

BERTOSA SUPER FUND INVESTMENT STRATEGY

INVESTMENT OBJECTIVE

The investment objective is to provide investment returns which will at least be equivalent to the annual inflation rate plus 2%.

MEMBER PROFILE

The member has approximately 25 years to retirement and therefore has taken a long term approach and invested the majority of assets in growth investments.

INSURANCE CONSIDERATIONS

The trustee has considered whether it is appropriate to hold insurance cover for the member of the fund.

The trustee has resolved that the member currently does not require any cover for insurance within the fund.

The trustee has taken in account various factors when considering insurance cover. This includes the age of the members, policies held outside superannuation, the member's personal circumstances and their financial position.

INVESTMENT STRATEGY

In order to meet the investment objective the trustee will invest the fund's assets as follows:

Majority of assets invested in:

- Cash

Smaller allocations of assets invested in:

- Cash

The Fund will allow Loans to members on a non-arms length basis and the loan will be required to be paid back in full plus interest.

DERIVATIVES: A small proportion of fund assets may be used to trade in derivatives. The only Derivatives which may be written or acquired by the Fund are Call & Put options which are traded on the ASX. All Call & Put options written or sold by the Fund must be covered by physical securities held. Derivatives must not be used for speculation by the Fund. More information may be found in the fund's Derivative Risk Statement.

RISKS

Each asset class apart from cash has an inherent risk of between medium and high risk, however this risk will be controlled through adherence to the adopted diversification policy below. Short term fluctuations are acceptable given the long term investment perspective.

Although the overall risk profile is medium to high risk, the asset classes meets the growth requirements and the level of risk is acceptable given the medium to high expected rate of return over the long term.

It must be noted that the Trustee continues to believe that the risk and return profile of cash is minimal.

The majority of assets are in capital stable (e.g. interest bearing) investments as members require high liquidity. The overall risk is low and the expected return is low to medium which is acceptable given the short term outlook.

DIVERSIFICATION

The trustee intends to hold various investments across the asset classes selected above. Due to the number of assets held, the amount invested, the characteristics of the current membership and diversification within each asset class, it is considered that overall diversification is appropriate. The Trustee will regularly review the assets in order to confirm that an acceptable range of investments is held from a diversification perspective.

LIQUIDITY


The Trustee is of the opinion that the investment strategy is structured in such a manner that the Fund is sufficiently liquid to discharge its current and future liabilities.

The liabilities the Trustee will generally be required to meet in the short term are relatively minor in nature. These generally comprise of investment purchases, accounting & audit fees and tax payable.

The Trustee does not expect the membership of the Fund to fall in the short term. In the longer term, the Trustees appreciate the reality of needing to either sell the investments or distribute them in specie to enable the Trustees to meet their benefit payment obligations.

STRATEGY REVIEW

The Trustee will regularly review the investment strategy to determine whether it remains appropriate. This will ensure any changes to the circumstances of the fund and its members are reflected in the strategy.


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Tony Bertosa
Trustee