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Your Reference: Unit Trust – Vesting Deed
Enquiries: Adj Professor, Dr Brett Davies
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Friday, 19 February 2021

Nick Modric
122 Albert Road
Port Melbourne VIC 3207
Australia

Vesting the Vino Cro Trust via a Unit Trust Vesting Deed

Build this legal document at
<https://www.legalconsolidated.com.au/unit-trust-vesting-deed/> – telephone us, we can help you complete the questions.

*Adj Professor, Dr Brett Davies –
Partner*

Thank you for instructing us to prepare the attached Unit Trust Vesting Deed.

How to print your document

When you are satisfied that the document is according to your instructions please:

1. Download the PDF (Don't print directly from the browser.)
2. Print the PDF Printer settings: A4 paper
100% scale (turn off 'fit to page')
3. Print single sided (NOT duplex).
4. Once signed keep this covering letter with the document
(However, do not staple the covering letter to the document.)

We confirm that we act for:

Nick Modric
of 122 Albert Road, Port Melbourne VIC 3207, Australia

(Trustee)

as Trustee of the Vino Cro Trust (Trust).

Thank you for instructing us to prepare the attached documents to wind up (vest) your Trust. These documents are:

1. The Vesting Deed
2. Vesting Minutes
3. Checklist for Winding up a Trust

4. Certificate of Vesting

Earlier Vesting Date

Provided you are satisfied that the documents are according to your instructions, please arrange for all parties to sign and date all copies.

A Unit Trust deed will nearly always specify a date on which the interests in the Unit Trust vest and contain a clause which specifies the consequence of that date being reached (for example, that the property is to be held from that date for the takers on vesting in equal shares absolutely). This is to ensure that the rule against perpetuities is not breached. The date is commonly labelled in the deed as the 'Vesting Date' or 'Termination Date'.

Prior to a unit trust's vesting, it may be possible for the trustee or a Court to vest the trust at an earlier date, following a proper exercise of a valid power under the deed. Determining whether the trustee has the power to amend the deed to change the vesting date requires a careful consideration of the terms of the trust deed. For example, although a Trustee may have a general power to amend the deed, there may also be specific exclusions from the scope of that power. The power might also be limited to permitting the Trustee to bring forward the date on which the trust vests and not permit extending that date. In this instance you are shortening rather than extending the vesting date.

Further:

1. We have amended, in the Vesting Deed, the Trust Deed to allow for an earlier winding up and vesting; and
2. You have instructed your accountant, before the signing of the Vesting Deed, to distribute out all the assets and pay out all the liabilities including tax and future liabilities. Your trust therefore will have no assets. Under trust law a trust no longer exists if it has no assets. Therefore, while there is no Capital Gains Tax or Transfer (stamp) duty on the Vesting Deed, your accountant will need to deal with any CGT or duty on the prior distribution of the assets. We can assist your accountant if required.

Why terminate the Unit Trust?

There are many reasons why it may have become necessary or prudent for you to wind up your trust. They may include:

Trust has achieved its original purpose – This may be the case if your Trust was created to serve a specific purpose, such as to conduct the business affairs of a beneficiary, or to look after a business that is now sold.

The controllers of the Trust are not able to continue – The controllers of your Trust (Trustees or Unit Holders) may no longer be able to continue in their role. They may not want to hand over control to others – instead they may just want to wind up the Trust. This is not usually fatal to the Trust, although there may be circumstances that make winding up the Trust the best course of action – for instance, where the Trustee is a company and the company is being wound up.

The Unit Holders may wish to terminate the Trust – The Unit Holders of the Trust may wish to terminate the Trust so that they can take both legal *and* beneficial possession of their entitlements under the Trust. This will only be possible if:

1. All Unit Holders are *sui juris* (over 18 and of sound mind);
2. The Unit Holders all have an absolute entitlement to the Trust Fund; and
3. All the Unit Holders instruct the Trustee to terminate the trust.

The Trust is insolvent – If a Trust has zero assets it has effectively come to an end. (There is no Trust if no property is legally owned for another person's benefit.) However, if the Trust has become insolvent it may be prudent to terminate it with a degree of certainty so that the Trustees are afforded some degree of protection from future legal action.

