

SMSF borrowing – with a related party lender

SMSF details

- The name of the SMSF.
- Whether the SMSF has an ABN. If “yes”, then give the ABN.
- The clause number in the SMSF’s deed which allows the trustee(s) to borrow money.
- Whether the trustee (s) of the SMSF (the borrower) is a company or one or more individuals:
 - if the trustee is a company, then provide
 - the company name,
 - ACN, and
 - address.
 - if the trustees are one or more individuals, then provide
 - full name, and
 - address.

Notes

Trust details

- Name of the custody Trust.
- The state jurisdiction laws that will apply to the limited recourse borrowing arrangement.
- Confirm the following for the meeting to establish the trust’s limited recourse borrowing arrangement:
 - attendees of the meeting (directors of the trustee, employer sponsors, etc).
 - person who will chair the meeting.
 - the venue, date and time that the meeting will be held.

Notes

Lender details

- Whether the lender is a company or individual/s:
 - if the lender is a company, then provide:
 - company name,
 - ACN,
 - address, and
 - whether it will execute the Trust by affixing its common seal.
 - if the lender is one or more individuals, then provide the following for each
 - full name, and
 - address.

Notes

- Whether the lender is acting on behalf of a trust, or as trustee/s of a trust.
- if yes, the name of the trust.

Notes

Loan details

- Details of the loan including:
- the amount of money the lender is lending the borrower,
 - the length of the loan – in years and months,
 - the settlement date,
 - whether the loan will be drawn down once or more than once,
 - the date the final repayment of principal and interest will be due,
 - the method of payment the borrower will be required to use,
 - the interest rate the borrower is to pay,
 - whether either parties are able to vary the interest rate by agreement,
 - whether there will be a period when the borrower is required to only pay interest and not the principal,
 - frequency of repayments of the interest, and
 - frequency of principal repayments.

Notes

Custodian details

- Whether the custodian is a company or one or more individuals:
- if the custodian is a company, then confirm the following:
 - company name,
 - ACN,
 - address, and
 - whether it will execute the trust by affixing its common seal.
 - if the custodian is one or more individuals, then confirm the following for each:
 - full name, and
 - address.

Notes

Asset

- The type of asset the trustee(s) are acquiring for the SMSF through the limited recourse borrowing arrangement.
- Asset's identifying details.

Notes

**Additional Legal Services from
Maddocks**

- Would you like Maddocks to contact you regarding the additional legal advice required to use the limited recourse borrowing arrangement package?

Notes
