

Weerts Super Fund

Investment Strategy

1. Background

This is the Investment Strategy for Weerts Super Fund (Fund). It was adopted by the Trustee on 22 November 2018.

Unless otherwise indicated, capitalised terms in this document have the same meaning as in the trust deed for the Fund date 1 September 2017.

A copy of this Investment Strategy has been provided to the Members and is available to the Members at any time upon request.

The Trustee intend to follow the Investment Strategy set out in this document at all times, however, it may be necessary from time to time for the mix of investments to be amended in order to achieve the best outcome for the Fund having regard to changes in the market conditions. If any such change in the investment arises, the Trustees will update this Investment Strategy in line with the new mix of investments as soon as possible.

2. Objectives

2.1 The objectives of the Fund are to:

- (a) provide benefits for the Members and Dependents;
- (b) ensure that appropriate mixes of investments are made by the Fund to enable the payment of benefits to Members and their Dependents;
- (c) ensure the Fund meets the requirements of the Relevant Law relating to diversification and liquidity of assets;
- (d) consider the appropriateness of holding Life Insurance for the Members within the Fund;
- (e) ensure the SMSF has sufficient liquid assets on hand at all times to extinguish all liabilities of the Fund as and when they fall due (including but not limited to sufficient liquid assets to pay any Taxes, Fund Expenses, benefits or any other amounts or disbursements payable by the Fund); and
- (f) achieve a target return on investments of 8% (target return of Fund).

2.2 The Trustee aims to achieve long term growth in the Fund (insert growth period being targeted by the Fund - eg medium-long-term growth etc).

3. Trustee considerations

3.1 The Members anticipate an accumulation period of 24 years. On this basis, the Trustee have determined that the Investment Strategy of the Fund will include:

[Select the risk profile that is appropriate to the Fund]

- highly secure investments with a low investment return; such as cash and term deposits (Low Risk Assets);

investments with higher returns and varying degrees of investment risk; such as Australian Government and State Government Bonds and highly rated corporate bonds and debentures (Moderate Risk Assets); and

investments with a higher return but higher degree of risk; such as equities (Australian and international), direct real property, commodities, foreign exchange and derivative products (Risk Assets).

3.2 The Trustees consider that the following are 'relevant factors' in determining the Fund's investments, having regard to the Fund's objectives and the Relevant Law:

- (a) the risks and likely return associated with each investment;
- (b) the diversity of investments held by the Fund;
- (c) the risks of having a limited diversification of assets;
- (d) the liquidity of the Fund's investments;
- (e) the age of the Members and the anticipated period over which the Fund is likely to be in accumulation phase;
- (f) the expected level of contributions to be made by the Members; and
- (g) the expected cash flow requirements of the Fund (including but not limited to sufficient liquid assets to pay any Taxes, Fund Expenses, benefits or any other amounts or disbursements payable by the Fund).

4. Trustee's strategy to achieve the Fund's objectives

In order to achieve the Fund's objectives, the Trustees have adopted the following strategies.

- (a) The Trustee will undertake regular monitoring of the investments. In doing so, the Trustee will consider the performance of the existing investments of the Fund, the overall mix of the existing investments of the Fund and the expected cash flow requirements of the Fund (including but not limited to sufficient liquid assets to pay any Taxes, Fund Expenses, benefits or any other amounts or disbursements payable by the Fund).
- (b) The Trustee will re-balance the investments of the Fund as necessary in line with changes to market conditions.

5. Consideration of risk

5.1 The Members understand that investment risk is borne by the Members, as fluctuation in investment returns will affect the level of benefits available to Members.

5.2 Further, the Members understand that there is a trade-off between investment risk and expected returns.

5.3 Having regard to the

short / relatively long (please circle the appropriate option)

time frame in which the Fund will be in accumulation phase, the Members have indicated that

capital preservation / asset growth (please circle the appropriate option)

is a priority.

6. Liquidity

The Trustee will hold sufficient liquid assets to meet all cash flow requirements of the Fund (including but not limited to sufficient liquid assets to pay any Taxes, Fund Expenses, benefits or any other amounts or disbursements payable by the Fund).

7. Limited recourse borrowing
- 7.1 This Investment Strategy contemplates that the Fund may borrow money to acquire real property using a 'limited recourse borrowing arrangement'.
- 7.2 The Trustee and the Members are aware of and understand the additional risks associated with borrowing money to purchase real property, including the possible increased volatility of net returns achieved by the Fund and the possibility of losing their investment completely if the Fund defaults under any such limited recourse borrowing arrangement.
- 7.3 Further, the Trustee understand the need to ensure that any such investment does not result in the Fund failing to hold sufficient diversification of assets or liquid assets to meet the overall objectives of the Fund.
8. Asset allocation
- 8.1 The Trustee have determined a 'Target Asset Allocation Range' over the long term, however, the Trustees may vary the investment allocation within the 'Target Asset Allocation Range' without having to update this Investment Strategy.
- 8.2 The Trustee recognise that in the short to medium term, changes in market conditions may on occasion cause the allocation of particular assets to temporarily exceed or be less than the 'Target Asset Allocation Range'.

Asset	Target Asset Allocation Range	Current target
Australian listed equities	0% - 80%	12%
International listed equities	0% - 70%	0%
Australian listed property	0% - 50%	0%
Direct Real Property	0% - 90%	54%
Commodities	0% - 10%	0%
Foreign exchange and derivative products	0% - 10%	0%
Cash and term deposits	10% - 100%	10%
Australian Government and State Government Bonds	0% - 30%	0%
Highly rated corporate bonds and debentures	0% - 30%	0%
Alternative Investments	0% - 30%	24%

By Weerts Super Fund Pty Ltd in accordance with Section 127 of the Corporations Act:



Damion Weerts

Director

10/1/2019

Date



Annette Weerts

Director

10/1/2019

Date

Minutes of the Trustees of Weerts Super Fund

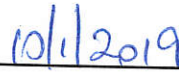
Circulating Resolution of the trustees to approve the Investment Strategy for Weerts Super Fund

In accordance with the requirements of Section 52(2)(f) of the Superannuation Industry (Supervision) Act 1993, and in keeping with the provisions of the Weerts Super Fund trust deed, the trustee(s) are in favour of the following resolutions:

- Resolved**
1. The implementation of the Investment Strategy is approved.
 2. The Investment Strategy is approved for the period 1 July 2018 to 30 June 2019.
 3. This resolution is carried from the date of the latest signature below.



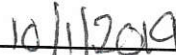
Damion Weerts
Director



Date



Annette Weerts
Director



Date

