

CONFLICTS MANAGEMENT FRAMEWORK

Drafted to comply with APRA Prudential Standard SPS 521: Conflicts of Interest

Fund: The Victorian Independent Schools Superannuation Fund ABN 32 024 873 660

Trustee: VIS Nominees Ltd ABN 11 006 586 367

Date: Adopted on 28 February 2013 with effect from 1 July 2013, amended on 29 August 2013, 14 December 2017 and 26 September 2019

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Review History

Date	Reviewed by	Details
28 February 2013	Legal Advisor, Maddocks	Creation of document and policy
29 August 2013	Risk and Compliance Consultant	Update for changes for MySuper application.
14 December 2017	Risk and Compliance Consultant	Update to include change in procedure for the Fund Administrator to report any conflicts to the Trustee.
26 September 2019	Risk and Compliance Consultant	Update to include changes recommended in the April 2019 comprehensive review report submitted by Grant Thornton, Internal Audit.

1. INTRODUCTION

- 1.1 **VIS Nominees Pty Ltd is the trustee (Trustee) of The Victorian Independent Schools Superannuation Fund (Fund). The Trustee holds an RSE Licence and as such, is required to comply with the APRA Prudential Standards insofar as they apply to RSE licensees of superannuation funds.**
- 1.2 **APRA Prudential Standard SPS 521: Conflicts of Interest (Prudential Standard) sets out the minimum requirements for RSE licensees, including Responsible Persons and other employees of RSE Licensees, to identify, avoid and manage any conflicts of interest and duty.**
- 1.3 **The Prudential Standard provides that the Trustee is ultimately responsible for having a Conflicts Management Framework that is approved by the Board. Paragraph 9 of the Prudential Standard provides that the "conflicts management framework" is the totality of systems, structures, policies, processes and controls within the Trustee's business operations that identify, assess, mitigate, manage and monitor all conflicts.**
- 1.4 **In addition, the key requirements of the Prudential Standard are to:**
- 1.4.1 develop, implement and review a conflicts management policy that is approved by the Board;
 - 1.4.2 identify all relevant duties and relevant interests; and
 - 1.4.3 develop registers of relevant duties and relevant interests.
- 1.5 **Paragraph 5 of the Prudential Standard provides that the Prudential Standard applies for the purposes of section 52(2)(d)(iv) of the *Superannuation Industry (Supervision) Act 1993 (SIS)*.**

2. RELEVANT DUTIES AND RELEVANT INTERESTS

- 2.1 **Paragraph 6 of the Prudential Standard provides that:**
- 2.1.1 a "relevant duty" refers to any duty owed by the Trustee, or a responsible person of the Trustee, to beneficiaries or to any other person; and
 - 2.1.2 a "relevant interest" of the Trustee, associate of the Trustee, or responsible person of the Trustee refers to any interest, gift, emolument or benefit, whether pecuniary or non-pecuniary, directly or indirectly held by the Trustee, associate or responsible person
- that the Trustee has determined to be relevant in accordance with paragraph 16 of the Prudential Standard.
- 2.2 **Paragraph 16 of the Prudential Standard provides that "a relevant duty or a relevant interest is one that might reasonably be considered to have the potential to have a**

significant impact on the capacity of the Trustee, the associate of the Trustee or the responsible person with the relevant duty or holding the relevant interest, to act in a manner that is consistent with the best interests of beneficiaries."

2.3 In light of the above, the Trustee has determined the following duties and interests to be 'relevant'

2.3.1 **Relevant Duties** – The obligations, allocated tasks and responsibilities to the Fund, its beneficiaries and business operations, which may have the potential to conflict with that person's relevant duties to themselves, another entity or person (e.g. employer sponsors, service providers, as a Fund member or even other RSE licensees) which may result in influencing or modifying a person's behaviour when carrying out the respective duties.

