue to make grants to Eligible Charitable Organisations on an ongoing and sustainable basis. Because a CEF management account can continue indefinitely, it allows you to create a legacy of giving that can last for generations.

Figure 2

The steps to donating to the CEF are:

Create	Make a minimum Initial Donation of \$20,000 and return the completed Donation Form. The Trustee will create a CEF management account attributed to you after it has verified your Donation Form
Deduct	Once your donation is accepted, the Trustee will issue a receipt for you to claim your tax deduction for the donation you have made
Investment	The funds in the CEF are invested in investments selected by JBWere
Request annually	You can make requests annually to the Trustee regarding the Charitable Organisations to which you wish the CEF to make grants
Grant	The Trustee makes grants to Eligible Charitable Organisations

Donating to the CEF

Key points

- With an Initial Donation of \$20,000 or more, the Trustee will create a CEF management account that is attributed to you. You may donate by completing a Donation Form and by making a donation by cheque made payable to 'NATL ATF JBWERE Charitable Endowment Fund', or by Electronic Funds Transfer (EFT) (Name: NATL ATF JBWERE Charitable Endowment Fund. BSB: 082-001 Account: 17363-2284) stating the CEF management account name in the 'description' section of the transfer (should the CEF management account name not fit the 'description' section, please abbreviate accordingly).
- Additional Donations of \$5,000 or more (paid by cheque or EFT directly into the CEF) can be made whenever you wish.

- Once your Initial Donation is accepted and a CEF management account is created, your Initial Donation and subsequent Additional Donations to the CEF are irrevocable and not able to be withdrawn or refunded.
- You must be at least 18 years of age to make a donation.

Tax deductibility

Under the law as at the date of this Information Memorandum, donations to the CEF will entitle you to claim a tax deduction provided the deduction does not add to or create a tax loss for you. You may elect to spread that deduction over a period of up to five years. When you make a donation to the CEF, a receipt for claiming your tax deduction will be issued and forwarded to you by the Trustee (see 'Taxation considerations' on page 9 for more details).

Given the complexity of taxation legislation and the significant and ongoing changes introduced by governments, it is recommended you obtain advice from your own professional tax advisor before deciding whether to donate to the CEF.

Naming a CEF management account

As a donor, you may request a name for a CEF management account. When requesting a name, it is important to avoid using the terms 'fund', 'trust', 'sub-fund' or 'foundation'. We suggest you use one of the following terms when requesting a name:

- gift
- charitable gift
- bequest
- account
- legacy
- donation
- endowment
- benefaction

For example a CEF management account may be named as the 'XYZ Family Endowment'.

When to lodge your Donation Form

A Donation Form can be submitted at any time. A CEF management account cannot be created until after the Trustee has verified that the Charitable Organisations you request to receive grants from the CEF are eligible to receive grants under the CEF Trust Deed (see 'To which organisations can the CEF make grants?' on page 7 for more details). For planning purposes, please keep in mind that where the Charitable Organisations you request are not already known to the Trustee to be an Eligible Charitable Organisation, in most cases this process will take up to three weeks.

If you wish to donate to the CEF before the end of the financial year, we recommend you submit your Donation Form before 31 May. If a donation is received after this date, it is not possible to give an assurance that your donation will be accepted by 30 June of that year.

Keeping you informed

You will receive a confirmation advice and a receipt for claiming your tax deduction for the Initial Donation you have made (see 'Tax deductibility' above for more details).

Each year in September, you will receive a statement in respect of the CEF management account created with your donation. This statement will contain the following information:

- a list of all donations attributed to the CEF management account;
- details regarding the grants to Eligible Charitable Organisations that were attributed to the CEF management account;
- the Net Capital Balance in the CEF management account;
- investment commentary on the performance of the CEF over the last financial year and other investment related details; and

How the JBWere Charitable Endowment Fund works (continued)

- a Grant Request Form for you to complete and return by 30 March the following year. Using this form, you can notify the Trustee of any changes you wish to make to the Charitable Organisations you request to receive grants from the CEF for the following year.

Each year in May, we will send you a reminder to consider making Additional Donations to the CEF prior to the end of the financial year.

Succession options

When completing the Donation Form, you may select one of four options for the management of the CEF management account attributed to you in the event of your death, incapacity or other legal disability:

(a) Make grants in perpetuity

You may make a request to the Trustee that the specific Charitable Organisations you have most recently requested continue to receive grants from the CEF management account in perpetuity.

(b) Grant Remaining Capital

You may request to grant the remaining capital in the CEF management account to your most recently requested Charitable Organisation.

(c) Nominate a successor

You may nominate an alternate person to take your role of requesting Charitable Organisations to which you wish the CEF to make grants. If you choose this option, please complete details of your nominated successor.

(d) Roll into the JBWere CEF Community Benefit Management Account

You may request to have the remaining capital in the CEF management account rolled into the JBWere CEF Community Benefit Management Account. The Trustee will distribute grants in the name of the JBWere CEF Community Benefit Management Account to Eligible Charitable Organisations at its discretion.

If no election is made, option (d) will apply unless you subsequently request the Trustee otherwise in writing.

