



Media Release

Wednesday, October 12 2016

DomaCom ATO SMSF opinion Update

Further to our media release dated 28th September 2016, DomaCom would like to clarify that the ATO Opinion that it has recently received requires SMSF trustees to seek independent professional advice or seek specific advice from the ATO about how the superannuation regulatory rules apply to their individual circumstances.

In particular, advice must be sought if it is proposed that the underlying property to be acquired by the independent trustee and responsible superannuation entity ('RSE') on behalf of the DomaCom Fund that is an investment in residential property of a relevant sub-fund that will be leased to a party that is related to the SMSF trustee or its members.

DomaCom would like to point out that at no time are investors investing in a physical property, but instead are acquiring units in a DomaCom sub-fund that sits within the broader DomaCom Fund, with the underlying property held by an independent trustee and RSE that has extensive arrangements in place regarding the acquisition, leasing and management of the property to ensure everything is maintained on an arm's length basis.

Amongst other regulatory rules, SMSF trustees must comply with the sole purpose, in-house assets and arm's length tests in the *Superannuation Industry (Supervision) Act 1993* ('SISA Act') in relation to **all** investments undertaken by an SMSF, including when investing in residential property (either directly or indirectly through another entity).

DomaCom is engaged in an independent review process with the ATO to confirm the application of certain SIS Act rules to its unique trust platform. Until this process has concluded, SMSF trustees and their advisers should review the ATO Opinion which can be found www.doma.com.au/ato-opinion.

END

FURTHER INFORMATION:

- For media enquiries and further information, please contact CEO Arthur Naoumidis on 0411 958 084 or email arthur.naoumidis@domacom.com.au or

ABOUT DOMACOM:

www.domacom.com.au

DomaCom Australia Limited is the operator of an investment platform offered through an ASIC registered Managed Investment Scheme, the DomaCom Fund. The DomaCom Fund enables investors to select properties in which they would like to invest. Via a book build process, investors can commit as much as they want to acquire units in a Fund where the underlying Fund investment is a property/ies of their choice (subject to the approval of the Responsible Entity) together with other like-minded investors. DomaCom has appointed Perpetual Trust Services Ltd to be the Responsible Entity and Perpetual Corporate Trust Ltd as the Custodian for the Fund. Perpetual holds the title for each property. Ultimately, investors can select any Australian properties to invest in from residential, commercial, rural, retail, industrial and resort/leisure property lists.
