

INVESTMENT STRATEGY EFFECTIVE 1 JULY 2022

WIDAK FAMILY SUPERANNUATION FUND

10 October 2022
X0066312062

INVESTMENT STRATEGY

MEMBERSHIP PROFILE

This investment strategy has been formulated with consideration to the personal circumstances and objectives of the members of the fund. The following is a summary of the membership of the fund:

MEMBER	AGE	EMPLOYMENT STATUS	ACCOUNT PHASE
Judith Widak	71	Retired	Pension
Richard Widak	76	Retired	Pension

INVESTMENT OBJECTIVE

The investment objective of the Trustees is to provide investment returns that will exceed the annual rate of inflation by at least 2%.

INVESTMENT STRATEGY

The investment strategy is the method to be implemented in order to achieve the investment objective. The investment strategy is to invest the fund's assets within the following allocations:

ASSET CLASS	RANGE
Australian Cash	1% - 85%
Australian Debt Securities	0% - 80%
Australian Shares	0% - 40%
Australian Property	0% - 25%
Australian Infrastructure	0% - 25%
International Currency	0% - 45%
International Shares	0% - 40%
Traded Options	0% - 20%
Warrants	0% - 20%
Other	0% - 30%

INVESTMENT TYPES

The Trustees might consider the use of the following investment types in order to achieve the objectives of the fund:

- Cash and Deposit Products
- Domestic Listed Equities
- International Listed Equities
- Domestic Equity Funds
- International Equity Funds
- Cash Equivalents
- Fixed Interest
- Direct Property
- Listed Exchange Traded Funds
- Listed Managed Funds
- Unlisted Managed Funds
- Hedge Funds
- Instalment Warrants
- Options and Warrants
- Derivatives
- Private Equity

In arriving at the investment strategy, the Trustees have considered the following:

RISK AND RETURN OF THE INVESTMENT STRATEGY

RISK

The main risks identified are:

- the return on the investments; and
- the volatility in the value of the investment

In respect to these risks, when investing in growth investments such as shares and property the Trustees accept that in order to achieve a return above that of bank managed funds additional risk must be undertaken. The Trustees will manage this risk through diversification of assets and the selection of quality investments.

When taking a conservative approach, the Trustees will ensure relatively large quantities of cash and fixed interest investments are held, while at the same time diversifying the investments across the various investment sectors.

RETURN

It is recognised that the value of non-cash investments can decrease or increase in value and there is no guarantee of the fund's return. Over the long term, growth investments such as shares and property provide greater volatility than cash and fixed interest investments but lead to greater returns.

Non-growth investments are used to reduce the fund's volatility and provide an element of capital protection at the expense of a lower return in the long term.

DIVERSIFICATION OF THE INVESTMENT STRATEGY

The Trustees have considered the diversification of the fund's investments and are of the opinion that the strategy is appropriate given the size of the fund in terms of both investments and the number of members. It is recognised that on occasion the actual asset allocation percentages may vary from those proposed however, over time, the portfolio should largely reflect the above exposures.

LIQUIDITY OF THE INVESTMENT STRATEGY

The Trustees are of the opinion that the investment strategy is structured in such a manner so that the fund is sufficiently liquid to discharge its current and future liabilities.

When in accumulation phase the liabilities the Trustees are required to meet in the short term are minor in nature. These include tax liabilities and other expenses associated with the running of the fund.

When in pension phase the liabilities the Trustees are required to meet in the short term include pension payments and other expenses associated with the running of the fund.

In the longer term, the Trustees appreciate the reality of needing to either sell investments or distribute property in specie, to enable the Trustee to meet its benefit payment obligations.

The trustee has identified the following risks to liquidity:

- Pension Requests

Given the fund has one or more members in pension phase, the trustees are mindful of the member/s being able to request payment over and above their mandated minimum, and potentially their full member balance.

The trustees are not aware of any member who intends to make such a request. If this situation does arise unexpectedly, the trustees are satisfied that sufficient liquid assets are held to discharge any reasonably foreseeable withdrawal request.

- Rollover Requests

The trustees acknowledge that it is possible a member could request their balance be rolled over in full or in part. The trustees consider this risk to be low, and in any event, it is highly likely the fund holds sufficient liquid assets to meet this request. In the event this is not the case the trustees are confident of being able to work with the member with regard to payment timeframes to ensure assets were liquidated without there being a detrimental effect on the balances of the other members.

- Lump sum requests

The trustees acknowledge that it is possible a member could request their balance be paid to them in full or in part. The trustees consider this risk to be low, and in any event, it is highly likely the fund holds sufficient liquid assets to meet this request. In the event this is not the case the trustees are confident of being able to work with the member with regard to payment timeframes to ensure assets were liquidated without there being a detrimental effect on the balances of the other members.

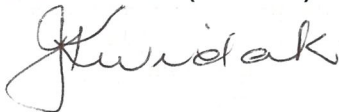
- Death Benefit Payments

In the event a member passes away, the trustees acknowledge that a death benefit lump sum may be required. In the event the fund does not immediately hold sufficient liquid assets to meet this request, the trustees are confident that the required level of liquidity could be achieved within 12 months without detriment to the other members.

INSURANCE CONTRACTS FOR MEMBERS

The Trustees of the Fund have considered if contracts for insurance that provide cover for one or more members should be held. After consultation with the members, the trustees are satisfied the fund's current insurance arrangements are appropriate.

Judith Widak (Director)



Date

15/11/2023

Richard Widak (Director)



Date

15/10/2023