
MALIBU SUPERANNUATION FUND INVESTMENT STRATEGY

Fund structure

The principal non-insured benefits for members are determined as the accumulation of net contributions. The investment risks and rewards associated with the non-insured benefits are therefore borne by the members.

This Investment Strategy will be effective **1 June 2019** and will be reviewed annually.

The Trustee has considered the following items in relation to the Fund's investment strategy.

Investment policy

The Trustee aims to manage the Fund's assets to achieve maximum investment returns compatible with ensuring the security of member's funds.

Decisions on investment strategy will:

-) Have regard to the overall circumstances of the members and Fund.
-) Comply with all requirements of the Trust Deed.
-) Comply with all applicable legislative requirements.

The Trustee accepts that in any given Fund year, there is a possibility the investment return will be negative.

The Fund may invest in any listed or unlisted asset class permitted by law.

Investment objectives

-) Aim to achieve annual investment returns which exceed the Consumer Price Index ('CPI') plus 3.0%, over a rolling five-year period.
-) Aim to achieve returns that are comparable to superannuation funds with a similar investment strategy over a rolling five-year period.
-) Aim to preserve the capital of the Fund, where possible.

Investment strategy

-) Develop an investment strategy that aims to diversify the portfolio by the number of assets and across the various major asset classes.
-) Adjust the asset allocation in line with perceived market conditions.
-) Incorporate a blend of potentially high performing assets with defensive assets, in a way to generate strong returns, while aiming to reduce portfolio downside risk with complimentary assets of the same asset class or with defensive assets.
-) The assets may include managed funds, listed or unlisted direct assets, and may be sourced across the complete universe of investable assets.
-) The strategy will aim to balance potential returns against downside risk.
-) The members age and potential cashflow requirements will also be taken into consideration in relation to the investment strategy.
-) The Fund's asset allocation guidelines are shown below.

Asset Allocation

	Range	Neutral
Australian equities	0 – 80%	25%
International equities	0 – 50%	25%
Property and infrastructure	0 – 50%	0%
Alternatives	0 – 50%	10%
Total growth assets	0 – 100%	60%
Fixed income	0 – 80%	30%
Cash	0 – 100%	10%
Total defensive assets	0 – 100%	40%

Arms-length basis

All investments by the Fund shall be on an arms-length basis and will be acquired, maintained or disposed of on commercial terms at market rates of returns.

Maximising member returns

The Trustee considers that this Investment Strategy will fulfil the principal objective of maximising member returns having regard to risk and is consistent with the investment objectives of the Fund.

Liquidity & Ability to Discharge Liabilities

Fund will maintain liquid assets in order to cover at least 100% of the value of current liabilities at any point in time.

Insurance

The Trustees are aware of the obligation to consider insurance cover for each member of the fund. When deciding whether insurance is appropriate, the Trustees will consider the following:

-) level of debt the member has and whether needs are fully funded;
-) sufficient insurance cover in other super funds;
-) the members other insurance arrangements outside of the super fund;
-) cost of premiums;
-) the likelihood of the insurance company responding in accordance with the expectations of the policy;
-) pre-existing conditions;
-) members attitude to insurance.

Signed:



Bruce Maloney

Trustee

1 June 2019

Date