

SMSF Review of Investment Strategy

Name of the fund: Sunderasan Family Super Fund ('Fund')

Members name & Age

1. Ganapathy Sunderasan 58 Years
2. Vidhya Sunderasan 48.5 Years

Objective

This investment strategy, 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. The investment objectives of the fund has been reviewed and detailed below.

Risk and Rate of Return

It is recognised 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.

Strategy:

The Trustees in the short term prefer the accumulation in the fund, to be retained as Cash and or Australian Fixed Interest, and look for suitable opportunities in REAL property.

The trustees have considered borrowing through a limited recourse borrowing arrangement to fund the acquisition of real estate. The following were considered:

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- The risks involved in making, holding and realising the property under a limited recourse borrowing arrangement ;
- The likely return from the property under a limited recourse borrowing arrangement ;
- The diversity of investments generally ;
- The liquidity and cash flow consequences of holding the property under a limited recourse borrowing arrangement ;
- The time the members have until they retire ;
- The funds cash flow requirement ;and
- Investment risk tolerance of members ;

The Fund Trustee will borrow to acquire the beneficial interest in real estate. The lenders right on any default of the borrowing or sum of the borrowing and charges related to borrowing are limited to rights relating to that real estate or any replacement to the real estate.

The Trustee may, in writing, change the spread of investments (even on a daily basis) to include Australian Equities, International equities, and or Other investments (considered on a case by case basis).

Required Rate of Return

The Trustee seeks an overall investment return for the fund in the 3-5 year term (medium term) of 3% above the average rate of inflation over that period.

Trustee's Obligations

The Trustee ensures that the fund meets the legislated standard minimums to continue to obtain concessional taxation status on the income.

It is also incumbent on the Trustee to consider the tax consequences of all investments. Tax-advantaged products may reduce the fund's taxation burden. Tax is one of the Trustee's relevant concerns.

The Trustee acknowledges that members' benefits are a liability of the fund. The Trustee has to give thought to the level of benefit required to be paid to the member. However, no terminations or benefits are expected to be paid out in the short to medium term. Therefore, the Trustee will continue to examine investments that are medium term.

Paying Debts

The Trustee is obliged to pay tax, expenses and benefits. The Trustee ensures that it holds sufficient cash to meet such obligations. Moneys must also be kept in reserve to meet the risk and reward objectives of the fund.

Cost of Investing

The Trustee strives to reduce costs of investing. However, at times upfront investment costs are payable in order to obtain the best investment products that fit into this investment strategy. Exit costs and penalties may also be part of the cost of carrying out this investment strategy.

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Investments

Cash

Money can be held in kind, in banks, building societies, lending institutions and cash management accounts.

Australian Shares

After research and due diligence, these include listed and unlisted securities including shares, warrants, derivatives, derivatives securities and managed funds.

Australian Fixed Interest

These include deposits banks, building societies, lending institutions, cash management accounts, government and non-government bonds, bank bills, debentures, corporate notes and specialist fixed interest funds.

International Shares

After research and due diligence, these include investments directly or indirectly in listed and unlisted shares from around the world including listed and unlisted securities including shares, warrants, derivatives, derivatives securities and managed funds.

Property

This includes both direct and indirect investments in listed and unlisted property trusts and property securities funds.

Review

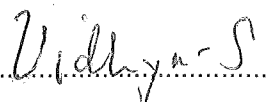
The Trustees may review this strategy as required, but it will be reviewed at least annually.

Signed by the Trustee(s)


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(Ganapathy Sunderasan)

Director of KLVS Pty Ltd ATF
Sunderasan Family Super Fund

Dated 3.01.2014


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(Vidhya Sunderasan)

Director of KLVS Pty Ltd ATF
Sunderasan Family Super Fund

Dated:

3.01.2014