

Ragif Superannuation Fund

Trustee declaration - Gerald Jensen

Trustee:
Gerald Jensen
Ruby Jensen

I **Gerald Jensen** understand that as a Trustee of Ragif Superannuation Fund, I am responsible for ensuring that the fund complies with the *Superannuation Industry (Supervision) Act 1993 (SISA)* and other relevant legislation. The commissioner of taxation (the Commissioner) has the authority and responsibility for administering the legislation and enforcing the fund's compliance with the law.

If I do not comply with the legislation, the commissioner may take the following actions:

- impose administrative penalties on me.
- enter into agreements with me to rectify any contraventions of the legislation.
- disqualify me from being a trustee or director of a corporate trustee of any superannuation fund in the future.
- remove the fund's complying status resulting in a significant tax penalty on the fund, and
- Prosecute me under the law, resulting in fines or imprisonment.

I must keep myself informed of changes to the legislation relevant to the operation of my fund and ensure the trust deed is kept up to date in accordance with the law and the needs of the members.

Sole purpose

I understand it is my responsibility to ensure the fund is maintained for the purpose of providing benefits to its members upon their retirement (or attainment of a certain age) or their beneficiaries if a member dies.

Trustee duties

I understand that by law I must:

- act honestly in all matters concerning the fund.
- exercise skill, care and diligence in managing the fund.
- act in the best interests of all the members of the fund.
- ensure that my money and other assets are kept separate from the money and other assets of the fund.
- take appropriate action to protect the fund's assets (for example, have sufficient evidence of the ownership of fund assets)
- not enter into any contract, or do anything, that would prevent me from, or hinder me in, properly performing or exercising my functions or powers as a trustee or director of the corporate trustee of the fund.
- prepare and implement an investment strategy that takes the whole of the fund's circumstances into account, which includes, but is not limited to:
 - the risks associated with the fund's investments.
 - the likely return from investments, considering the fund's objectives and expected cash flow requirements.
 - investment diversity and the fund's exposure to risk due to inadequate diversification, and
 - the liquidity of the fund's investments having regard to the fund's expected cash flow requirements in discharging its existing and prospective liabilities, and
- allow all members of the fund to have access to information and documents as required, including details about:
 - the financial situation of the fund
 - the investments of the fund, and
 - the members' benefit entitlements.

Investment restrictions

I understand that as a Trustee of Ragif Superannuation Fund, subject to certain limited exceptions specified in the law, I am prohibited from the following:

- lending money of the fund to, or providing financial assistance to, a member of the fund or a member's relative (financial assistance means any assistance that improves the financial position of a person directly or indirectly including the provision of credit)
- acquiring assets (other than listed securities, business real property or managed funds) for the fund from members or associates or other related parties of the fund.
- borrowing money (or maintaining an existing borrowing) on behalf of the fund
- having more than 5% of the fund's total assets at any time of the year as loans to, or investments in, related parties of the fund (including trusts) and assets subject to a lease or lease arrangement between the trustee and a member, relative or other related party (these assets are in house assets), and
- entering into investments on behalf of the fund that are not made or maintained on an arm's length (commercial) basis, ensuring that the purchase or sale price of the fund's assets reflect market value.

Accepting contributions and paying a benefit

I understand that I can only accept contributions and pay benefits (pensions or lump sums) to members or their beneficiaries when the conditions specified in the law and the fund's governing rules (including its trust deed) have been met.

Administration

I understand that the trustees of the fund must:

- keep and retain for at least 10 years:
 - minutes of all trustee meetings at which matters affecting the fund were considered (this includes investment decisions and decisions to appoint members and trustees)
 - records of all changes of trustees, including directors of the corporate trustee.
 - each trustee's consent to be appointed as a trustee of the fund or a director of the corporate trustee, and all trustee declarations.
- ensure that the following are prepared and retained for at least 5 years.
 - a statement of financial position
 - an operating statement, and
 - accounts and statements that correctly record and explain the transactions and financial position of the fund
- notify the tax office within 28 days of any changes in
 - trustees, directors of the corporate trustee or members of the fund
 - fund name
 - details of the contact person, contact phone and facsimile numbers, and
 - the postal address, registered address, or address for service of notices for the fund
- notify the tax office in writing as soon as practicable (not later than 28 days) after becoming aware that the fund has ceased to be a self-managed superannuation fund or ceased to exist.
- ensure that an approved auditor is appointed to audit the fund for each income year and provide that auditor with documents as requested, and
- lodge the fund's annual return by the due date.