2.3.2 **Relevant Interests** – Are:

- financial interests in any entity (either the Fund or other entity) such as share-holdings, ownership, contractual arrangement, salary or wages; and
- gifts, emoluments or benefits (whether financial or non-financial) received by a Responsible Person or other employee of the Trustee (or the Trustee as a whole) which have the potential to conflict with the person's duties to the Trustee and the beneficiaries of the Fund. As a general guide, a gift, emolument or benefit valued at the following amounts will be considered relevant:
 - \$300 or more (for an individual responsible person)
 - \$1000 or more (for the Trustee as a whole)

It is beneficial to the Fund by having strong working relationships with service providers and therefore, from time to time, the receipt of hospitality, invitations and corporate gifts assist in the development of such relationships.

2.4 Paragraph 7 of the Prudential Standard provides that a "conflict" includes a conflict:

- 2.4.1 between the duties owed by the Trustee, or a responsible person of the Trustee, to the beneficiaries, and the duties owed by them to any other person;
- 2.4.2 between the interests of beneficiaries and the duties owed by the Trustee, or a responsible person of the Trustee, to any other person;
- 2.4.3 between an interest of the Trustee, an associate of the Trustee or a responsible person or employee of the Trustee, and the Trustee's duties to beneficiaries; and
- 2.4.4 between an interest of a Trustee, an associate of the Trustee or a responsible person or an employee of the Trustee and the interests of beneficiaries.

3. ROLE OF THE TRUSTEE BOARD AND SENIOR MANAGEMENT

3.1 Requirement to have a Conflicts Management Framework

3.1.1 Paragraph 8 of the Prudential Standard provides that the Trustee must have in place a Board-approved conflicts management framework to ensure the Trustee identifies all potential and actual conflicts in the Trustee's business operations and takes all reasonably practicable actions to ensure that they are avoided or prudently managed.

3.1.2 This document is the Trustee's Conflicts Management Framework, with the particular details contained in section 4.

3.2 Ensuring Responsible Persons understand requirements

3.2.1 The Trustee Board is required, pursuant to paragraph 11 of the Prudential Standard, to take all reasonable steps to ensure that all Responsible Persons and other employees of the Trustee understand:

- the need to clearly identify all potential conflicts;
- the circumstances that might give rise to a conflict;
- the content and purpose of the Trustee's conflicts management framework; and
- their obligations as a responsible person of the Trustee.

3.2.2 This requirement will be met by the Trustee ensuring that each Responsible Person receives a copy of this Conflicts Management Framework prior to assuming a Responsible Person Position.

3.3 Disclosure of relevant duties and relevant interests

3.3.1 Pursuant to paragraph 12 of the Prudential Standard, the Trustee Board must also have in place appointment procedures that require incoming Responsible Persons to disclose all relevant duties and relevant interests prior to the person taking up the appointment.

3.3.2 This requirement will be met by ensuring that all incoming Responsible Persons complete the form in Schedule 1 prior to assuming their position.

4. CONFLICTS MANAGEMENT FRAMEWORK

4.1 Background

4.1.1 According to paragraph 9 of the Prudential Standard, the conflicts management framework is "the totality of systems, structures, policies, processes and controls within an RSE licensee's business operations that identify, assess, mitigate, manage and monitor all conflicts."

4.1.2 Paragraph 10 provides that the Board is ultimately responsible for the development and maintenance of the Trustee's conflicts management framework.

4.2 Conflicts – identify, avoid or manage

4.2.1 Paragraph 15 of the Prudential Standard states that a Trustee's conflicts management framework must provide reasonable assurance that all conflicts are being clearly identified, avoided or prudently managed and must, at a minimum, include:

- a conflicts management policy, approved by the Trustee Board, that meets the requirements of the Prudential Standard (see section 5);
- clearly defined roles, responsibilities and resources for the oversight of conflicts management within the Trustee's business operations (see paragraph 5.2.6);

- an up-to-date register of relevant duties (see Schedule 2); and
- an up-to-date register of relevant interests (see Schedule 3).

4.3 What is a relevant duty and a relevant interest?

4.3.1 The Trustee has determined what is a "relevant duty" and a "relevant interest", as detailed in Section 2 of this document.

