

## **Investment Strategy of the**

### **Rustalan SMSF**

**Trustees: Alan Vaughan & Keith McInnes**  
**Year ended 30 June 2014**

#### **Objective:**

This Investment Strategy of the **Rustalan SMSF**, as amended to from time to time, 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
3. provides benefits to members upon retirement
4. performs other activities as allowed by the laws and regulations from time to time
5. allows access to any unrestricted non-preserved benefits (as 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.

The fund complies with the current laws and regulations and the rules in the trust deed. It has the following investment objectives:

#### **Risk and Rate of Return:**

It is recognized that timing (when you get into the investment) and time in the investment (how long you are in the investment) affects returns. Different investments have different returns and volatility.

The Trustee (from time to time) of the fund has a strong emphasis on preserving the fund's capital. However, many sound investments are not capital guaranteed.

Security of capital has to be tempered with the need to achieve the desired rate of return. Therefore, assets that show volatility may be of benefit to the fund.

The Trustee is ever vigilant to balance these two objectives: protecting the capital and growing the value of the fund by obtaining an acceptable rate of return.

**Diversity of the Member's Fund:**

Holding a number of investments is the essence of diversity. This may have the effect of reducing volatility. However, diversification is only one factor to be considered in this strategy.

The Trustee may, in writing, change the spread of investments (even on a daily basis). However, the fund's current investment spread is: <b>ASSET</b>	<b>RANGE(%)</b>
Cash	0-100%
Direct Property	0-100%
Australian Equities	0-100%
International Equities	0-100%

**Signed by the Trustees:**

*A. T. Vaughn*

x

**Alan Vaughan**

**Date:** 22/9/13

*R. W. J.*

x

**Keith McInnes**

**Date:** 22/9/13