

Self Managed Superannuation Fund Investment Strategy

Name of the fund: Brighton Stars Super Fund

Members	Truong Giang Luong	DOB 21/12/1974
	Hoa Anh Hoang	DOB 30/06/1974

Objective

This investment strategy, as amended from time to time, is created in compliance with the *Superannuation Industry (Supervision) Act 1993*.

The Fund:

1. accepts employer and member contribution and contributions from other persons as the laws allow
2. accepts transfers from other Superannuation funds
3. provides benefits to members upon retirement
4. performs other activities as allowed by the laws and regulations from time to time
5. allows access to any unrestricted non-preserved benefits (as allowed by the laws and regulations)
6. provides for the payment of pension benefits at a rate as determined in the future from time to time

The fund complies with the current laws and regulations and the rules in the trust deed. It has the following investment objectives:

Risk and Rate of Return

It is recognised that timing (when you get into the investment) and time in the investment (how long you are in the investment) affects returns. Different investments have different returns and volatility.

The Trustee (from time to time) of the fund has a strong emphasis on preserving the fund's capital. However, many sound investments are not capital guaranteed.

Security of capital has to be tempered with the need to achieve the desired rate of return. Therefore, assets that show volatility may be of benefit to the fund.

The Trustee is ever vigilant to balance these two objectives: protecting the capital and growing the value of the fund by obtaining an acceptable rate of return.

Diversity of the Member's Fund

Holding a number of investments is the essence of diversity. This may have the effect of reducing volatility. However, diversification is only one factor to be considered in this strategy.

The Trustee may, in writing, change the spread of investments (even on a daily basis). However, the fund's current investment spread is:

Asset	Range (%)
Cash	20 - 100%
Australian Fixed Interest	- %
International Fixed Interest	- %
Australian Equities	- %
International Equities	- %
Property	- %
Residential property, either direct or in a unit trust	- %
Other investments (considered on a case by case basis) such as agribusiness	- %

We are planning to buy a property hence the fund will be kept as Cash for settlement.

Due to Covid-19 the process of property acquisition has been slow. We plan to complete the purchase in 2022.

Insurance

The trustees reviewed the current life and total and permanent disability insurance coverage on offer to the members and resolved that the current insurance arrangements were appropriate for the fund.

Required Rate of Return

The Trustee seeks an overall investment return for the fund in the 3-5 year term (medium term) of 3% above the average rate of inflation over that period.

Trustee's Obligations

The Trustee ensures that the fund meets the legislated standard minimums to continue to obtain concessional taxation status on the income.

It is also incumbent on the Trustee to consider the tax consequences of all investments. Tax-advantaged products may reduce the fund's taxation burden. Tax is one of the Trustee's relevant concerns.

The Trustee acknowledges that members' benefits are a liability of the fund. The Trustee has to give thought to the level of benefit required to be paid to the member. However, no terminations or benefits are expected to be paid out in the short to medium term. Therefore, the Trustee will continue to examine investments that are medium term.