4.4 Awareness of Conflicts Management Framework

4.4.1 Paragraph 17 obliges the Trustee to have procedures to ensure that all its relevant business units are made aware of, and have processes and controls for monitoring compliance with, the Trustee's conflicts management framework.

4.4.2 The Trustee does not have any "business units" as its sole purpose is to act as the Trustee of the Fund. Accordingly, there are no processes and controls for monitoring the Trustee's conflicts management framework, other than as set out in this document.

4.4.3 Notwithstanding the above, in light of the important role the Fund Administrator has in relation to the Fund as a key material business activity, the Trustee will seek to identify any potential conflicts of interest by:

- reviewing any regular compliance reporting provided by the Fund Administrator, such as the quarterly Links Electronic Compliance System (**LECS**) report;
- having a standing agenda item at the monthly or other regular meetings with the Fund Administrator to prompt any relevant disclosures; and/or
- where the above items are not provided or considered satisfactory, the Trustee may request a direct confirmation from the Fund Administrator that its team members involved in servicing the Trustee and/or Fund have adhered to and notified the Trustee of any conflicts that may impact the Trustee or the Fund's membership.

4.4.4 Where the Trustee determines any other service providers, either as new or existing on-going arrangements, require assessment for conflicts of interest, it will apply the same or similar processes to that service provider as outlined above in relation to the Fund Administrator, and seek to manage or avoid any potential or actual conflicts with a consistent approach as it would for its own Responsible Persons, as outlined in this document. Refer to the Outsource Policy for further details.

5. CONFLICTS MANAGEMENT POLICY

5.1 Overview

5.1.1 Paragraph 18 of the Prudential Standard requires the Trustee to have a conflicts management policy that is approved by the Board. At a minimum, the policy (which applies to all responsible persons and employees of the Trustee) must include controls and processes for:

- identifying and monitoring all potential and actual conflicts;
- avoiding conflicts where required to do so;

- where there is a conflict, managing that conflict or ensuring that the conflict is managed in accordance with the requirements to give priority to the duties to, and interest of, beneficiaries in sections 52(2)(d) and 52A(2)(d) of the *Superannuation Industry (Supervision) Act 1993 (SIS Act)*;
- ensuring that appropriate action is taken in the event of a conflict arising, including on-going evaluation of management of the conflict and provision for escalation or alternative action if required;
- recording in the minutes of the Trustee Board, board committee and other relevant meetings details of each conflict identified and the action taken to avoid or manage this conflict; and
- the development and maintenance of the registers of relevant duties and interests.

5.1.2 Paragraph 19 of the Prudential Standard requires the Trustee's conflicts management policy to include processes for undertaking regular and thorough enquiries to identify all conflicts arising from the Trustee's relationship, or the relationship of a responsible person or employee, with an existing or prospective service provider or adviser (including those that have the potential to affect the service provider's performance in respect of the obligations undertaken for the Trustee's business operations).

5.2 Compliance with specific requirements

5.2.1 Identifying and monitoring potential and actual conflicts

- Persons eligible for appointment as Trustee directors are required to make full disclosure of any potential conflicts of interest and duty when they are first appointed to office. This is to meet the requirements of section 192 of the Corporations Act, as well as the requirement in the Prudential Standard to disclose all relevant interests and all relevant duties. Disclosure is in the form set out in Schedule 1.
- Broadly, the form requires the Trustee director to disclose:
 - details of any offices or shareholdings the Trustee director has in another company or firm which might give rise to a potential conflict
 - whether the Trustee director is a member of the Fund;
 - details of any shareholdings which the Trustee director holds in the trustee company; and
 - all relevant interests and all relevant duties (as determined by the Trustee in accordance with this Framework).

It also contains an undertaking by the individual to notify the Trustee company if any of these matters change, or if at any point in the future the Trustee director has an interest, direct or indirect, in a contract or proposed contract with the Trustee company.

The ownership of publicly traded shares or securities in:

- a company in which the Trustee is investing; or
- an investment manager; or

- the Administrator

is acceptable, so long as this does not provide the Trustee director with management influence or control over that company.

