

# Investment Strategy

## *The FR & B Atkins Superannuation Fund ('the Fund')*

### Members and Trustees

*Mr FR Atkins*

*Mrs B Atkins*

### Objectives

The trustees of the (*Superannuation Fund*) ('the Trustee') have formulated the following investment objectives and strategy in accordance with section 52(2)(f) of the Superannuation Industry (Supervision) Act, 1993 ('SIS Act').

The Trustee aims to:

- > provide superannuation benefits to members and their dependants to meet their retirement needs.
- > ensure that an appropriate mix of investments are held by the Fund to support these needs.

As a general investment objective the Trustee aims to achieve reasonable medium to long term growth whilst maintaining a low level of volatility and risk. The Trustee does accept that short term volatility will occur within asset classes however the Trustee will seek sufficient diversification within the Fund's investment portfolio to minimise such risk and volatility.

### Investment Strategy

The fund trustees have indicated that the fund investment strategy is for a Balanced investment approach.

Reasons for concluding on a Balanced investment approach are as follows:

1. The members of the fund are currently in retirement so the investment horizon of the Fund is estimated to be 10 years.
2. All of the individual members of the fund see themselves as being Balanced investors.
3. The fund is currently in a pension phase. Pension obligations are estimated as 5% of the fund assets. Current income generated from investments is expected to cover pension obligations and therefore some growth investments are needed to maintain and grow capital with an investment horizon of still 10 years.

The recommended investment strategy is extremely flexible with respect to the asset classes that can be invested into by the Fund, thereby assisting to diversify the Fund's portfolio more extensively. The following paragraphs cover the main factors that have been considered in constructing this investment strategy, including diversification and liquidity, and providing guidelines for the Fund on these areas.

### Balanced Investment Strategy

Investment strategy: The investment strategy of the fund is to invest in a balanced portfolio with exposure to cash, fixed interest and Australian shares, with some exposure to property and international equities desirable.

Investment objective: The Fund's investment objective is to achieve tax-effective income and some capital growth over the short to medium-term (2 to 3 years) from primarily cash and fixed interest investments with some exposure to property securities and equities, both domestic and international. The fund is willing to accept a medium level of risk from these investments. A negative return would be acceptable 1 in 10 years. A return objective of at least CPI + 3.0% over rolling three year periods is sought.

Risk: Assets associated with this investment strategy may exhibit some price volatility. It is possible that some investments may show a loss in the short to medium-term. With balanced exposure to growth assets this should lower the fund's risk profile to a medium level.

Liquidity: Cash must be held within the fund so that it is always in a position to meet its expenses. Especially where a fund's assets produce irregular income, a minimum of 5% of the fund should be held in liquid cash funds.

Purchases will not be approved unless the fund will have the necessary cash when settlement is due. Should the fund's cash reserves be insufficient to meet its short-term liabilities, there must be a contribution of enough money or the trustee is empowered to sell sufficient assets to meet those liabilities.

It is envisaged that should members or their dependants require payment of benefits, they will be permitted to take an in specie transfer of assets in lieu of cash (if permitted by superannuation law at the relevant time).

Diversification: Asset class diversification is provided for by the ranges listed below in line with the investment strategy, which may be reviewed and adjusted over time with the trustees' approval. Diversification within the asset classes will reduce the risk to the portfolio from movement in the price of individual assets. Where the trustee is satisfied that a lack of diversification does not present any danger to the fund's ability to pay benefits, a greater commitment to an individual asset is permitted.

Asset category and class exposure: The investment strategy may be initially implemented in a staged manner. Once established however, the fund must comply with its weighting to cash, fixed interest and growth asset categories at all times. The trustee can on a case-by-case basis approve weightings (up to 5%) outside asset class ranges.

The fund trustees have indicated that the fund investment strategy is for a Balanced investment approach. This will allow for the investment of funds into the following asset classes:

ASSET CLASS	Range	Benchmark
Cash & Term Deposits	5%-100%	33%
Australian fixed interest	0%-55%	0%
International fixed interest	0%-30%	0%
Australian equities	0%-50%	4%
International equities	0%-30%	0%
Property	0%-70%	63%
Other	0%-5%	0%

#### *Portfolio Characteristics*

Suggested minimum time frame for investment	Five to Ten years
Level of short-term investment risk	Moderate
Return objective (relative to other investment strategies)	Moderate
Overall asset mix	Growth / Income (50/50) %

These ranges are purely indicative and the Trustee may vary the allocations at any time if satisfied that the current market conditions or the Fund's circumstances warrant such a change. If the Trustees wish to invest outside the parameters, the investment strategy of the Fund must be revised in writing and all decisions minuted.

The Trustee may from time to time seek the professional advice of an accountant, solicitor or financial planner in the formulation of the investment strategy.

In formulating this strategy the Trustee has taken into consideration relevant features of the investment types in accordance with both the Fund's objectives and the superannuation laws.

The Trustee considered:

- The risk and return of investments;
- Diversification of investments
- Liquidity and cash-flow requirements; and
- Ability to the Fund to discharge its liabilities.

## Policies

The policies adopted by the Trustee in order to achieve these objectives are:

- Regular monitoring of the performance of the Fund's investments which would cover the rate of return in income and capital growth, the risk profile of the overall investment mix and the expected cash flow requirements of the Fund.
- Balancing the Fund's investment portfolio due to changes in market conditions.

