

MINUTES OF A MEETING
W J BOWDEN PTY LTD
ATF DENBOW TRANSPORT PTY LTD SUPERANNUATION FUND

Date: 3rd June 2022

Location of meeting: 11 Smith Avenue, Mermaid Beach, QLD 4218, Australia

Present: Trustee: W J Bowden Pty Ltd

Chairperson: Bill Bowden was appointed chairperson of the meeting

Objective: To consider and adopt an appropriate Investment Strategy for the member and satisfy the regulatory requirements including the consideration of life insurance for the member.

Strategy: Resolved that the fund should be invested in line with the Investment Strategy attached. The strategy document sets out the range of approved investment opportunities for the member's fund and provides an overview of the investment policy, objectives and strategy, including the consideration of the life insurance for members.

Closure: As trustee director, I confirm the attached investment strategy is in accordance with the Fund's constitution, SIS Act requirements and remains appropriate and the trustee will continue to review this strategy annually. There being no further business, the meeting was closed.



Bill Bowden
As Director W J Bowden Pty Ltd
As Trustee for Denbow Transport Pty Ltd Superannuation Fund

DENBOW TRANSPORT PTY LTD SUPERANNUATION FUND INVESTMENT STRATEGY

The Denbow Transport Pty Ltd Superannuation Fund investment strategy dated 3rd June 2022 will be reviewed on an annual basis as a minimum or upon one of the following occurring:

- The death or exit of a member,
- The addition of a member,
- The marriage or separation of a member,
- A major alteration to a member's assets or liabilities,
- The shift of a member from accumulation phase to retirement phase (or vice versa), and
- A significant change in the assets of the fund.

This will be done to ensure that the proposed objectives are still relevant to the fund.

The Denbow Transport Pty Ltd Superannuation Fund is a Self-Managed Superannuation Fund with one member/, namely Bill Bowden currently aged 79, and retired. The fund is governed by W J Bowden Pty Ltd as the corporate trustee. The director of the corporate trustee is Bill Bowden.

The fund is currently in retirement income stage and its total investable assets are currently \$1,423,949.

The fund current has the following liabilities:

Anticipated pension liability for the next 12 months of \$80,000.

The Trustee recognises that all superannuation funds are required to have an Investment Strategy which complies with the covenants and investment standards under the Superannuation Industry Supervision Act 1993 (SIS Act).

The Trustee covenant that, when contemplating Fund investments of any kind, they will have regard to the "sole purpose test" contained in SIS legislation.

This implies that the Trustee accept their obligations of achieving maximum returns for members, within their preferred risk profile risks, be involved in making, holding and realising, and the likely return from the fund's investments regarding its objectives and cash flow requirements and consistent with sound management of the fund's investments.

The Trustee accepts that all investments shall be purchased on an "arm's length" basis or on commercial terms.

In formulating the Investment Strategy, the Trustee have considered the following:

1. Risk, return and expected cash flow of investments
2. The extent to which limited diversification applies
3. Liquidity of investments given cash flow requirements and preference of its members
4. The ability to discharge existing and prospective liabilities
5. Insurance requirements over the lives of its members

Statement of the General Investment Principles to be Observed

The Trustee will select only those investments which correspond to their agreed strategy and sector allocations as laid down for the Fund. All investments undertaken by the Trustee should be arm's length and prudent, having as their objective the long – term consistent growth of the members' assets of the Fund.

Any investment made will take cognisance of required risk / return relationships as well as the required diversification of assets and liquidity within the Fund.

Fund Investment Strategy

The Trustee, acknowledging their obligation to formulate an Investment Strategy which has regard to the whole of the circumstances of the Fund, have considered the following aspects:

1. Ability to meet future liabilities

2. Diversification
3. Duration of strategy
4. Liquidity
5. Risk / return relationships
6. The security of assets
7. Insurance

Investment Strategy

The Trustee acknowledge their obligations to consider diversification across financial sectors, and are aware that certain risks such as return, volatility and liquidity risks can be minimised if the trustee chooses to invest in a variety of assets. This requirement is adopted not only to reduce risk, but to achieve other objectives such as, for example, improved tax efficiency by investing in shares for their imputed tax credits.

These assets may be held directly or via managed funds or held on an investment platform.

The Trustee wish to adopt the following asset sector in order to achieve growth is as follows.

Balanced risk profile asset allocation

Asset class	Benchmark %	Minimum %	Maximum%
Domestic Cash Deposits	5	0	30
International Cash Deposits	0	0	10
Domestic Fixed Interest Securities	15	0	25
International Fixed Interest Securities	15	0	25
Australian Equities	26	0	36
International Equities	28	0	38
Domestic Property	5	0	50
International Property	6	0	16
Alternative Assets	0	0	10

Investment Selection

The Trustee shall have absolute discretion in the selection of investments for the Fund provided that they are satisfied that such investments will generate the returns to achieve the benchmark required, as well as taking into account cash flow from investments required to meet liabilities, the need for capital growth to meet members goals and objectives and the need for liquidity for members.

The Trustee covenants that, to ensure that investments selected are appropriate for the Fund's investment objectives and appropriate legislation, it will employ the services of a licensed investment advisor, if required, to facilitate investment selection.

The fund acknowledges that it has a concentration of investments by holding its current investment property, acknowledges the risk it is exposed to as a result of the lack of diversification and intends to invest the rental proceeds and future contributions into a range of diversified liquid assets to mitigate this over time.

The trustees believe the cash held and cash flow generated are sufficient to meet all of the funds anticipated liquidity needs going forward.

The trustees are aware that eventually it is the intention to provide a retirement income stream from the accumulation of funds within superannuation and that the fund has considered the liquidity and exit strategy from the assets held within the fund and believes it remains appropriately invested in this regard.

Insurance Selection

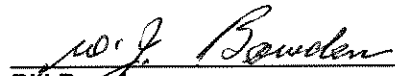
The member Bill Bowden instructed the trustee that no additional insurance is required at this time due to its members age and net worth. The Trustee will continue to review the insurance needs of members in line with Fund liquidity levels and the need to pay Fund benefits as and when required.

Risk

The Trustee acknowledges that an appropriate strategy will need to be considered taking into account the objective to attempt to reduce portfolio risk by diversification and product selection. The Trustee understands that investment risk is borne by the members, as fluctuation in investments returns will affect the level of the members benefits on withdrawal.

The Fund has as its investment objective to produce a real rate of return after inflation and net of tax, of (3% per annum), over a rolling 5-year period and to have a low expectation of negative returns in any 12-month period. This will be reviewed formally annually to ensure the Trustee objectives remain valid and in line with member retirement expectations.

Signatures of the director of the corporate trustee of the Denbow Transport Pty Ltd Superannuation Fund:



Bill Bowden

As Director W J Bowden Pty Ltd

As Trustee for Denbow Transport Pty Ltd Superannuation Fund