

D & M SUPERANNUATION FUND INVESTMENT STRATEGY

INVESTMENT OBJECTIVE

The investment objective is to provide investment returns which will at least be equivalent to the annual inflation rate plus 2%.

MEMBER PROFILE

The members will be retiring within the next 10 years and intend to commence pensions within the fund to finance their 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 members of the fund.

The trustee has resolved that the members currently do 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 members, 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:

- Fixed Interest

Smaller allocations of assets invested in:

- Cash

RISKS

The majority of assets are in capital stable (e.g. interest bearing) investments as members require high liquidity. The overall risk is low and the expected return is low to medium which is acceptable given the short term outlook.

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.

The Trustee does not expect the membership of the Fund to fall in the short term. In the longer term, the Trustees appreciate the reality of needing to either sell the investments or distribute them in specie to enable the Trustees 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 members are reflected in the strategy.

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David Wong
Director of Trustee – D & M Wong Pty Ltd

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Mary Wong
Director of Trustee – D & M Wong Pty Ltd

Effective date: 1 / 7 / 2015

Date ratified: 1 / 7 / 2015