The Trustees or controllers want to relinquish responsibility for the Trust – The persons with the responsibility for the Trust (Trustees and Unit Holders) may wish to be certain that their obligations are officially ended.

The Trust has reached its vesting date – In most states a Trust can only last 80 years. After 80 years the capital of the Trust must be distributed to the Unit Holder's family.

Can you terminate the Trust?

Generally, when a Unit Trust is established, the Trustee is given the power to bring forward the vesting date to a date which they can determine. This is the most satisfactory way to terminate the trust. Alternatively, the Trustee may have been expressly granted the power to 'revoke', 'terminate' or 'appoint' the Trust.

Not all Trusts can be terminated before their vesting date (which is usually 80 years after it was established). For instance, the Trustee may not have been granted the power to bring the vesting date forward when the Trust was set up. If that is the case, the Trustees' powers must first be amended (by a deed of variation) to grant them this capacity. However, to be able to do that, there must be a power granted to the Trustee within the Trust Deed to amend the Trust. If this power does not exist it will not be possible to terminate the Trust before its original vesting date.

For these reasons a solicitor needs to review the Trust Deed to determine whether, and under what circumstances, it is possible to wind up the Trust. It is often the case that the Trust Deed, or later amendments, contain specific provisions specifying or limiting the conditions under which the trust can be wound up. Generally, however, the Trustee, or Unit Holders will have the discretion to revoke the Trust.

Taxation implications of winding up the Trust:

As mentioned above, you have instructed your accountant, before the signing of the Vesting Deed, to distribute out all the assets and pay out all the liabilities including tax and future liabilities. Your unit trust therefore will have no assets. Under trust law a trust no longer exists if it has no assets. Therefore, while there is no Capital Gains Tax or

Transfer (stamp) duty on the Vesting Deed, your accountant will need to deal with any CGT or duty on the prior distribution of the assets.

We can assist your accountant if required.

Distributing assets out of a Unit Trust has complicated and significant taxation consequences for the Trustee of the Trust (and therefore for the Unit Holders). Although you have not asked us to provide taxation advice on this issue, below are some important points to take into account. See your professional advisor and accountant for advice on these issues.

Resettlement: The first potential tax issue when winding up a Trust is the risk of 'resettlement'. A resettlement occurs when, because of changes made to a Trust, the law deems the existing trust to be terminated and that a new Trust has been established. This can have severe capital gains tax and duty consequences.

A resettlement may occur when bringing forward the vesting date. Potentially, the Trust may be deemed to be resettled if the Trustees' powers are amended to give them the power to bring forward the Vesting date. However, the pivotal case of *Federal Commissioner of Taxation v Commercial Nominees of Australia Ltd (2001) HCA 33* is current (although tentative) authority that there is no resettlement as long as the original Trust Deed provides for variation of the Trustees' powers. Because your Trust has no asset this is usually not an issue.

In-specie distributions: As the Trustee of the Trust you have two choices regarding the distribution of the assets of the Trust upon winding it up:

1. Sell the trust assets as Trustee, then distribute the proceeds and profits to the Unit Holders; or
2. Distribute the assets of the Trust *in-specie* (as they are) directly to the Unit Holders.

If the Trust assets are distributed *in-specie* a range of potential income tax and capital gains tax consequences may apply. CGT event E5 applies. This is under s 104-75 *Income Tax Assessment Act 1997* (Cth). This results in a capital gain accruing to the Trustee. This is if the market value when the asset is distributed is greater than its cost base. Generally, this capital gain will, in turn, have to be apportioned between all Unit Holders of the Trust.

CGT consequences of trust vesting Determining whether or not a CGT event happens on a transfer of an asset from the trust to the Unit Holder requires a close consideration of the effect of vesting as specified in the deed. This will include consideration of the effect of transfer on the nature of beneficial interests in the trust and the nature of the property held on trust.

CGT event E1: creation of a new trust

This can be where a new trust is created by a declaration or settlement. If CGT event E1

happens and a trust is created over the assets, the Trustee of the new trust is taken to acquire each asset when the trust is created and the first element of each asset's cost base is its market value.

CGT event E5: beneficiary becoming absolutely entitled

The vesting of a trust may result in the takers on vesting becoming absolutely entitled as against the Trustee to CGT assets of the trust, depending on what those CGT assets are and the particular interests of the takers on vesting.