Additional Donations to the CEF

During your lifetime

You can make Additional Donations to the CEF as part of your annual tax and financial planning process, or as often as you like - whatever approach best suits your circumstances. The minimum Additional Donation is \$5,000 and may be paid by cheque or EFT directly to the CEF. We will provide the account details for funds transfers once your donation is accepted.

Upon receiving each Additional Donation, the Trustee will issue and forward a receipt for you to claim your tax deduction for the donation you have made to the CEF (see 'Tax deductibility' on page 4 for more details).

Requests from your estate

You can make Additional Donations to the CEF for attribution to a specific CEF management account via your will. The Philanthropic Services team can provide you with a standard clause for inclusion in your will on request.

Closing the CEF management account

By law as at the date of this Information Memorandum, the Net Capital Balance in a CEF management account cannot be returned to the original donor. On the closure of a CEF management account, the Net Capital Balance must either be distributed in the form of grants to Eligible Charitable Organisations (see 'To which organisations can the CEF make grants?' on page 7 for more details) or maintained in the JBWere CEF Community Benefit Management Account and applied in accordance with the Trust Deed for the benefit of the Eligible Charitable Organisation(s) determined by the Trustee.

Investment, trusteeship, governance, custody and administration

There are a number of operational aspects of a charitable foundation including investment, trusteeship, governance and administration. By choosing the CEF, you can be confident these aspects are managed by professionals in the field: JBWere and NAT. This allows you to focus your time on supporting the community or particular causes.

Investment (JBWere)

JBWere is a pre-eminent financial services organisation that provides a wide range of investment, advisory, asset and wealth management services to a substantial and diversified client base including high net worth individuals, financial firms, small business and corporates. JBWere is 80.1% owned by the National Australia Bank Limited ABN 12 004 044 937 (NAB). We seek to be the advisor of choice for our clients throughout Australia and New Zealand.

JBWere has unparalleled knowledge and experience in Australian and New Zealand markets, and far-reaching capabilities that extend into global markets. In addition to conducting some of the largest corporate and institutional transactions, JBWere provides extensive services, across every major asset class, to many private clients throughout Australia and New Zealand.

The principles of integrity and dedicated client service, astute market knowledge and a commitment to excellence are ingrained in the firm's culture. These values, combined with quality research and investment products, make JBWere a trusted partner for many investors.

JBWere manages all investment related aspects of the CEF on behalf of the Trustee.

Trusteeship, governance, custody and administration (National Australia Trustees Limited)

National Australia Trustees Limited (NAT or Trustee), is a wholly owned subsidiary of NAB. NAT is licensed as a statutory trustee company in every Australian mainland state, and holds an Australian Financial Services Licence (AFSL 230703). NAT has approximately \$A4 billion under trusteeship and custodianship and provides a broad range of services, including estate planning, powers of attorney, trust and estate administration, business succession planning, asset custody and portfolio administration and management.

As a member of the NAB Group, NAT has access to a range of management services including the provision of banking facilities, occupancy, human resources, legal, compliance and risk services, distribution network and administration services. NAT observes best practice standards in all aspects of the administration and management of clients' assets. These standards ensure that the applicable compliance responsibilities are strictly and professionally adhered to in all areas.

NAT will provide trusteeship, governance, custody and administration services to the CEF. These services include:

- trusteeship of the CEF;
- general CEF administration;
- custody of all assets of the CEF;
- preparation of annual accounts and ATO returns;
- preparation of CEF management account activity statements; and
- compliance in relation to the granting process, including verification that intended grant recipients are Eligible Charitable Organisations.

How the JBWere Charitable Endowment Fund works (continued)

Investing your donations

JBWere manages the investment of funds in the CEF in accordance with an Investment Management Agreement between the Trustee and JBWere. Investments will be selected in line with the investment strategy mandate determined by the CEF Investment Committee and approved by the Trustee. Investments may cover a range of asset classes including Australian equities, international equities, cash, fixed interest and alternative investments.

The Investment Committee includes a panel of senior investment professionals from JBWere as well as representatives from NAT and the JBWere Philanthropic Services team. The Investment Committee meets regularly (at least quarterly) to review asset allocation and portfolio composition, taking into account the non-taxpaying perpetual nature of the CEF.

At least once a year, the Trustee meets with the Investment Committee to ensure that all investments are appropriate and comply with the Trust Deed (see 'Trust Deed' on page 9 for more details).

Asset allocation

JBWere has a long track record and extensive experience in providing investment advice to non-taxpaying entities (including endowments, foundations, charitable funds or trusts, and not-for-profit organisations). The Investment Committee draws on this experience and considers factors specific to non-taxpaying entities when determining the asset allocation for the CEF. Key factors include:

- the need to incorporate an appropriate exposure to Australian equities to access franked income;
- the potential impact of inflation, requiring an exposure to growth assets to ensure the real value of the portfolio is at least maintained over the long term; and
- the need to invest to achieve a growing income stream via exposure to growth assets.

The Investment Committee aims to establish and manage a portfolio that provides consistent returns with accumulated returns of capital and income that exceed the inflation rate over the long term. In doing so, the Investment Committee aims to maintain the real value of assets in the CEF.

