

Minutes of the Meeting of the Trustees to Adopt Investment Strategy

Held at 4183 Huon Highway, Castle Forbes Bay, TAS, 7116

Date: 2nd July 2020

Present: Robert Norman Thompson, Anne Amelia Thompson,

Adoption of Investment Strategy

The chairperson tabled the investment strategy for the financial year , fomulated by the trustees of the fund to achieve the investment objectives of the fund having regard to the whole of the circumstances. The following were discussed.

1. Risk and Return on Investments

The trustees have considered the risk involved in making, holding and realising a single class with risk to likely return of the fund, having regard to its objectives and its expected cash flow requirements for the next financial year.

2. Risk Associated with limited diversification

The trustees having considered the lack of diversification in this investment strategy, all associate risks due to inadequate diversification and considered the following:

- current volatility and investment climate in the local and international share market - loss of capital;
- low interest rates offered by deposit taking entities and banks;
- age of members and members wishes etc;
- quality of the current property investment and the rate of rental return.

3. Liquidity of the assets

The trustees have considered the liquidity of the fund's investments having regard to its expected cash flow requirements in the next year and considered the following;

- ability of the fund to discharge its existing and future liabilities;
- ability of the fund to make any LRBA loan repayments considering the anticipated contributions from members;
- cash inflow and funds expenses from past investment performance of the fund.

Resolution

The trustees of the The Trustees For Enterprise Initiative do hereby resolve as follows:

The trustees agreed to adopt the investment strategy of the fund as was tabled and to implement the investment strategy in this year.

The investment objectives and the strategy considered are shown below:

Investment objectives

1 Resolved that the fund have the following investment objectives:

- an investment return in excess of inflation, that is, in excess of the Consumer Price Index (All Groups Weighted Average);
- to hold assets in a form to enable the Fund to discharge existing and future liabilities in a manner which satisfies the members

Investment objectives strategy

- 2 Resolved that the fund will have the ability to invest in the following areas:
1. direct equities and stocks, including participation in dividend reinvestment programs and rights issues or any other similar investments offered in this area;
 2. property trusts and associated investments;

3. managed investments and associated products;
 4. direct property investments; and
 5. any other investment that is legal under the laws of the Commonwealth of Australia and its States and Territories.
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- 3 Resolved that in determining this strategy, the trustees will consider, in respect of each of the fund's investments, the aspects of the investment being in accordance with the fund's investment objectives and relevant legislation.
 - 4 Further, the trustees will consider in respect of each investment, the risk to the fund and its members of acquiring it, the diversification of the investment vis a vis all of the other investments owned by the fund, the liquidity requirements of the fund in meeting its liabilities and the effect that this investment will have on those requirements and all matters relating to the prudential nature of the investment after having assessed the entire financial position of the members.
 - 5 The trustees will ensure that all the fund's investments are monitored and continue to comply with this strategy and the relevant legislation. The trustees reserve the right to alter this strategy at any time.

Signed as a true record of the meeting

Chairperson:
Robert Norman Thompson