The Commissioner's view of when a beneficiary becomes absolutely entitled and when CGT event E5 happens is explained in ATO rulings as to the meaning of the words 'absolutely entitled to a CGT asset as against the Trustee of a trust' as used in Parts 3-1 and 3-3 of the *Income Tax Assessment Act 1997*.

CGT event E7

This is where there is an actual distribution of CGT assets to beneficiaries, but it will not happen to the extent the beneficiaries are already absolutely entitled to the CGT assets as against the Trustee.

Taxation of trust net income after the vesting date In the year in which the transfer or vesting occurs, different Unit Holders may be presently entitled to income of the trust estate derived before, as opposed to after, the vesting date. For example, in the case of a discretionary trust, a Trustee may, pre-vesting, exercise their discretion to appoint income of the trust estate derived before the vesting date (pre-vesting income) among those entitled to benefit under the trust.

By contrast, present entitlement to the income of the trust estate derived post-transfer (post-transfer income) is held by the vested beneficiaries (usually in proportion to their vested interests in the property of the trust). This needs to be taken into account in identifying each beneficiary's share of the trust estate's income for the year which, in turn, determines their share of the net income of the trust for that year.

The Commissioner accepts an allocation of income of the trust estate into pre-transfer and post-transfer income of the trust estate in the year in which vesting occurs that is done on a fair and reasonable basis having regard to all of the relevant circumstances.

Timing of CGT events: For the purposes of most taxation issues, the timing of the relevant events is when a beneficiary becomes 'absolutely entitled' to the distributed asset. This is generally when the relevant deed is signed, not when the actual transfer takes place.

Remember: It is necessary for you to work closely with your accountant and advisor to ensure that the distribution of the trust assets is done in the most tax-effective manner.

What do you need to do to terminate the Trust?

As discussed above, there must be a power granted within the Trust Deed to terminate the Trust. If this power does not exist it will be necessary to first amend the deed to give the Unit Holders or Trustee the power to do so.

Provided the Trustees and Unit Holders have the power to vest the Trust early, the following steps are required:

1. The **capital** of the trust must be **distributed** in accordance with the Trust Deed (if this has not already been done) according to the Unit Holders' entitlements. That is, the capital can only be distributed to those Unit Holders that are nominated to receive the capital of the Trust. Alternatively, the Trustee may liquidate the Trust assets first and distribute the proceeds to the Unit Holders. Consult your financial advisor or accountant for specific advice on the practicalities of this process.
We have included a book of sample distribution minutes for your convenience.
2. The Trustee must satisfy any existing **liabilities** of the Trust. This includes any existing or future taxation liabilities that arise as a result of termination of the Trust.
3. A **Vesting Deed** (also known as a Deed of Appointment) must be drafted that expressly details the termination of the Trust. Your Vesting Deed is included with this letter.
4. The **final accounts** of the Trust, including a final tax return, must be prepared. These must be comprehensive enough to satisfy the Australian Taxation Office, State Revenue and any other regulatory body that the Trust has indeed vested. (Note that Unit Holders are ultimately responsible for any duty liability).

No tax issues

Your attached winding up documents are drafted so that there are no stamp duty, transfer duty nor Capital Gains Tax.

Stamp Duty and Transfer Duty are State-based taxes. However, in all Australian States and Territories, they do not apply to the attached documents.

Capital Gains Tax is a tax levied by the Federal Government. Again there are no CGT payable on these vesting documents.

However, we confirm that you have not instructed us to provide you with any taxation advice.

Don't forget to get your documents lodged for payment of any Duty

The local state revenue offices in your State may require that the Vesting Deed (and all copies) be lodged after signing.

I confirm that you have not instructed us to give any duty or taxation advice regarding this matter. We have provided no specific taxation advice other than that provided in this letter.

Final tax return

If needed, your accountant prepares the final trust tax return. On the Trust Tax return:

3. "Is this your final trust tax return" - print X in the appropriate box.
4. Attach the **Final trust tax return** statement (see below) to the tax return and print X in the Yes box at "Have you attached any 'other attachments'?"
5. As the Trustee is not providing any further tax returns, the Trustee provides a statement on a separate sheet of paper, to the ATO, with the final tax return headed "Final trust tax return" as such:

Final trust tax return

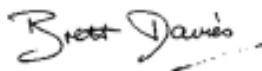
1. **The reason further tax returns will not be lodged**

The Vino Cro Trust, pursuant to a Deed of Vesting prepared by our solicitors, has vested and wound up the said trust.

