

## **Investment Strategy for Meursault Super Fund**

At a meeting of the Trustee(s) held on 01 July 2021 the following **investment strategy** was adopted.

### **Investment Strategy**

This **investment strategy** is created in compliance with the *Superannuation Industry (Supervision) Act 1993*.

The Fund:

1. Accepts employer and member contribution and contributions from other persons as the laws allow.
2. Accepts transfers from other superannuation funds and from a spouse as the laws allow.
3. Provides benefits to members upon retirement and as the laws allow.
4. Provides other activities as allowed by the laws and regulations from time to time.
5. Allows access to any unrestricted non-preserved benefits (as/when allowed by the laws and regulations).
6. Provides for the payment of pension benefits at a rate as determined in the future from time to time.

### **Investment Objectives**

The fund complies with the current laws and regulations, and the rules in the Trust Deed. The fund has the following **investment objectives**, and the Trustee is ever vigilant to balance these **investment objectives**:

1. Protecting the capital of the fund.
2. Growing the value of the fund by obtaining an acceptable rate of return.
3. Providing a positive real return consistent with a 'growth' investor over any rolling three year period.
4. Ensuring the fund's assets can meet the fund's liabilities as and when they become due.

### **Investment Approach**

1. In view of the member's age and their risk profile, the Trustee believes it is appropriate to adopt a '**growth**' approach to investment.
2. This 'growth' approach will result in a greater volatility of return for the fund in accordance with the investment objectives.
  - a. It is recognised that the timing of buying an investment, and time in the investment, affects returns.
  - b. Different investments have different returns and volatility.
  - c. The Trustee of the fund has a strong emphasis on preserving the fund's capital. However, many sound investments are not capital guaranteed, therefore, security of capital has to be tempered with the need to achieve the desired rate of return. As such, assets that show volatility may be of benefit to the fund.
3. The Trustee may use direct or indirect investments to achieve the investment objectives. These include cash, Australian shares, fixed interest, international shares, term deposits, other equities, properties, and alternative investments such as art or cryptocurrency.
4. Investments may be acquired via borrowings permitted by superannuation legislation, and where considered appropriate by the Trustee.

5. The Trustee has considered diversification and has spread their investments accordingly. Investments may be diversified across asset classes or may be concentrated in only a few or one asset class. The Trustee will invest according to market conditions and availability of the fund's assets.
6. The cash assets will be kept to facilitate buying opportunities for the Trustee to purchase investments.
7. Liquidity will be provided through the cash assets and by using contributions to pay expenses.
8. The current and future liabilities of the fund will be provided by the redemption of the fund's assets.

### **Trustee's Obligations**

1. The Trustee ensures that the fund meets the legislated standard minimums to continue to obtain concessional taxation status on the income. It is also incumbent on the Trustee to consider the tax consequences of all investments.
2. Tax-advantaged products may reduce the fund's taxation burden.
  - a. Tax is one of the Trustee's relevant concerns and the Trustee is obliged to pay tax, expenses and benefits. It will do so within 31 days.
  - b. The Trustee ensures that it holds sufficient cash to meet such obligations.
3. The Trustee acknowledges that members' benefits are a liability of the fund.
  - a. The Trustee gives thought to the level of benefit required to be paid to the member.
  - b. As no terminations or benefits are expected to be paid out in the short to medium term, the Trustee is at liberty to examine investments that are medium term. However, when the member is in pension phase, the time horizon may be far shorter.
4. The Trustee strives to reduce the costs of investing. However, at times, initial investment costs are payable in order to obtain the best investment products that fit into this investment strategy.
  - a. Exit costs and penalties may also be part of the cost of carrying out this investment strategy.

### **Insurance**

1. The Trustee has reviewed the insurance requirements of each member. In this review the Trustee has considered:
  - a. The financial position of each member.
  - b. The financial support requirements of each member's dependants and beneficiaries.
  - c. The age, health, and risks faced by each member.
2. As a result of this insurance review the Trustee is of the opinion that the Trustee of the fund is not required to hold a contract of insurance that provides insurance cover for one or more members of the fund in compliance with the directives contained within *SIS Act 1994 Regulation 4.09 (2)(e)*.

### **Review**

1. The Trustee undertakes to review this strategy on a continual basis and will regularly revisit the objectives and strategies of the fund consistent with the needs of members and will, as a minimum, review the fund's investment strategy annually.

**Signed by the Trustee(s)**

Name of Trustee: Meursault Super Pty Ltd ACN 623 102 090

Director of Trustee: Jennie Naylor

Signed

A handwritten signature in black ink, appearing to be 'Jennie Naylor', written in a cursive style.

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