Trustee directors should err on the side of caution and disclose in the case of doubt.

- If a Trustee director has any “material personal interest” in a particular matter which arises during the ongoing running of the Fund, then the Trustee director needs to disclose it to the Trustee Board at the earliest opportunity, giving sufficient detail to allow the Board to understand the nature of the conflict. This is to meet the requirements of section 194 of the Corporations Act.
- Trustee directors should err on the side of caution and disclose in the case of doubt.
- The Trustee director then:
 - has the right to withdraw from the Trustee meeting during any discussions on that particular matter (so that the director no longer counts in the quorum);
 - can remain at the Trustee meeting but refrain from voting on a particular matter; or
 - can remain at the Trustee meeting and vote on a particular matter.
- If a Director has a conflict in relation to a matter to be presented to or considered by the Board, then, to the extent that such a Director is aware of such a conflict prior to the distribution of the Board Agenda and papers, it would be expected that the Director raise this matter with the Fund Secretary. The Fund Secretary can then determine (in conjunction with the Chair and/or external advice, if needed) whether any Board papers should not be provided to the Director in question.

It is recognised that, from time to time, a Director may not be aware of any conflict (whether actual or potential) until they have received and reviewed the Board Agenda and papers. In this case, once the conflict has been identified, it would still be expected that the Director raise this matter with the Fund Secretary so that they can determine the appropriate action to address this matter, with such options including attending the meeting but refraining from voting and/or removing themselves from the meeting altogether when the matter is addressed.

In these instances, the meeting minutes would record the action taken to address and manage the conflict.

- All of the above courses of action are legal, and the Trustee director needs to use his or her judgment to determine which course of action is appropriate.
- In exceptional instances where a Trustee director with a conflict wishes to continue participating in any discussions or vote, it is open to the Trustee Board to resolve that the director in question should withdraw or refrain from voting. The Trustee director in question has the right to participate and vote on any such resolution.

5.2.2 Soft commissions

- From time to time, service providers may offer hospitality, invitations or corporate gifts to the Trustee and Responsible Persons and other employees of the Trustee.
- Trustee directors and the Fund Secretary are required to disclose to the Trustee Board:
 - any hospitality or invitations received from service providers in the nature of invitations to sporting or cultural or social events; and
 - any corporate gifts of more than modest value etc.
- Individuals should err on the side of caution and disclose in the case of doubt. Disclosure may be made before or after the event.
- The Trustee Board may impose restrictions or limits on the receipt of this sort of benefit at any time if they believe that this is appropriate.
- The same provisions apply in relation to Trustee directors or the Fund Secretary *giving* hospitality, invitations and corporate gifts to service providers.

5.2.3 Consultation with Chair

If a Trustee director is uncertain as to:

- whether they have a conflict; or
- how they should deal with a conflict; or
- the application of any parts of this Code of Conduct,

they should consult with the Chair.

5.2.4 Avoiding conflicts where required to do so

- The Trustee will avoid a conflict where:
 - required to do so by law; or
 - although not technically or legally required, such a conflict would (or could) have a material impact on the Trustee's ability to act in the best interests of the Fund's beneficiaries or otherwise compromise the Trustee and/or its director in a material way.

5.2.5 Managing conflicts

- The management of conflicts will depend upon whether the conflict in question is potential or real, the nature of the conflict, the materiality and relevance of the conflict and whether it is a one-off or ongoing conflict.
- In managing conflicts, the Trustee has regard to both the Fund's Trust Deed and the Trustee's Constitution.