2. **The manner of disposal of any assets of the trust if not disclosed elsewhere on the tax return.**

Other than as stated in the attached final trust return, at the time of signing the above-mentioned Deed of Vesting the Trust had no assets.

Yours sincerely,



Adj Professor, Dr Brett Davies, CTA, AIAMA, BJuris, LLB, LLM, MBA, SJD
National Taxation Partner
LEGAL CONSOLIDATED BARRISTERS & SOLICITORS

Vesting Minutes for the VINO Cro Trust (**Trust**)

Resolution by the Trustees of the above unit trust

Held at..... Onday of20.....

Nick Modric
of 122 Albert Road, Port Melbourne VIC 3207, Australia

Quorum: It was noted that a quorum was present at the meeting.

Notice of Meeting: It was noted that all Trustees received notice of this meeting, and that all consent to the meeting being held and waive any requirement for any specified period of the notice of the meeting. It was resolved unanimously that the meeting is validly constituted regardless of any failure to give notice as required under any rules, constitutions or the *Corporations Act*.

Person who chaired the meeting: It was resolved that the person signing these minutes be the chairperson of this meeting.

(I) Minutes

The minutes of the previous meeting of the Trustee were read and confirmed.

(II) Exercise of Powers

The Chairperson noted that the resolutions to be passed at this meeting are pursuant to the powers and discretions conferred on the Trustee as Trustee at law and by the deed of settlement establishing this Trust.

(III) Resolution to windup the Unit Trust

The Trustee notes that all income and capital of the Trust has been paid, applied and appointed to or for the benefit of those Unit Holders as are entitled under the terms of the VINO Cro Trust. It is further noted that the Trustee settled any outstanding creditors and loan accounts as well as all taxes and duties prior to the distribution. The final Balance Sheet was tabled showing that the Trust has no assets or liabilities.

(V) Certificate of Winding up and Vesting

The Trustee and Unit Holders agree and have signed the Certificate of Vesting and keep a signed copy with these vesting minutes.

(V) Winding up and Vesting of Trust

The Trustee and Unit Holders, acting unanimously and in agreement, agree to vest and determine the VINO Cro Trust according to the authority granted by the Trust Deed. As of this date the Trust Deed is now fully vested and is now determined.

Closure: There being no further business the meeting was declared closed.

Signed as a true and correct record of the meeting immediately after the meeting.

..... Person who chaired the meeting

The following holding the position of Unit Holders consent:

	Signature

This is a sample of the document you are building on our law firm's website.

Depending how you answer the questions the document and our letter may be different.

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*Dr Brett Davies
Partner
Legal Consolidated Barristers & Solicitors*

Build the legal document at <https://www.legalconsolidated.com.au/unit-trust-vesting-deed/> – telephone us. We can help you answer the questions.

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Adj Professor, Dr Brett Davies – Partner



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Vesting Deed for the Unit Trust Vino Cro Trust

to wind up the Trust

Your Reference: Unit Trust – Vesting Deed

This Vesting Deed is made by:

Nick Modric
of 122 Albert Road, Port Melbourne VIC 3207, Australia

(Trustee)

1 Background

- 1.1 The Vino Cro Trust was created by a deed dated 1971-02-13T00:00:00+08:00 together with any amending deeds (Trust Deed).
- 1.2 The Trustee has examined the Trust Deed (or sought legal advice) and the Trustee is satisfied that there is power to revoke, add to and vary the terms of the Trusts constituted by the Trust Deed.
- 1.3 The Trustee seeks to vary the Trust Deed from the date of this Vesting Deed and the Unit Holders consent to the variation.