Shown below is the current asset allocation for the CEF. Any changes to the asset allocation will be made by the Investment Committee and reviewed by the Trustee.

Asset Class	Benchmark	Ranges	
		Minimum	Maximum
	%	%	%
Cash	5	0	10
Fixed Interest	20	10	30
Australian Equities	50	30	70
International Equities	20	10	30
Alternative Investments	5	0	10

Investment Products

JBWere will utilise an open architecture approach to investment selection, offering the very best investment products available across all issuers.

Our dedicated Managed Investments Research Team undertakes comprehensive research to identify managers with the strongest credentials for providing superior risk adjusted performance.

Taking into account key considerations of the CEF such as income requirements and franking credit considerations, the exposure to each asset class will be typically held through a combination of:

- cash products;
- wholesale managed funds; and
- listed investment companies.

Requesting grants

As a donor you may ask the Trustee to consider the particular Charitable Organisations you would like the CEF to support. You are able to make requests to the Trustee in relation to the Charitable Organisations to which you wish the CEF to make grants.

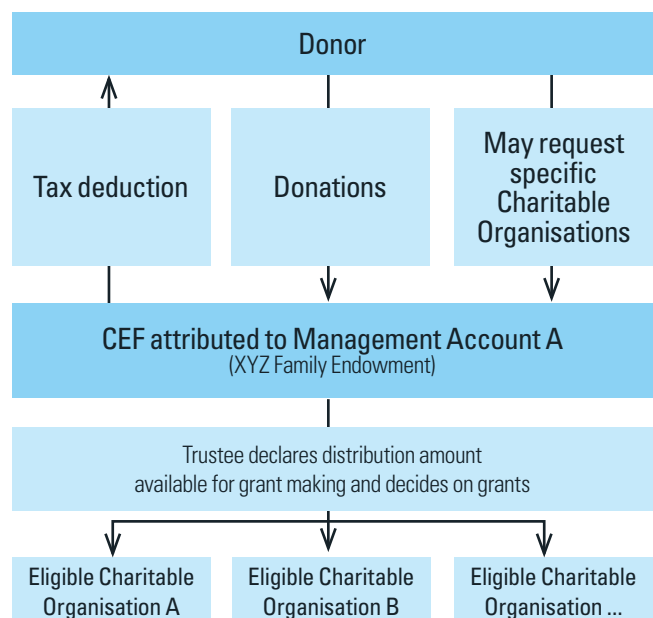
The ultimate decision on grants rests with the Trustee, as it is the Trustee's responsibility to ensure that all funds donated to and disbursed from the CEF are dealt with in accordance with the law and ATO requirements.

Prior to accepting your donation, the Trustee will verify that the Charitable Organisations you have requested in your Donation Form are eligible to receive grants from the CEF (see next page 'To which organisation can the CEF make grants?' for more details). During this time, which in most cases will be no more than three weeks, your intended donation will be held in trust. Once verified, a CEF management account will be created and you will receive a confirmation advice and a receipt for claiming your tax deduction.

There may be instances where the Charitable Organisations you request are not eligible to receive grants from the CEF. In this event, the Trustee may give you the option of changing your request or (if the request is made at the time of Initial Donation) withdrawing your donation. If you withdraw, your intended donation will be refunded to you (no interest will be payable on these monies).

Once your donation is accepted, your donations to the CEF are irrevocable and not able to be withdrawn or refunded.

Figure 3
The CEF grant-making process



How the JBWere Charitable Endowment Fund works (continued)

To which organisations can the CEF make grants?

The Charitable Organisations you request are required to be Eligible Charitable Organisations in order to receive grants for the purposes of the Trust Deed for the CEF. An Eligible Charitable Organisation is a fund, authority or institution:

- which is charitable at law;
- gifts to which are deductible under item 1 of the table in section 30-15 of the Income Tax Assessment Act 1997 (also known as DGRs); and
- which is a Tax Concession Charity (TCC)

How many Charitable Organisations can I request?

The number of Charitable Organisations you can request to receive grants each year depends on the Net Capital Balance attributed to the CEF management account attributed to you as at 30 June of the previous year.

Net Capital Balance	Number of Charitable Organisations
Up to \$50,000	Up to 2
\$50,000 - \$100,000	Up to 5
\$100,000 - \$1 million	Up to 10
\$1 million +	Up to 20

Example 1

If you make a donation of \$20,000 to the CEF management account in financial year 2009, you will be able to request up to two Charitable Organisations to receive grants from the CEF any time within the year ending 30 June 2010.

Example 2

If as at 30 June 2011 the Net Capital Balance attributed to the CEF management account is \$500,000 as a result of Additional Donations you have made, you will be able to request up to 10 Charitable Organisations to receive grants from the CEF any time within the year ending 30 June 2012.

Distribution and grant making process

In April each year, the Trustee will declare a distribution for the CEF and attribute to each CEF management account an individual distribution available for grant making, this is known as a Declared Distribution.