Declaration

By signing this declaration, I acknowledge that I understand my duties and responsibilities as a Trustee of the self-managed superannuation fund named on this declaration (or if the fund's name changes, that name). I understand that:

- I must ensure this document is retained for at least 10 years or while I remain a trustee or director of the corporate trustee (whichever is longer) and if I fail to do this, penalties may apply, and
- I may have to make this document available for inspection by a member of staff of the tax office and if I fail to do this, penalties may apply.

Gerald Jensen

x
Signature

27/1/22
Date

Ragif Superannuation Fund

Trustee declaration - Ruby Jensen

Trustee:
Gerald Jensen
Ruby Jensen

I **Ruby Jensen** understand that as a Trustee of Ragif Superannuation Fund, I am responsible for ensuring that the fund complies with the *Superannuation Industry (Supervision) Act 1993 (SISA)* and other relevant legislation. The commissioner of taxation (the Commissioner) has the authority and responsibility for administering the legislation and enforcing the fund's compliance with the law.

If I do not comply with the legislation, the commissioner may take the following actions:

- impose administrative penalties on me.
- enter into agreements with me to rectify any contraventions of the legislation.
- disqualify me from being a trustee or director of a corporate trustee of any superannuation fund in the future.
- remove the fund's complying status resulting in a significant tax penalty on the fund, and
- Prosecute me under the law, resulting in fines or imprisonment.

I must keep myself informed of changes to the legislation relevant to the operation of my fund and ensure the trust deed is kept up to date in accordance with the law and the needs of the members.

Sole purpose

I understand it is my responsibility to ensure the fund is maintained for the purpose of providing benefits to its members upon their retirement (or attainment of a certain age) or their beneficiaries if a member dies.

Trustee duties

I understand that by law I must:

- act honestly in all matters concerning the fund.
- exercise skill, care and diligence in managing the fund.
- act in the best interests of all the members of the fund.
- ensure that my money and other assets are kept separate from the money and other assets of the fund.
- take appropriate action to protect the fund's assets (for example, have sufficient evidence of the ownership of fund assets)
- not enter into any contract, or do anything, that would prevent me from, or hinder me in, properly performing or exercising my functions or powers as a trustee or director of the corporate trustee of the fund.
- prepare and implement an investment strategy that takes the whole of the fund's circumstances into account, which includes, but is not limited to:
 - the risks associated with the fund's investments.
 - the likely return from investments, considering the fund's objectives and expected cash flow requirements.
 - investment diversity and the fund's exposure to risk due to inadequate diversification, and
 - the liquidity of the fund's investments having regard to the fund's expected cash flow requirements in discharging its existing and prospective liabilities, and
- allow all members of the fund to have access to information and documents as required, including details about:
 - the financial situation of the fund
 - the investments of the fund, and
 - the members' benefit entitlements.

Investment restrictions

I understand that as a Trustee of Ragif Superannuation Fund, subject to certain limited exceptions specified in the law, I am prohibited from the following:

- lending money of the fund to, or providing financial assistance to, a member of the fund or a member's relative (financial assistance means any assistance that improves the financial position of a person directly or indirectly including the provision of credit)
- acquiring assets (other than listed securities, business real property or managed funds) for the fund from members or associates or other related parties of the fund.
- borrowing money (or maintaining an existing borrowing) on behalf of the fund
- having more than 5% of the fund's total assets at any time of the year as loans to, or investments in, related parties of the fund (including trusts) and assets subject to a lease or lease arrangement between the trustee and a member, relative or other related party (these assets are in house assets), and
- entering into investments on behalf of the fund that are not made or maintained on an arm's length (commercial) basis, ensuring that the purchase or sale price of the fund's assets reflect market value.

Risk

- The trustees acknowledge that there is a strong correlation between risk and return on investments.
- The trustees acknowledge and agree that they will:
 - From time to time, determine the acceptable level of risk and volatility of returns in the light of the fund's circumstances; and
 - Give priority to an overall objective of preserving the fund's capital.
- The trustees will, consistent with paragraph 4.2.2, separately review the risk profile of each member as member risk profiles may vary depending upon the member's age and other circumstances.
- The trustees acknowledge that in order to maximise returns in appropriate circumstances, the trustees may invest the fund's assets in volatile investments if the trustees have appropriately balanced the fund's investment portfolio. Volatile investments may be profitable for the fund in the long term.

Liquidity

The trustees will ensure that there are enough liquid investments in the fund at any one time which may be quickly and easily converted to cash, in order to meet the payment of member benefits and fund expenses, having regard to the fund's expected cash flow requirements.