2 Dictionary

Financial Year 1 July in a year to 30 June in the next year or the lesser period ending on 30 June after the date of the Trust Deed; and 1 July until the termination of the trust before 30 June of the next year or otherwise as the Trustee decides (as directed by the Unit Holders)

Trust Income unless the Trustee otherwise determines from time to time, the net income of the Trust as defined in section 95(1) *Income Tax Assessment Act 1936* (Cth)

Trust Fund includes the settled sum, additional property, undistributed Trust Income, accretions and additions to the Trust Fund from any source and any accumulations of Trust Income

Tax Act *Income Taxation Assessment Act 1936* (Cth) and *Income Tax Assessment Act 1997* (Cth), as applicable

Trustee the person or persons stated as such in the Trust Deed

Unit Holders the current Unit Holders being
Nick Modric
of 122 Albert Road, Port Melbourne VIC 3207, Australia

Unit Holders the current Unit Holders being
Anica Modric
of 122 Albert Road, Port Melbourne VIC 3207, Australia

3 Vesting Day

- 3.1 The Trustee seeks to vary the Trust Deed from the date of this as otherwise stated by minute and there is consent to do so by 122 Albert Road, Port Melbourne VIC 3207, Australia in the ca Holders.
- 3.2 The Trustee seeks to vary the Trust Deed from the date of this as otherwise stated by minute and there is consent to do so by

You have an old Unit Trust. Your accountant or financial planner suggests that it is more trouble than it is worth. Vesting a Unit Trust is simple and straightforward. Just build this Vesting a Unit Trust deed to wind up a unit trust.

Unit Trust Vesting Deed
<https://www.legalconsolidated.com.au/unit-trust-vesting-deed/>

122 Albert Road, Port Melbourne VIC 3207, Australia in the capacity of Unit Holders.

- 3.2 The Trustee has produced a Balance Sheet showing that the Trust no longer has any assets or liabilities and, as such, the Trustee has resolved that the winding up of the Trust is to be brought forward to the date and the winding up of the Trust is to be brought forward to the date which the attached Final Trust Minute is signed, or if there is no Final Trust Minute is not dated then on the date of this Deed of Vesting is dated.
- 3.3 The terms and conditions of the Trust Deed are amended to allow the Trust to be wound up on the date of this Deed of Vesting irrespective of the vesting date. Anything to the contrary in the Trust Deed is to be read down so to give full operative power and effect to this Deed.

Why wind up a Unit Trust?

- *The Unit Trust has achieved its original purpose*

4 Failure to distribute Trust Income or capital

Where the Trustee fails to distribute:

- 4.1 any Trust Income by 30 June in a Financial Year; or
- 4.2 the Trust Fund and any unapplied and undistributed income before the Vesting Day

then such income and capital are held by the Trustee in trust for the Unit Holders in accordance with their unit entitlements.

5 Trustee Powers

Only exercisable with the Unit Holders' prior approval or direction, but otherwise, with absolute discretion, the Trustee has all the maximum possible powers of both a natural person and of a Trustee, as though the Trustee was both the legal and beneficially owner of the Trust Fund, including dealing as principal, agent or otherwise. Such power includes to:

Distribute

- 5.1 distribute to a Unit Holder's parent, guardian or legal personal representative without being responsible for what that person does with the distribution
- 5.2 not be responsible for what is done with any distribution
- 5.3 make an in specie distribution
- 5.4 redefine the definition of Trust Income before or after 30 June
- 5.5 accumulate Trust Income and treat it as Trust fund capital
- 5.6 distinguish between income of a particular nature or character or from a particular source (whether referred to in the Tax Act or not), and deal with income of a particular nature or from a particular source in one manner and income of any other nature or character or from any other source in a different manner, and to classify and create a separate account for any type of income including into any Categories
- 5.7 either, (1) distribute an amount to a Unit Holder by setting the amount aside in a separate account in the books in the name of the Unit Holder, and if so determined by the Trustee that amount may be held on a separate Trust for such Unit Holder as an amount owed to the Unit Holder as an interest free debt at call, or (2) to hold the money as an unpaid present entitlement. Further, to determine whether, and to what extent, a receipt or outgoing is on income or capital account.

- *It has no assets (if it has debts do a Debt Forgiveness Deed first)*

5.8 separately allocate all or part of the Trust Income or capital whether distributed or accumulated

Vary the Trust Deed

5.9 vary the Trust Deed and this Vesting Deed at any time, in any way, including revoking all the trusts it establishes and changing vesting dates

Jurisdiction

5.10 declare the law of the jurisdiction that governs the Trust Deed, from time to time, and while no declaration is made in the Vino Cro Trust, the jurisdiction will be the Trustee's address as it appears in the Settlor's address in the Trust.