By 30 June each year, the Trustee will make grants out of the Declared Distribution for each CEF management account. In doing so, the Trustee may have regard to the Charitable Organisations you have most recently requested to receive grants. To ensure compliance with all relevant laws governing the CEF, all grants (which can only be made to Eligible Charitable Organisations (see 'To which Organisation can the CEF make grants?' above for more details)) must be decided by the Trustee. Accordingly, the ultimate decision on which Eligible Charitable Organisations will receive grants from the CEF rests with the Trustee, and the Trustee is not obliged to make any particular grants.

In September each year, you will receive a statement which will include a summary of the activity attributed to the CEF management account.

Each year, you may amend the requested Charitable Organisations to which you wish the CEF to make grants by completing a Grant Request Form. This form will be sent to you with your annual statement. To ensure your request may be considered, the Grant Request Form needs to be received by the Trustee by 31 March. The Trustee will verify whether the Charitable Organisations you request are eligible to receive grants from the CEF (see 'To which organisations can the CEF make grants?' on this page for more details).

See 'Keeping you informed' on page 4 for information on statements.

Grants to more than one Charitable Organisation

If you are requesting grants to more than one Charitable Organisation, you can request the percentage of the distribution for each Charitable Organisation to receive. For example, if you have requested two Charitable Organisations, you can request 40% of the Declared Distribution be granted to one Charitable Organisation and 60% to the other. However the ultimate decision rests with the Trustee.

Grants of capital throughout the year

In addition to requesting annual grants from the Declared Distribution, you may request the Trustee to make grants from the Net Capital Balance attributed to the CEF management account during the year. You are required to provide your grant request in writing to the Trustee, specifying the Charitable Organisation(s) and the grant amount. The Charitable Organisations you request must be eligible to receive grants from the CEF (see 'To which organisations can the CEF make grants?' on this page for more details). No more than three grants will be made from the Net Capital Balance in any one financial year. Note that a minimum ongoing Net Capital Balance of \$20,000 is required for each CEF management account. If the balance falls below this level for more than three months, other than due to market movements or the deduction of fees, you must make an Additional Donation or the Trustee may transfer the capital balance of the CEF management account attributed to you into the JBWere CEF Community Benefit Management Account.

As stated in earlier sections, the ultimate decision on grants to Eligible Charitable Organisations from the CEF rests with the Trustee and it is not required to make any particular grants.

Any additional grants the Trustee decides to make are processed on the first day of every month, with distribution of grants being made approximately one to 10 business days past this date.

Anonymity

You can request the Trustee not to identify the CEF management account to which the grants are attributed in which case the Trustee will ensure all grants are made in the name of the CEF.

Fees, expenses and risks

A summary of fees payable in connection with the CEF is provided below.

Establishment fees	There are no establishment fees to create a CEF management account.
Annual management fee	<p>An annual management fee of 1.13% p.a. (plus Goods and Services Tax (GST)) will be split as follows:</p> <ul style="list-style-type: none">• 0.30% p.a. (plus GST) to JBWere, for the provision of investment management, asset allocation, product/security research and selection services.• 0.83% p.a. (plus GST) to NAT, for the provision of trusteeship, governance, custodial and administration services. <p>The annual management fee of 1.13% (plus GST) will be calculated monthly on the capital balance of the CEF management account. The Trustee will deduct the fee monthly from the account.</p> <p>The Trustee estimates the net effective annual management fee to be 1.14% p.a. after the refund of all applicable GST credits.</p> <p>The Trustee reserves the right, by notice in writing to donors, to increase this fee where the Trustee considers this necessary to accommodate increases in the outgoings borne by the Trustee.</p> <p>The Trust Deed and relevant legislation permits the Trustee to be reimbursed for all reasonable out of pocket expenses (such as an annual audit of the CEF) and to charge reasonable fees for the preparation and lodgement of returns for the CEF in respect of any tax, duty or fees imposed by law.</p>
Fees on underlying investments	<p>If the CEF is invested in underlying investments such as a managed fund, the relevant manager of that fund will also charge fees and expenses, but these amounts will be charged at the level of that fund.</p> <p>Typically we expect that the Indirect Cost Ratio (ICR) for the underlying investments of the CEF to be 0.70% p.a. of the value of those investments (after GST refunds available).</p> <p>(ICR is a measure of the level of management costs charged by the underlying Investment Managers).</p>
Advisor incentives	<p>JBWere may pay commissions to your advisor in relation to the CEF management account from time to time. These payments, if made, will be paid by JBWere from its own funds and will not result in any reduction in the value of the CEF management account.</p> <p>Your advisor will provide details about any commission arrangements they have with JBWere.</p>

Key Risks

Once your donation to the CEF has been accepted, it is irrevocable and unable to be refunded to you.

The value of investments in the CEF Management Account attributed to you will be affected by market conditions and the performance of JBWere as the Investment Manager. It may diminish in value, and/or not generate any income. See page 6 for more details about how your donations are managed.

Additional information

Taxation considerations

Given the complexity of taxation legislation and the significant and ongoing changes introduced by governments, it is recommended that donors obtain advice from a professional tax advisor, particularly in relation to their own personal circumstances, before deciding whether to make a donation to the CEF.

