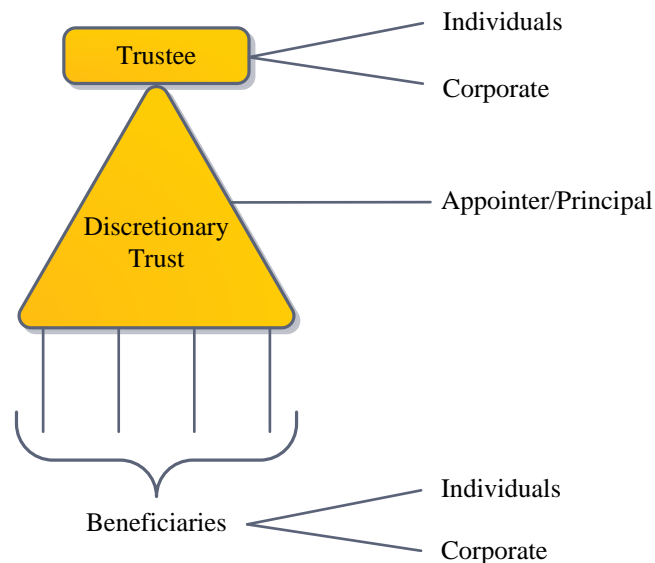


DISCRETIONARY TRUST – STRUCTURE DIAGRAM



Features	Discretionary Trust Information
Asset Protection	High
Limited Liability	If Trustee is a Company
Day to Day Control	Trustee
Ultimate Control	Appointer/Principal (power to remove Trustee)
Law	Trustee Legislation (State based)
Tax Rate	Beneficiary's marginal rate (46.5% to Trustee for undistributed income)
Beneficiaries	Wide class of discretionary beneficiaries
Accounting	Cash or Accruals
CGT	<ul style="list-style-type: none"> • 50% Discount • Flexible access to business CGT concessions • Distributions of non-taxable amounts not subject to tax (CGT event E4 does not apply)
GST Registration	Trust
Transfer of Losses	No
Distribution of Losses	Trapped in Trust
Limits on Loans	Only if unpaid distribution to private company – Division 7A ITAA 1936
Income Splitting	Yes

Note – This material has been prepared for demonstration purposes only and is a summary only. It does not represent legal advice from Cleary Hoare Solicitors upon which any person may act.