Terminate Trust Deed earlier than the Vesting Day

5.11 terminate the Trust Deed before the Vesting Day

Dealings with the Trust Fund

5.12 invest in anything, whether or not authorised by the law for investment of Trust Funds including; life, life endowment, term, trauma or other policy, trusts and common funds, deposits and loans (with or without security), hire purchase, bill of sale, real and personal property (whether income earning or otherwise and whether wasting or not), shares (unlisted or listed on any stock market), stocks, notes, options, debentures and other securities, options, hedging contracts, derivatives, futures contracts, hedging, currency exchanges, warrants and other financial instruments

5.13 advance or lend money to any person, with or without any security, on any commercial or non-commercial terms and at any interest rate, including a zero interest rate

5.14 borrow and raise money from any person, on a full or non-recourse basis, with or without security, mortgage or charge, including via an overdraft

5.15 provide any guarantee or indemnity for payment of money or for the performance of any person's contractual obligations

5.16 mortgage, lien, pledge, charge, guarantee or otherwise provide the Trust Fund for security for any borrowing, raising, facility, guarantee, indemnity, lease or other contractual obligation, whether such contractual obligations relate to the Trust or not

5.17 give and execute any mortgage, charge or other security over all or any part or parts of the assets of the Trust Fund as may be required to secure the payment or the performance of any contractual obligation under or in connection with any transaction

5.18 deposit securities or documents of title to any real property and bank, trust, company, investment broker or like institution in any

5.19 purchase, acquire, sell, transfer, hire, lease, dispose of, manage encumber or otherwise deal with any chose in action, real or personal property and any Trust Fund

5.20 enter into any contract, arrangement or agreement with any person (including a Beneficiary or Trustee) for the sale, letting or other dealing with the Trust Fund, or to provide any goods or services by or from that person or Beneficiary

- *The Unit Holders of the Unit Trust don't want to continue*

- *The Unit Trust has reached its vesting date*

- 5.21 pay any person (including a Beneficiary or Trustee) for administering the Trust Fund, including paying such persons their usual rate if they are providing professional services
- 5.22 pay out of the Trust Fund any outgoings, costs, charges, taxes, duties and expenses of the trust whether related to the Trust or not, and allocate such to any income or capital Categories
- 5.23 exercise all rights and perform all duties of holding shares, stock or d in any company
- 5.24 establish, purchase, acquire, promote or conduct any company, busi undertaking or scheme, either in the Trustee's own capacity or in its Trustee (or both), and either solely or with any person to sell, transfe or wind-up any such company, business, undertaking or scheme
- 5.25 employ any person (including a Unit Holder or a related person) to ca business or to do anything (whether in connection with matters unde or otherwise), for remuneration or otherwise
- 5.26 open and operate bank accounts, to draw, make, accept, endorse, discount, execute, issue or otherwise deal with all forms of negotiable or transferable instruments and to enter into any bill facilities or other form of banking facilities
- 5.27 give receipts, including for money received
- 5.28 underwrite shares, securities or other obligations
- 5.29 grant options (including put and call) for any of the Trust Fund
- 5.30 become a director, or appoint any person as a director, of any company and be independently paid for such a position
- 5.31 receive any chose in action, real or personal property by gift or by will as additions to the Trust Fund
- 5.32 grant, cancel or redeem an annuity
- 5.33 divide the assets in their own particular form, without first realising those assets, between the Trust Fund and any other trusts established
- 5.34 take any action to protect the Trust Fund
- 5.35 enter into, manage and vary any arrangement relating to currency excha interest rates, interest rate caps, collars, floors or swaps, any currency f rate agreement and any other financial risk management agreement, de and hedge
- 5.36 make any election required by or permitted at law
- 5.37 appoint attorneys and managers and delegate the exercise of all or any powers or discretionary authorities
- 5.38 register the Trust Fund in the name of a nominee and not be concerned Trust Fund is not registered in the Trustee's name
- 5.39 grant a power of attorney for fee, remuneration and reward on any term
- 5.40 take or not take legal proceedings against a co-trustee for an alleged br trust
- 5.41 receive remuneration in any form including fees, salary, commission or remuneration, payable out of the Trust Fund's capital or income
- 5.42 if engaged in a profession or business, charge usual charges for any wo by the Trustee in that capacity or that of a professional, partner or employee of the Trustee