- Clause 1.11.3 of the Trust Deed provides as follows:
 - "(a) The Trustee may exercise all powers and discretion even if the Trustee is an Employer, Employee or other beneficiary or has an interest in the matter concerned.
 - (b) Each director of the Trustee may:
 - (i) exercise all powers and discretions;
 - (ii) be counted in a quorum;
 - (iii) vote at any meeting of the directors, even if that director:
 - (A) is an Employer, Employee, Member or other beneficiary; or
 - (B) has an interest in the matter concerned, but must disclose that director's interest to the other directors."
- The Trustee's Constitution contains particular provisions dealing with Conflicts of Interest. They provides as follows:
 - "16.14 A Director shall not be disqualified from that office by being a Member or from contracting with the Company either as a vendor, purchaser or otherwise or from being employed by the Company or acting in any capacity, professional or other on behalf of the Company.
 - 16.15 Each Director must disclose his or her interests (whether direct or indirect) to the Company in accordance with the Corporations Law and the Secretary must record the declaration in the minutes of the relevant meeting.
 - 16.16 No contract made by a Director with the Company and no contract or arrangement entered into by or on behalf of the Company in which any Director may be in any way interested shall be avoided or rendered voidable by reason only of such Director holding that office or of the fiduciary in relation thereby established.
 - 16.17 No Director so contracting or being so interested shall be liable to account to the Company for any profit realised by any such contract or arrangement by reason only as such Director holding that office or of the fiduciary relationship thereby established.
 - 16.18 A Director may vote in respect of any contract or arrangement in which the Director is so interested as aforesaid and shall be entitled to be counted in a quorum at any meeting at which such contract or arrangement is considered and may attest the affixing of the seal and the affixing of the official seal to any deed or document relating thereto."

- In addition, at all times when managing a conflict, the Trustee will have comply with its obligations under section 52(2)(d) and section 52A(2)(d) of the SIS Act which require the following:

Section 52(2)(d)

Where there is a conflict between the duties of the trustee to the beneficiaries, or the interests of the beneficiaries, and the duties of the trustee to any other person or the interest of the trustee or an associate of the trustee:

- (i) to give priority to the duties to and interest of the beneficiaries over the duties to and interests of other persons; and*
- (ii) to ensure that the duties to the beneficiaries are met despite the conflict; and*
- (iii) to ensure that the interests of the beneficiaries are not adversely affected by the conflict; and*
- (iv) to comply with the prudential standards in relation to conflicts.*

Section 52A(2)(d)

Where there is a conflict between the duties of the director to the beneficiaries, or the interests of the beneficiaries, and the duties of the director or any other person or the interest of the director, the corporate trustee or an associate of the director or corporate trustee:

- (i) to give priority to the duties to and interests of the beneficiaries over the duties to and interests of other persons; and*
- (ii) to ensure that the duties to the beneficiaries are met despite the conflict; and*
- (iii) to ensure that the interests of the beneficiaries are not adversely affected by the conflict; and*
- (iv) to comply with the prudential standards in relation to conflicts.*

- While the Trustee continues to have regard to the conflicts provisions in the Trust Deed and Constitution, it is aware that sections 52(2)(d) and 52A(2)(d) impose absolute obligations when managing a conflict. Specifically, the duties to, and interests of, beneficiaries must always be paramount when an individual director or Trustee faces a conflict. To this end, such consideration will be the overriding consideration when a director or the Trustee as a whole faces a potential or actual conflict. Some practical examples include, but are not limited to, the following:
 - Where discussions/negotiations take place between the Trustee and a sponsoring-employer regarding the funding of defined benefits for employees of a particular school, the directors of the Trustee must always place the interests of the employees (beneficiaries) first. Consequently, a director representing a particular school must vote with the beneficiaries' interests in mind, even where this conflicts with their separate duties to the school.

- Where one or more directors stand to personally benefit from a gift or hospitality offered by a third party tendering for one of the Fund's services, such directors should refuse such gifts or hospitality where the receipt could compromise their duties to beneficiaries (e.g. where the receipt of the gift/hospitality would cause the director to choose that service provider over a more competent service provider offering lower fees to Fund members).

