

QUANTUM EQUITY SUPERANNUATION FUND

INVESTMENT STRATEGY

EFFECTIVE DATE FROM 1 JULY 2022

INVESTMENT OBJECTIVE

The investment objective is to provide positive investment returns from income or capital appreciation of investments over the medium to long term. The trustee acknowledges the possibility that negative returns may occur when investing in long term growth assets and considers this acceptable for a long term investment perspective.

MEMBER PROFILE

The member may be retiring within the next 10 years and intends to commence account based pension(s) within the fund to finance his retirement. For this reason the Trustee will adopt a long term approach in selecting investments as growth will continue to be required over the long term to support any pensions. Where significant profits are achieved in the shorter term they may be realised and reinvested.

INSURANCE CONSIDERATIONS

The trustee has considered whether it is appropriate to hold insurance cover for the member of the fund.

The trustee has resolved that the member currently does not require any cover for insurance within the fund.

The trustee has taken in account various factors when considering insurance cover. This includes the age of the member, policies held outside superannuation, the member's personal circumstances and their financial position.

INVESTMENT STRATEGY

In order to meet the investment objective the trustee will invest the fund's assets as follows:

Majority of assets invested in:

- Australian Equities
- Interest bearing (term) deposits

Smaller allocations of assets invested in:

- Cash deposits

Note: A small proportion of fund assets may be invested in companies which whilst not yet profitable are considered to have prospects for capital appreciation.

RISKS

Each asset class apart from cash has an inherent risk of between medium and high risk, however this risk will be controlled through adherence to the adopted diversification policy below. Short term fluctuations are acceptable given the long term investment perspective.

Although the overall risk profile is medium to high risk, the asset classes meets the growth requirements and the level of risk is acceptable given the medium to high expected rate of return over the long term.

It must be noted that the Trustee continues to believe that the risk and return profile of cash is minimal.

DIVERSIFICATION

The trustee intends to hold various investments across the asset classes selected above. Due to the number of assets held, the amount invested, the characteristics of the current membership and diversification within each asset class, it is considered that overall diversification is appropriate. The Trustee will regularly review the assets in order to confirm that an acceptable range of investments is held from a diversification perspective.

LIQUIDITY


The Trustee is of the opinion that the investment strategy is structured in such a manner that the Fund is sufficiently liquid to discharge its current and future liabilities.

The liabilities the Trustee will generally be required to meet in the short term are relatively minor in nature. These generally comprise of investment purchases, accounting & audit fees and tax payable.

In the longer term, the Trustee appreciates the reality of needing to either sell the investments or distribute them in specie to enable the Trustee to meet their benefit payment obligations.

STRATEGY REVIEW

The Trustee will regularly review the investment strategy to determine whether it remains appropriate. This will ensure any changes to the circumstances of the fund and its member are reflected in the strategy.



Glenn Liffen
Sole Director
Quantum Equity (Aust) Pty Limited

Date: 1 July 2022