This is how you wind up a Unit Trust Deed:

1. Distribute any capital that is left to the Unit Holders

2. Build a [Debt Forgiveness Deed](#) to forgive loans owed to Unit Holders and related parties
3. Your Accountant prepares any outstanding tax returns

5.43 add additional powers by way of minutes (provided that those powers are only then exercisable with the Unit Holder's prior approval or direction)

even though and irrespective of the fact that the Trustee or a director, member, associate, Unit Holder or relative of the Unit Holder has or may have an interest in the method or result of exercising the power or discretion, directly or indirectly from its exercise;

notwithstanding anything to the contrary, the Trustee may enter into (legal or otherwise) irrespective of whether there is a direct or personal interest of any person, including related parties (even if the Trustee is a sole trustee or a partner in a partnership (including all things set out in this clause) in such manner, and on any terms (favourable or unfavourable or otherwise), whether there is a conflict or not, as the Trustee may think fit, all such powers can be exercised orally, in writing, by action or by any other means

4. Build and sign both the Unit Trust Vesting deed and the minutes

Unit Trust Vesting Deed
<https://www.legalconsolidated.com.au/unit-trust-vesting-deed/>

6 Powers augment the Trust Deed powers

The above Trustee powers are in augmentation and do not reduce the Trustee's powers set out in the Trust Deed.

7 Trustee

7.1 The Unit Holders may replace, add, remove and appoint a Trustee at any time without justification or reason, verbally, in writing, by deed, by Minute, Will or any other method, with or without any notification to any outgoing Trustee, with no requirement to provide indemnities or similar to any outgoing Trustee.

7.2 Each Trustee irrevocably appoints and provides a non-renounceable:

7.2.1 power of attorney, even if dead or no longer in existence; and

7.2.2 permission and right to sign and execute

for the Unit Holders or its agent to execute any documents, deeds or attend to any matters to allow the removal of the Trustee or any other similar matters which the Unit Holders desire.

7.3 A Trustee may resign as trustee. However, unless there is a remaining trustee, unless the Unit Holders deems otherwise, the resignation is effective only when a new Trustee is appointed.

7.4 A Trustee's appointment automatically terminates if the Trustee:

7.4.1 is of unsound mind

7.4.2 is bankrupt

7.4.3 is wound up

7.4.4 makes an arrangement with creditors

7.4.5 enters a composition with creditors

7.4.6 suffers an Insolvency Event

7.4.7 the Trust itself ceases to exist

7.5 Upon ceasing to be a Trustee, the Trustee hands back books, accounts, titles and transfers of ownership.

The Trustee is the person who holds the legal ownership of the assets in the Unit Trust. However, the Trustee is not the true or beneficiary owner. The real or beneficial owners are the Unit Holders.

- 7.6 No person dealing with the Trustee need be concerned to inquire into the adequacy of the powers of the Trustee for any dealing or the exercise by the Trustee of any of the Trustee's powers, authorities and discretions.
- 7.7 No security given is invalid because of an error or omission, whether of law or fact, on the part of the Trustee or its legal adviser or any breach of duty or trust whatsoever.

8 No Partnership

The Trust Deed does not create the relationship of partners, or of principal and agent, between the Trustee and the Unit Holders nor as between each other.

9 Severing to reduce tax and stamp duty

- 9.1 The Trust Deed and this Vesting Deed are interpreted to reduce taxes, imposts, duties and stamp duty (including State and federal) (Taxes) and avoid any illegality. If any clause nonetheless fails to reduce Taxes or is illegal, it is severed, read down or fettered as required, from the Trust Deed or Vesting Deed to the extent of the illegality or in the furtherance of the reduction of T
- 9.2 The Trust Deed and this Vesting Deed are read down so that no man taxation law or taxes, from time to time, is contravened that would lead to an unfavourable taxation position.
- 9.3 For land ownership registration requirements, including where there is a trustee of Trustee, then all powers in the Trust Deed and this Vesting Deed are read down or fettered as required, and vesting restricted as required to a minimal duty or stamp duty in the relevant jurisdiction.

A Trustee may also be one of the Unit Holders.