5.2.6 Conflict arising – On-going evaluation of management of the conflict and provision for escalation or alternative action if required

The framework for ongoing evaluation of conflicts management, including specific roles and responsibilities, is as follows:

- As part of their role, Responsible Persons and any other employees of the Trustee are to complete required declarations upon their appointment and then on an ongoing basis (e.g. quarterly or upon a trigger event occurring) and submit to the Fund's Risk & Compliance Consultant;
- Responsible Persons (and other employees) may consult with the Chair, Fund Secretary and/or Risk & Compliance Consultant to assist with the completion of their declaration if uncertain or unsure of their requirements;
- Risk & Compliance Consultant to review declarations, update registers, recommend conflict management solution (e.g. disclose, avoid, management action etc. as appropriate in the circumstances) and report to the Board on either a quarterly basis or upon a trigger event occurring;
- Board to review registers and approve/decide conflict management solutions for existing and new conflicts identified.
- If Board unable to resolve, may obtain external advice and then review decision and/or process.
- Risk & Compliance Consultant to update registers for final Board decision and provide ongoing surveillance to ensure conflict management solution is complied with as required (e.g. review Board decisions and voting, negotiations with service providers etc).

5.2.7 Recording details of conflicts in minutes

- The Trustee Board will ensure that the minutes of the Trustee Board, board committee or other relevant meetings will record details of each conflict that has been identified, and the action taken to avoid or manage that conflict.

5.2.8 Development and maintenance of registers

- The template registers of Relevant Duties and Relevant Interests are set out in Schedules 2 & 3 respectively.
- As and when new Relevant Duties and Relevant Interests are disclosed or identified, the Fund Secretary shall update the relevant Register accordingly.

5.2.9 Identifying conflicts arising from relationships with service providers or advisers

- As noted above, Directors are required to disclose any conflicts which may arise as a consequence of relationships with service providers or advisers. Such conflicts are required to be disclosed as part of their disclosure prior to

appointment (per the form in Schedule 1) and on an ongoing basis. In particular, Directors are required to declare any conflicts at the start of each Board meeting.

6. REVIEW OF CONFLICTS MANAGEMENT FRAMEWORK

6.1 Comprehensive Review – at least every three years

6.1.1 In accordance with paragraph 20 of the Prudential Standard, the Trustee will ensure that the appropriateness, effectiveness and adequacy of its conflicts management framework are subject to a comprehensive review by operationally independent, appropriately trained and competent persons at least every three years.

6.1.2 Paragraph 21 of the Prudential Standard provides that the comprehensive review must have regard to:

- the size, business mix and complexity of the Trustee's business operations;
- the extent of any change to those operations; and
- any changes to the external environment in which the Trustee operates.

6.1.3 Paragraph 22 provides that the comprehensive review must also consider:

- whether all relevant duties and all relevant interests have been identified and are being addressed in accordance with the Trustee's conflicts management framework;
- the level of compliance with the conflicts management policy, including reporting on the registers of relevant duties and relevant interests; and
- any non-compliance with the conflicts management policy, including steps taken to return to, and improve, ongoing compliance.

6.2 Annual Review

To ensure compliance with paragraph 23 of the Prudential Standard, the Trustee shall review this conflicts management framework on an annual basis by obtaining a report from the Risk and Compliance Consultant, which may include a review of the following items, together with any appropriate recommendations for consideration:

- compliance with the conflicts management framework by the Responsible Persons across the Trustee' business operations;
- the registers and Board minutes for disclosures and actions;
- changes to the relevant legislative and/or guidance material; and
- other issues or changes identified during the year that may be considered relevant.

Any change or update to the conflicts management framework shall be submitted to the Trustee for consideration and approval.

Schedule 1 Disclosure of Potential Conflicts, Interests and Duties

1. PERSONAL INFORMATION

Present name (in full):	
Former names:	
Date of birth:	
Place of birth:	
Usual residential address:	
Occupation:	
Member of the Fund (Yes or No):	

2. DIRECTORSHIPS

I am a director of the following Australian public companies or subsidiaries of Australian companies (if any):

3. POTENTIAL CONFLICTS

I am:

- (a) an officer; or
- (b) a shareholder or member

of the following corporations or firms (if any), and declare that this may result in a conflict between my personal interests and duties, and my duties or interests as a director of the Company:

Name of corporation/firm	Office held/shareholder/membership

[Note, you are not prevented from being or becoming a director of the Company by having a potential conflict of interest so long as you declare it].