The Trustee aims to ensure the investments of the Fund continue to comply with the overall strategy and so may review the strategy as required however it will be reviewed at least annually and the Trustee reserves the right to change the strategy at any time.

## Insurance

The trustees have considered whether the Fund will hold a contract of insurance that provides insurance cover for its members


Based on a needs analysis by the trustees, and taking into account insurance that is held outside of super and the ages of the members, the following was concluded:

<b>MEMBER</b>	<b>INSURANCE TYPE</b>	<b>AMOUNT</b>
Frank Reuben Atkins	None	None
Brenda Atkins	None	None

The trustees will continue to review the need for insurance cover for its members.


**Signed by / on behalf of the Trustee**

**FR Atkins (Trustee)**



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**B Atkins (Trustee)**



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**Date**

**1 July 2021**



**Important Notes:**

1. This binding death benefit nomination will remain valid for three years from the date you sign it, or later confirm or amend it, unless you revoke it. Making a new binding death benefit nomination revokes a previous one.
2. To the extent that a binding death benefit nomination is not valid (wholly or partially) it will not bind the trustees. In that case the trustees will have a discretion as to whom your death benefit (or part of your death benefit for which the nomination is invalid) will be paid, but your nomination will be taken into account.
3. You may only nominate eligible dependents and/or your legal personal representative. An eligible dependent is:
  - Your spouse (including your de facto spouse)
  - Your child (including adopted, step-, ex-nuptial and adult children)
  - any other person financially dependent on you at the time of your death.
4. If you nominate your legal personal representative, your death benefit will form part of your estate.
5. You must sign and date this form in section 3 in the presence of two witnesses. Each witness must have turned 18 years of age and neither can be a beneficiary named in section 2. Both witnesses must also sign the declaration in section 4.
6. You may change your nomination by completing a new Binding Death Benefit Nomination Form. You can confirm it, thus extending its validity for another three years, by giving signed and dated written notice to the trustees. You can revoke the nomination using a form obtained by the trustees.
7. There may be tax implications involved in nominating eligible dependants directly as against nominating your legal personal representative. Please consult your financial adviser.

**1. APPLICANT DETAILS**

Title

*(Mr/Mrs/Miss/Ms/Other)*

Mr

Surname

Atkins

Given name(s)

Frank Reuben

**2. NOMINATED BENEFICIARIES**

In the event of my death, I direct the trustees to pay my death benefit to my dependant(s) and/or legal personal representative as follows:

Surname

ATKINS

Given name(s)

BRENDA ATKINS

Date of birth

17/08/1953

Relationship to self

SPOUSE

Please insert "spouse", "de facto spouse", "child", "financial dependant" or "legal personal representative", as relevant.

Share of benefit

100%

### 3. APPLICANT'S DECLARATION

Please ensure you sign this in the presence of two witnesses who can make the declaration below.

I have read the Important Notes above and understand that:

- In the event of my death the trustees will pay my death benefit in accordance with this nomination;
- This nomination revokes any previous nomination I may have made;
- Unless I confirm, revoke or amend it before it expires, this nomination will become invalid in three years' time.

Applicant's signature



Date

23/6/2022

### 4. WITNESSES' DECLARATION


We declare that:

- We have turned 18 years of age and are not nominated in beneficiaries in section 2; and
- This nomination was signed by the applicant in our presence.

Witness 1: Full name

JACOB VAN ROYEN

Signature



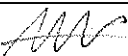
Date

23/6/22

Witness 2: Full name

WARREN VERMEULEN

Signature



Date

23/6/22

**Important Notes:**

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3. You may only nominate eligible dependents and/or your legal personal representative. An eligible dependent is:
  - Your spouse (including your de facto spouse)
  - Your child (including adopted, step-, ex-nuptial and adult children)
  - any other person financially dependent on you at the time of your death.
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7. There may be tax implications involved in nominating eligible dependants directly as against nominating your legal personal representative. Please consult your financial adviser.

**1. APPLICANT DETAILS**

Title  
*(Mr/Mrs/Miss/Ms/Other)*

Mrs

Surname

Atkins

Given name(s)

Brenda

**2. NOMINATED BENEFICIARIES**

In the event of my death, I direct the trustees to pay my death benefit to my dependant(s) and/or legal personal representative as follows:

Surname

ATKINS

Given name(s)

FRANK REUBEN

Date of birth

21/7/52

Relationship to self

SPOUSE

*Please insert "spouse", "de facto spouse", "child", "financial dependant" or "legal personal representative", as relevant.*

Share of benefit

100%

### 3. APPLICANT'S DECLARATION

Please ensure you sign this in the presence of two witnesses who can make the declaration below.

I have read the Important Notes above and understand that:

- In the event of my death the trustees will pay my death benefit in accordance with this nomination;
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- Unless I confirm, revoke or amend it before it expires, this nomination will become invalid in three years' time.

Applicant's signature



Date

23/06/22

### 4. WITNESSES' DECLARATION

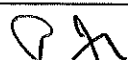
We declare that:

- We have turned 18 years of age and are not nominated in beneficiaries in section 2; and
- This nomination was signed by the applicant in our presence.

Witness 1: Full name

JACOB VAN ROYEN

Signature



Date

23/6/22

Witness 2: Full name

WARREN VERMEULEN

Signature



Date

23/6/22