Deductibility of donations

In general, under income tax law current at the date of this Information Memorandum, gifts of \$2.00 or more to DGRs are tax deductible to the donor provided the deduction does not add to or create a tax loss. These gifts can be made by individuals, corporate entities or trusts, either directly or via a private account. Deductions for donations can be spread over a period of up to five years if the taxpayer makes a written election to do so.

The CEF is a DGR and therefore donations to the CEF entitle the tax payer to claim a tax deduction.

Taxation and the CEF

The CEF is endorsed by the ATO as a Tax Concession Charity (TCC) and is therefore exempt from lodging tax returns or paying income tax on income derived by the CEF during the period of its endorsement. Accordingly, all income derived by the CEF, including capital gains, will not be subject to Australian income tax or capital gains tax.

It is also entitled to refunds from the ATO equal to the Franking Credits attaching to franked dividends received. This increases the amount available to the CEF for distribution or reinvestment, subject to ATO regulations.

The CEF is also entitled to a variety of tax concessions and/or exemptions at both a State and Federal level.

Structure

The CEF is a public charitable foundation established in perpetuity and endorsed as a DGR and TCC by the ATO, and is available to donors to make charitable donations.

In order to ensure the tax deductible status of the CEF, once funds are donated and a CEF management account is created, donors to the CEF retain no legal interest in the amounts they donate or the investments of the CEF and have no legal right to direct how the grants are distributed.

Trust Deed

The CEF was created by a Deed of Trust dated 19 February 2007 and amended by Deed of Amendment dated at or around 01/07/2010. NAT was appointed as Trustee of the CEF to hold the capital of the CEF for, and to pay out the income and/or capital to, Eligible Charitable Organisations. The CEF is not able to make grants to individuals or to organisations that are not Eligible Charitable Organisations.

The Trustee is able to amend the Trust Deed at any time within the terms of the Trust Deed. The Trust Deed cannot be amended so as to allow any funds to be paid to individuals or non-DGR organisations. A copy of the Trust Deed is available upon request.

The amended Trust Deed appoints JBWere, or such other person as the Trustee and JBWere may agree upon, to act as the Investment Manager of the CEF.

Investment Management Agreement and Co-operation Deed

The relationship between the Trustee and JBWere is governed by the terms of an Investment Management Agreement and a Co-operation Deed. The Investment Management Agreement deals with the management of the CEF's investments and the Co-operation Deed deals with the respective responsibilities of the Trustee and JBWere in respect of the marketing, administration, reporting and other services associated with the operation of the CEF.

Privacy

JBWere and NAT collect your personal information to report to and contact you in relation to the CEF, and to provide you with the associated products or services of NAT and JBWere (and their related companies and alliance partners). Without this information JBWere may not be able to process your donation to the CEF.

JBWere and NAT may disclose your personal information to:

- any third party service provider engaged to carry out or assist its functions and activities;
- other persons they are authorised or required by law to disclose information to (and other persons where you have consented to the disclosure);
- if applicable, an organisation that is in an arrangement or alliance with both parties for the purpose of promoting or using their respective products or services (and any agents used by that organisation in administering such an arrangement or alliance);
- regulatory bodies, government agencies, law enforcement bodies, courts and tribunals; and
- your authorised agents, administrator, executor, beneficiaries or legal representative.

You may request access to your personal information by contacting the Trustee, and if any of your information is inaccurate, you may request that it be corrected. Access will be granted in accordance with the *Privacy Act 1988* (Cth) for a reasonable fee.

Additional Information for Advisors

Financial advisors should note that this is not a financial product. Therefore recommending the CEF to a potential donor does not constitute the provision of financial product advice for the purposes of the Corporations Act 2001 (Cth).

Glossary of terms

The following glossary is provided to assist you in understanding some of the concepts that have been referred to in this Information Memorandum.

'Additional Donation' means monies you donate to the CEF on an ongoing basis. You can make Additional Donations into the CEF as often as you wish, as part of your annual tax and financial planning process, or on an ad hoc basis. The minimum additional donation is \$5,000 and may be made by cheque payable to 'NATL ATF JBWERE Charitable Endowment Fund' or deposited directly into the CEF bank account.

'ATO' means the Australian Taxation Office.

'Bequest' means a sum of money made available upon the donor's death by provision in their will.

'CEF' means the JBWERE Charitable Endowment Fund.

'CEF management account' means the management account created by the Trustee and attributed to each donor after your Initial Donation has been accepted by the Trustee. This account is for administration purposes only and is not a separate part of the CEF.

'Charitable Organisation' means an entity established for a charitable purpose. Charitable purposes are those which the law regards as charitable. The term 'charitable' has a technical legal meaning which is different from its everyday meaning. Charitable purposes are:

- the relief of poverty;
- the advancement of education;
- the advancement of religion; or
- other purposes beneficial to the community.

'Co-operation Deed' means the agreement between the Trustee and JBWERE dated at or around 01/07/2010 which deals with the respective responsibilities of the Trustee and JBWERE in respect of the marketing, administration, reporting and other services associated with the operation of the CEF.

'Declared Distribution' means the monies allocated to each CEF management account for grant making.