Unit Trust Vesting Deed
<https://www.legalconsolidated.com.au/unit-trust-vesting-deed/>

10 What isn't varied?

All the other terms contained and implied in the Trust Deed remain in full force and effect.

11 Do we use the definitions in the Trust Deed?

Unless the context otherwise requires, the expressions and expressions of similar import contained in this Vesting Deed have the same meanings as in the Trust Deed. This Vesting Deed does not alter the rights or entitlements of any classes of the Unit Holders.

12 Vesting Deed versus the Trust Deed

This Vesting Deed is supplemental to the Trust Deed within the meaning of the applicable Property Law Act. If any of the terms of the Trust Deed are inconsistent with the terms of this Vesting Deed, then the terms of this Vesting Deed prevail.

HOWEVER, this Vesting Deed in no way constitutes a resettlement of the Trust Deed or any part of the Trust Fund. If anything in this Vesting Deed would otherwise establish a resettlement of the Vino Cro Trust then the applicable words are read down so as not to constitute a resettlement.

13 When does this Vesting Deed take effect?

Unless otherwise stated in any minutes, this Vesting Deed takes effect on the date of this Vesting Deed.

14 Decision making in more than one place and Notices

- 14.1 This Vesting Deed may be executed in different locations by signing identical documents and all counterparts together constitute the Vesting Deed.
- 14.2 Meetings and decision making can be conducted in more than one place via telephone, the Internet or other means.
- 14.3 Notices may be provided via the post or email.

15 Interpreting the Vesting Deed

In this Vesting Deed unless the context indicates a contrary intention:

- 15.1 headings are for convenience only and do not affect interpretation
- 15.2 a reference to a 'person' includes a reference to: individual; body corporate (wherever incorporated); body politic; association of persons (whether incorporated or unincorporated) partnership; trust; person in their capacity as a Trustee and a person in their capacity as the personal representative of a deceased estate and superannuation fund
- 15.3 the plural includes the singular and vice versa and a reference to any gender includes every other gender
- 15.4 a reference to the Vesting Deed includes a reference to any amendment, novation, variation, supplemental deed or replacement from time to time
- 15.5 a reference to any party to this Vesting Deed includes successors or permitted assigns
- 15.6 a reference to laws in this Vesting Deed refers to those laws as amended or replaced as consistent with the overall purpose of the Vesting Deed, and does not lead to an anomaly
- 15.7 a reference to any statute, or any subordinate legislation or instrument includes all statutes, subordinate legislation or instruments amending, modifying, consolidating, re-writing, re-enacting or replacing them and a reference to a statute includes all subordinate legislation and instruments made under that statute

Executed as a Deed on 20

SIGNED, SEALED AND DELIVERED by
Nick Modric

Nick Modric

(Signature of witness)

(Name of witness)



Unit Trust – Vesting Deed

Checklist for winding up the *Vino Cro Trust*

You may want to use the checklist below to confirm that you have done everything required to vest your Trust.

It is presumed that you have already distributed all property and assets of the Trust.

Trust Wind-Up Checklist	Done (tick box)
1. All Trust property has been vested according to the Trust Deed (only those beneficiaries that are entitled to capital have received capital).	<input type="checkbox"/>
2. Taxation obligations (in particular, CGT and Duty) have been taken into account.	<input type="checkbox"/>
3. Trust liabilities have been discharged and a final Balance Sheets shows no assets or liabilities	<input type="checkbox"/>

Upon completing 1, 2 and 3 only then:

4. Trustees have met and resolved to wind up the Trust	<input type="checkbox"/>
5. Deed of Vesting has been signed by Trustees and Appointors and witnessed.	<input type="checkbox"/>
6. Certificate of Vesting signed.	<input type="checkbox"/>
7. Final accounts of the Trust have been prepared.	<input type="checkbox"/>

You can build this document here:

<https://www.legalconsolidated.com.au/unit-trust-vesting-deed/>



CERTIFICATE

of

VESTING

for the Vino Cro Trust

By this deed and according to the applicable laws of the relevant jurisdictions, the Vino Cro Trust vests absolutely. This certificate serves as a receipt and discharge of all liabilities and obligations of the trustees and officials of the Vino Cro Trust

Trustee(s)

Unit Holders

Date: _____

Date: _____