Asset allocation

The trustees acknowledge the need to have a diversified investment mix and a balanced investment portfolio and will adopt a strategic asset allocation of the asset types below:

Asset class

1. cash
2. Australian equities
3. international equities
4. Australian fixed interest
5. international fixed interest
6. managed investments and associated products
7. real estate

Any other investment that is legal under the laws of the commonwealth of Australia and its states and territories (which the trustees will consider from time to time on a case-by-case basis)

Investment costs

The trustees acknowledge that they will at all times aim to minimise investment costs. Despite this, if the trustees consider that it is in the best interests of the fund and its members to invest in a product that has upfront costs, then they may do so provided that the investment is in accordance with this investment strategy. Exit costs and penalties may also be part of the cost of carrying out this investment strategy.

Borrowing

The trustees acknowledge that:

- From time to time, they will consider undertaking borrowing on a case-by-case basis: at a loan to valuation ratio for the asset of 0 – 50% for any specific asset; and
- At a level for the fund of 0 - 25%; and
- Any borrowing will be considered in light of consistency with the overall investment strategy.

Taxation

The trustees will:

- Take all steps as are reasonably necessary to ensure that the fund continues to obtain concessional taxation status on the income; and
- Consider the tax consequences of all investments made on behalf of the fund.

Payment of benefits to members and other costs

The trustees acknowledge that to the extent they are required to pay tax, expenses, and benefits, then they will do so promptly on or before the due date for those payments and will take all steps as are reasonably necessary to ensure that there is sufficient cash to meet such obligations.

Insurance

The trustees will from time to time, consider life, total permanent disability, and income protection insurance for each of the members of the fund.

Guidance on investments

Authorised investments:

The following are the types of investment in which the assets of the fund may be invested:

- Investments in which it is permissible to invest trust funds under the law of any jurisdiction in Australia.
- Securities in any company incorporated anywhere, whether carrying on business in Australia or not.
- Deposits (whether secured or not) with a bank, friendly society, building society, credit co-operative, trustee company, or other registered financial institution.
- Real or personal property, including an improvement to that property.
- Units (including sub-units) in a unit trust established or situated anywhere in the world by subscription or purchase (including joint subscription or purchase). Whether the units are fully paid or partly paid, and whether their issue involves a contingent or reserve liability is irrelevant.
- Futures, options or any other synthetic investment.
- Hedging, swapping or any similar arrangement, even though it is not linked to any property of the fund.
- Deposits (whether secured or not) with, or loan (whether secured or not) to, any person (including an employer) on any terms the trustees think reasonable. The fact that the trustees have a direct or indirect interest in the deposit or borrowing or may benefit directly or indirectly from it is irrelevant.
- A policy or annuity with an insurer, whether by proposal or purchase.
- Instalment warrants or receipts.
- By way of a limited recourse borrowing arrangement.
- Any other investment allowed by superannuation law that the trustees think appropriate.

Forbidden investments

The trustees acknowledge that they will not invest any investment that is forbidden by superannuation law and will not make an investment in the form of a loan or other financial assistance to a member or a relative of a member of the fund.

Australian securities

After research and due diligence, these include investments directly or indirectly in listed and unlisted securities and interests in managed funds (whether or not registered as managed investment schemes) including shares and warrants.

International securities

After research and due diligence, these include investments directly or indirectly in listed and unlisted securities and interests in managed funds (whether or not registered as managed investment schemes) from around the world including shares, warrants, derivatives, derivatives securities, and managed funds.

Property

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

Derivatives

The trustees are permitted to invest in derivatives.

derivatives may be used to:

- Leverage returns.
- Reduce volatility by hedging investments against the risk of adverse movements in market prices.
- Achieve diversified exposure through market indices; and
- Achieve transactional efficiency through reducing the cost of achieving a required exposure or position.

The trustees will review and comply with the derivative risk statement if required.

Currency risk

The trustees may invest in overseas assets in the form of, for example, international securities. In this regard, the trustees will consider whether a foreign currency hedge is appropriate to guard against fluctuations in exchange rates.

Professional advice

The trustees may from time to time seek advice from a professional advisor being either an accountant, solicitor or financial planner, to discuss any aspect of this strategy or any future strategy and its implementation.

Review

The trustees may review and, when considered necessary, amend this investment strategy. The trustees acknowledge that circumstances where it would be appropriate for the trustees to conduct a review include where:

- Acquisition or disposal of a material fund asset.
- A new member is added to the fund.
- A member commences, or is about to commence, a pension.
- The death or incapacity of a member.
- Where the members of the SMSF enter into a marriage or domestic relationship, a breakdown of that arrangement.
- Where there is a change in the financial needs of the members of the SMSF.
- There has been significant market volatility; or
- The trustees wish to undertake new investment activities not permitted by the current investment strategy.

Signed on behalf of the trustee of Ragif Superannuation Fund.

X

Gerald Jensen.

X

Ruby Jensen.