

12 September 2014

Dear Investor

Update Regarding your NRAS Tax Offset Certificate for 2013 - 2014

Further to the email sent to you on 29 August 2014 regarding the Commonwealth Government delay in sending out the NRAS Tax Offset Certificates, NAHC has recently received an update from the Department of Social Services confirming a delay in processing the incentive payments.

The letter stated technical and regulatory issues have caused these delays. Please see the extract below:

'In developing the new system, we have identified administrative and regulatory matters that affect the administration of the scheme. The Department is working through these issues as quickly as possible.'

NAHC is aware of the inconvenience and frustration this delay has caused. The Department has indicated that these matters may be resolved in about 6 weeks, however it may well be that this is an optimistic assessment and resolution by the Department may take longer.

We have been advised by the Department that it is a core principle that all investors receive their NRAS entitlements.

NAHC is working through our Peak Body, NRAS Providers Ltd (NPL), who is commissioning independent accountancy advice, which we will circulate to all our investors. The aim is to provide you with options that you can consider, whilst we await the resolution of technical issue by the Department.

We aim to provide you a number of options to take to your accountant these options **may** include the following:

- a. Requesting a deferral of lodgement;
- b. Lodging with a self assessment of the NRAS entitlement and making any subsequent variations [if required] at a later time;
- c. Applying a regular offset against PAYG or other relevant tax if applicable; and/or
- d. Lodging without self-assessing the NRAS entitlement and making a variation once the Refundable Tax Offset Certificate is received.

In addition NPL will consult with an NRAS lawyer to consider the regulatory issues. NPL will be meeting with the Department of Social Services on a fortnightly basis to monitor the progress and deal with the arising issues.

As further updates are made available, they will be uploaded to www.dss.gov.au/nras and www.qahc.asn.au.

Rest assured, we will contact you as and when we have further news.

Yours faithfully,

Trish Dutton
Risk and Compliance Manager