'Deductible Gift Recipient (DGR)' means an entity that is entitled to receive income tax deductible grants. All DGRs have to be endorsed, unless they are named specifically in the income tax law. There are two types of DGR endorsement. One is for entities that are DGRs in their own right. The other is for an entity that is a DGR only in relation to a fund, authority or institution that it operates. For the second type, only grants to the fund, authority or institution are tax deductible.

'Donation Form' means the donation form enclosed with this Information Memorandum that should be completed and returned with your Initial Donation.

'Eligible Charitable Organisations' means a fund, authority or institution:

- which is charitable at law;
- gifts to which are deductible under item 1 of the table in section 30-15 of the Income Tax Assessment Act 1997 (also known as DGRs); and
- which is a Tax Concession Charity (TCC)

'Endowment' means a capital fund that is often invested in perpetuity, to provide monies for grant making purposes.

'Franking Credits' means nominal units of tax paid by companies paying tax under a dividend imputation system. Franking Credits are passed on to shareholders along with dividends. As the CEF is a charitable fund which does not pay income tax, it is an exempt institution which is eligible for a refund of Franking Credits attached to the distributions it receives.

'Grant Request Form' means the form used each year to change the Charitable Organisations to which you wish the Trustee to consider making grants.

'Initial Donation' means the first donation you make to the CEF, as specified in your completed Donation Form. The minimum Initial Donation is \$20,000, made by cheque made payable to 'NATL ATF JBWERE Charitable Endowment Fund' or by electronic funds transfer (Name: NATL ATF JBWERE Charitable Endowment Fund. BSB: 082-001 Account: 17363-2284) stating the CEF management account name in the 'description' section of the transfer (should the CEF management account name not fit the 'description' section, please abbreviate accordingly).

'Investment Committee' refers to a panel of senior investment and philanthropic services professionals at JBWERE and NAT convened to manage the investment of funds in the CEF.

'Investment Manager' means an organisation specialising in the investment of a portfolio of securities on behalf of individuals and organisations, subject to the guidelines and directions of the investor or the constitution of the organisation. Investment Managers may offer both pooled investment products and individual portfolios to a diverse array of clients.

'Investment Management Agreement' refers to the agreement between JBWERE and NAT dated at or around 01/07/2010 which deals with the management of the CEF's investments.

'JBWERE CEF Community Benefit Management Account' means the CEF management account maintained by the Trustee. All grants from this CEF management account are made in the name of the 'JBWERE CEF Community Benefit Management Account'. The Trustee will determine on an annual basis the Eligible Charitable Organisations that will receive grants attributed to this CEF management account. This CEF management account can be utilised by donors as:

- a succession option for the management of a CEF management account in the event of death, incapacity or other legal disability; and
- a means of closing their individual management account.

'Net Capital Balance' means the monies remaining in the CEF management account attributed to you after deduction of fees and expenses.

'Tax Concession Charity (TCC)' means a Charitable Organisation that is endorsed to access one or more of the following concessions:

- income tax exemption
- GST charity concessions
- fringe benefits tax (FBT) rebate
- FBT exemption.

'Trustee' and **'NAT'** means National Trustees Limited ABN 80 007 350 405.

'Trust Deed' refers to the trust deed establishing the CEF dated 19 February 2007 as amended by Deed of Amendment dated at or around 01/07/2010.

How to complete the Donation Form

If you have any queries please call JBWere Philanthropic Services on (03) 9679 1183.

General instructions

- Please print using a black or blue pen.
- If an item is not applicable, please leave the boxes unmarked.
- If you make an error, please have all parties initial the change. Please do not use correction fluid.

Information about completing the Donation Form

1. Donor type

The table below will assist you in completing section 1.

2. Donor details

The table below will assist you in completing section 2.

Donor type	Donor details	Donor signature(s)
Individual donor	Complete section 2(b)	Individual to sign.
Joint donors	Complete section 2(b) providing all donors' names.	Each individual to sign.
Individual(s) on behalf of partnership	Complete section 2(b)	Partners to sign.
Individual trustee(s)	Complete section 2(b)	Each individual trustee to sign.
A company	Complete section 2(a) and (b)	Two directors or a director and company secretary must sign unless there is a sole director and sole secretary. Each must state their capacity.
Corporate trustees	Complete section 2(a) and (b)	Two directors or a director and company secretary must sign unless a sole director and sole secretary. Each must state their capacity.
Individual(s) on behalf of a club, charity, church, association or an unincorporated association	Complete section 2(b)	Office bearers to sign.

3. Account name

Donors are recommended to use one of the following terms when requesting a name for the CEF management account:

- gift
- charitable gift
- bequest
- account
- legacy
- donation
- endowment
- benefaction.

For example, a CEF management account may be known as the 'XYZ Family Endowment'.

See 'Naming a CEF management account' on page 4 for more details.

4. Donor anonymity

You can elect to have grants to Charitable Organisations from the CEF management account attributed to you sent without referring to any CEF management account. In this case grants will be made in the name of 'NATL ATF JBWere Charitable Endowment Fund'.

If no election is made, the name of the CEF management account will be disclosed to the Eligible Charitable Organisations that receive grants attributed to that CEF management account, unless you subsequently request the Trustee otherwise in writing. See 'Anonymity' on page 7 for more details.