4. DIRECTOR'S INTERESTS IN THIS COMPANY

I and/or my relatives hold the following shares (if any) in the Trustee Company:

Number of shares	Description of interest

[Note: This is unlikely to be relevant in most cases. However, please note that you are not prevented from being or becoming a director of the Company if you or any of your relatives hold shares in the Company so long as you declare it.]

5. RELEVANT DUTIES AND INTERESTS

I have read the Trustee's Conflicts Management Framework and, based on the Trustee's determination of "Relevant Duties" and "Relevant Interests" disclose the following:

Relevant Duties

Relevant Interests

6. UNDERTAKING

I undertake to notify the Trustee Company immediately of:

- (a) any change to the facts set out in sections 1 to 5 of this form; and
- (b) any further acquisition of any interest, direct or indirect, in a contract or proposed contract with the Company.

.....

Signature

.....

Date

Schedule 2 Register of Relevant Duties

Background

- Paragraph 6 of the Prudential Standard provides that a 'Relevant Duty' refers to "any duty owed by the Trustee or a responsible person of the Trustee, to beneficiaries or to any other person" that the Trustee has determined to be relevant in accordance with paragraph 16.
- Paragraph 16 of the Prudential Standard states:

"A relevant duty or a relevant interest is one that might reasonably be considered to have the potential to have significant impact on the capacity of the Trustee, the associate of the Trustee or the responsible person with the relevant duty or holding the relevant interest, to act in a manner that is consistent with the best interests of beneficiaries."

What is a Relevant Duty?

- As set out in paragraph 2.3 of the Trustee's Conflicts Management Framework, the Trustee has determined that Relevant Duties are the obligations, allocated tasks and responsibilities to the Fund, its beneficiaries and business operations, which may have the potential to conflict with that person's relevant duties to themselves, another entity or person (e.g. employer sponsors, service providers, as a Fund member or even other RSE licensees) which may result in influencing or modifying a person's behaviour when carrying out the respective duties.

No.	Responsible Person	Type of Duty	Who is it owed to?
1	Fund Secretary		
2	Risk & Compliance Consultant		
3	Administration Manager		
4	School Representative Directors		
5	Member Representative Directors		
6	Actuary		
7	Auditor		

Schedule 3 Register of Relevant Interests

Background

- Paragraph 6 of the Prudential Standard provides that a 'Relevant Interest' of a Trustee, an associate of the Trustee or a responsible person of the Trustee refers to "any interest, gift, emolument or benefit, whether pecuniary or non-pecuniary, directly or indirectly held by the Trustee, the associate or the responsible person."

- Paragraph 16 of the Prudential Standard states:

"A relevant duty or a relevant interest is one that might reasonably be considered to have the potential to have significant impact on the capacity of the Trustee, the associate of the Trustee or the responsible person with the relevant duty or holding the relevant interest, to act in a manner that is consistent with the best interests of beneficiaries."

What is a Relevant Interest?

- As set out in paragraph 2.3 of the Trustee's Conflicts Management Framework, the Trustee has determined that Relevant Interest are:
 - financial interests in any entity (either the Fund or other entity) such as share-holdings, ownership, contractual arrangement, salary or wages; and
 - gifts, emoluments, compensation or benefits (whether financial or non-financial) received by a responsible person of the Trustee which have the potential to conflict with the responsible person's duties to the Trustee and the beneficiaries of the Fund. As a general guide, a gift, emolument or benefit valued at the following amounts will be considered relevant:
 - \$300 or more (for an individual responsible person)
 - \$1000 or more (for the Trustee as a whole)

No.	Responsible Person	Type of Interest (including monetary amount where relevant)	Other party (e.g. company, service provider)
1	Fund Secretary		
2	Risk & Compliance Consultant		
3	Administration Manager		
4	School Representative Directors		
5	Member Representative Directors		
6	Actuary		
7	Auditor		