

Investment Objectives and Investment Strategy of the Darryl Mann Superannuation Fund

1 Investment Objectives

- 1.1 The sole aim of the investment strategy of the Darryl Mann Superannuation Fund (the Fund) is to accumulate funds for the payment of superannuation benefits as set out in the trust deed governing the Fund's operations.
- 1.2 The investment objectives which have been considered by the trustee of the Fund (the Trustee) in formulating the investment strategy are:
- 1.2.1 ensuring that there is sufficient liquidity to meet benefit payments as they become due;
 - 1.2.2 achieving a minimum investment return (net of tax and charges) that exceeds any increase in the Consumer Price Index over any five year period by not less than 3% per year;
 - 1.2.3 establishing within the Fund a tolerance to short term fluctuations in income and capital values given the profile of the members' ages;
 - 1.2.4 having proper regard to the risks associated with the investments given the Fund's objectives and cash flow requirements;
 - 1.2.5 having proper regard to the comparison of the Fund's investment portfolio, including diversification of the investments;
 - 1.2.6 having proper regard to the liquidity of the Fund's investments, given its cash flow requirements;
 - 1.2.7 having proper regard to the ability of the Fund to meet its current and prospective liabilities; and
 - 1.2.8 before investment in any particular asset, having due regard to the balance between risk and return so as to maximize the rate of return on members' entitlements subject to an appropriate level of risk.

2 Investment Strategy

- 2.1 With regard to the investment objectives detailed, the Trustee has adopted an investment strategy of seeking in the long term a diversified portfolio mix of the following asset classes:

Property

- 2.1.1 real property including both direct investment and indirect investment by the acquisition of units in property holding unit trusts;

Shares and other equities

2.1.2 shares, options, and other rights to shares including both direct and indirect investment through equity trusts or other pooled investment vehicles;

Cash including fixed interest deposits

2.1.3 cash, including fixed interest term deposits, bonds, cash management trusts and appropriate derivative products; and

- 2.2 The Trustee considers that no specific percentage range for each of the above asset classes should be adopted but that each asset class should be considered on its own investment merits at the particular time that an investment is proposed to be made by the Fund having due regard to always maintaining an appropriate degree of diversification.
- 2.3 A single asset strategy may be adopted for the Fund if the asset in which it is proposed to invest meets the investment criteria of the Fund but in the event that a single asset strategy is adopted, the Trustee will endeavour to diversify the investment portfolio at a later date as further contributions are made and income is derived by the Fund. If a single asset strategy is adopted then a suitable mechanism to provide liquidity to enable the payment of benefits to members in accordance with the terms of the trust deed any time is to be adopted.
- 2.4 All investments by the Fund must be on an arm's length basis and will be acquired, maintained, or disposed of on commercial terms at market rates of return.
- 2.5 The Trustee considers that this investment strategy will fulfill the principal aim of maximizing returns to members having regard to risk and is consistent with the investment objectives of the Fund.

Signed:



Darryl Mann
Sole Director
Boris Ballard Investments Pty Ltd
ATF Darryl Mann Superannuation Fund

Date:

7.10.10