5. Requesting Charitable Organisations

Please nominate the initial Charitable Organisations to which you wish the Trustee to consider making grants from the CEF. To ensure compliance with all relevant laws governing the CEF, all grants must be approved by the Trustee and can only be made to Charitable Organisations which are Eligible Charitable Organisations for the purpose of the Trust Deed to the CEF. Accordingly, the ultimate decision on which Eligible Charitable Organisations will receive grants from the CEF rests with the Trustee, and the Trustee is not obliged to make any particular grants.

You can nominate Charitable Organisations in this section. If you wish to nominate additional Charitable Organisations, please list and attach details to your completed Donation Form. Note that the number of Charitable Organisations you can request is based on the value of your donation (see table below).

Net Capital Balance	Number of Charitable Organisations
Up to \$50,000	Up to 2
\$50,000 - \$100,000	Up to 5
\$100,000 - \$1 million	Up to 10
\$1 million +	Up to 20

If you are requesting grants to more than one Charitable Organisation, you can specify the percentage of the Declared Distribution you would like each Charitable Organisation to receive. For example if you have nominate two Charitable Organisations, you can choose to request 40% of the Declared Distribution to one Charitable Organisation and 60% to the other. See 'Requesting grants' on page 6 and 'Grants to more than one Charitable Organisation' on page 7 for more details.

6. Succession options

Select one of the four options for the management of the CEF management account in the event of your death, incapacity or other legal disability:

(a) Make grants in perpetuity

You may make a request to the Trustee that the specific Charitable Organisations you have most recently requested continue to receive grants from the CEF management account in perpetuity.

(b) Grant Remaining Capital

You may request to grant the remaining capital in the CEF management account to your most recently requested Charitable Organisation.

(c) Nominate a successor

You may nominate an alternate person to take your role of requesting Charitable Organisations to which you wish the CEF to make grants. If you choose this option, please complete details of your nominated successor.

(d) Roll into the JBWere CEF Community Benefit Management Account

You may request to have the remaining capital in the CEF management account rolled into the JBWere CEF Community Benefit Management Account. The Trustee will distribute grants in the name of the JBWere CEF Community Benefit Management Account to Eligible Charitable Organisations at its discretion.

If no election is made, option (d) will apply unless you subsequently request the Trustee otherwise in writing.

How to complete the Donation Form (continued)

7. Joint donor authorisation

Where a donation is made by two donors (joint donors), please select whether one or both donors are required to sign grant requests, succession option changes and other changes.

If no election is made, we will assume that *either* donor may sign grant requests, succession option changes and other changes unless you subsequently direct the Trustee otherwise in writing.

8. How much would you like to donate?

The minimum amount is \$20,000 in the form of a cheque payable to 'NATL ATF JBWERE Charitable Endowment Fund'. Please attach your cheque to your Donation Form. Alternatively you can make your donations by electronic funds transfer (Name: NATL ATF JBWERE Charitable Endowment Fund. BSB: 082-001 Account: 17363-2284) stating the CEF management account name in the 'description' section of the transfer (should the CEF management account name not fit the 'description' section, please appropriately abbreviate accordingly).

Please note:

- Once your donation is accepted and the CEF management account is created, your donation is irrevocable and not able to be withdrawn or refunded.
- Donations of property are not accepted.
- Donation amounts do not need to be in whole dollars.
- There is no maximum donation amount.
- Cash amounts are not accepted. The Trustee reserves the right to determine other acceptable methods of receiving a donation.

9. Donor acknowledgement and signature(s)

(a) Donor acknowledgement

Before signing and returning your Donation Form, you should read the Information Memorandum.

(b) Donor signature(s)

Signatures will be used to verify grant requests, succession option changes and other changes. See table on page 11 for more details.

Send the completed Donation Form and your cheque (unless you use EFT) to:

JBWere
Philanthropic Services
GPO Box 2050
Melbourne Vic 3001

Donation Form checklist, have you:

<input type="checkbox"/>	Provided donor details – section 2.
<input type="checkbox"/>	Provided a name for the CEF management account – section 3.
<input type="checkbox"/>	Requested Charitable Organisations – section 5.
<input type="checkbox"/>	Completed the donor acknowledgement and signature(s) – section 9.
<input type="checkbox"/>	Included your cheque (minimum \$20,000) made payable to: ' NATL ATF JBWERE Charitable Endowment Fund ', or by EFT (Name: NATL ATF JBWERE Charitable Endowment Fund. BSB: 082-001 Account: 17363-2284) stating the CEF management account name in the 'description' section of the transfer (should the CEF management account name not fit the 'description' section, please abbreviate accordingly).

Should you require any assistance in completing the Donation Form or if you would simply like to talk to someone about your philanthropic options, please contact your advisor directly. Alternatively, please contact the JBWere Philanthropic Services Team on **(03) 9679 1183** or email **cef@jbwere.com**.

JBWere Charitable Endowment Fund Donation Form

1. Donor type

Company donation

<input type="checkbox"/>	Individual donor	<input type="checkbox"/>	Company
<input type="checkbox"/>	Joint donor	<input type="checkbox"/>	Corporate Trustee on behalf of a trust
<input type="checkbox"/>	Individual(s) on behalf of a partnership	<input type="checkbox"/>	Individual Trustee(s) on behalf of a trust
<input type="checkbox"/>	Individual on behalf of a club, charity, church or unincorporated association		

2. Donor details

(a) Company donors*

Company name in full																									
ACN																									
TFN or ABN or exemption																									

* Please note all company representatives (e.g. directors) must complete section 2 (b).

(b) Individual / Joint / Company representative / Trustee donation

1st Individual donor/director

Title	First name																									
Surname																										
Residential address																										
																State										
Home phone ()																										
Mobile phone																										
Work phone ()																										
Facsimile ()																										
Email address																										

2nd Individual donor/director

Title	First name																									
Surname																										
Residential address																										
																State										
Home phone ()																										
Mobile phone																										
Work phone ()																										
Facsimile ()																										
Email address																										

*Please provide details of any additional company representatives/trustees on a separate document to be attached to the Donation Form.

Office use only									
New date	<table border="1"> <tr> <td>D</td><td>D</td><td>M</td><td>M</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td> </tr> </table>	D	D	M	M	Y	Y	Y	Y
D	D	M	M	Y	Y	Y	Y		
Time	<input type="text"/>								

9. Donation acknowledgement and signature(s) - ALL DONORS MUST COMPLETE THIS SECTION

(a) Donor acknowledgement

I/We acknowledge that a completed Donation Form, together with the donation, represents a request to National Australia Trustees Limited (the Trustee), as the Trustee of CEF, to create a CEF management account under the CEF on the terms and conditions set out in the Information Memorandum.

I am/We are over the age of 18 years.

By signing below I/we confirm that I/we have received and understood the terms and conditions contained in the Information Memorandum and agree to be bound by them if this Donation Form is accepted.

If I am/we are signing under a Power of Attorney, I/we declare that the Power of Attorney has not been amended or revoked.

(b) Donor signature(s)

1st Individual

Capacity (if applicable)	<input type="checkbox"/> Director	<input type="checkbox"/> Power of attorney [†]	<input type="checkbox"/> Sole director and sole secretary	<input type="checkbox"/> Trustee				
Full name								
Signature	SIGN HERE							
Date signed	D	D	M	M	Y	Y	Y	Y

2nd Individual

Capacity (if applicable)	<input type="checkbox"/> Director	<input type="checkbox"/> Power of attorney [†]	<input type="checkbox"/> Sole director and sole secretary	<input type="checkbox"/> Trustee				
Full name								
Signature	SIGN HERE							
Date signed	D	D	M	M	Y	Y	Y	Y

[†] If you are signing under a Power of Attorney, please supply an original certified copy of the Power of Attorney with specimen signature(s) of attorney(s). Companies signing by duly authorised representatives must provide proper notice of the representatives to JBWere Investment Management. If signed under Power of Attorney, the attorney hereby certifies that no notice of revocation of that power has been received by the attorney. Donations by incorporated associations/clubs must be signed by the authorised office bearers (e.g. A. Smith - President) and a copy of the constitution/rules attached.

Return your completed Donation Form along with your cheque (unless you use EFT) to:
JBWere
Philanthropic Services
GPO Box 2050
Melbourne Vic 3001

10. Only advisors are to complete the following section

I confirm that:

- I have read the Information Memorandum and have explained to the donor(s) that:
 - once the Initial Donation is made, all donations to CEF which have been accepted by the Trustee are irrevocable and not able to be withdrawn or refunded.
 - all grants to Eligible Charitable Organisations are made by the Trustee. Accordingly, the ultimate decision on which Eligible Charitable Organisations will receive grants from the CEF rests with the Trustee, and the Trustee is not obliged to make any particular grants.
- having regard to the information that the donor(s) have given me about their personal circumstances, and the information contained in the Information Memorandum, I am satisfied that I have a reasonable basis for advising that the donor(s) make a donation to the CEF.

Advisor name																		
Advisor address																		
											State				Postcode			
Advisor phone ()																		
Signature	SIGN HERE																	
	Mark here if duplicate copy of donor's acknowledgement is required.																	

Office use only	Representative code		Advisor stamp	
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Corporate Directory

JBWere Offices Australia

Melbourne

Level 16
101 Collins Street
Melbourne Vic 3000
Telephone (03) 9679 1111
Facsimile (03) 9679 1493

Sydney

Level 42
Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Telephone (02) 9321 8777
Facsimile (02) 9321 8621

Adelaide

Level 13
45 Pirie Street
Adelaide SA 5000
Telephone (08) 8407 1111
Facsimile (08) 8407 1112

Brisbane

37th Floor
Riverside Centre
123 Eagle Street
Brisbane Qld 4000
Telephone (07) 3258 1111
Facsimile (07) 3258 1112

Canberra

Level 3
60 Marcus Clarke Street
Canberra ACT 2600
Telephone (02) 6218 2000
Facsimile (02) 6218 2001

Perth

Level 11
100 St George's Terrace
Perth WA 6000
Telephone (08) 9212 7900
Facsimile (08) 9212 7999

