

Investment Strategy

For

AGN SUPERANNUATION FUND

As at 30 September 2017

Members and Trustees/Directors

Trustee/Member 1	-	Arthur Nicolas (Date of Birth: 31/05/1960; Age: 57)
Trustee/Member 2	-	Giuliana Rita Nicolas (Date of Birth: 23/03/1958; Age: 59)

Fund Objectives

The primary objective of the Fund is the provision of benefits for each member of the Fund on or after retirement. The Trustees have a responsibility to balance the needs of all members. Those needs will be dependent on time to retirement, value of funds invested, assets held outside the fund and personal liabilities.

The Fund will ensure all investments are made in accordance with the Trust Deed and relevant legislation.

The Fund will aim to secure member benefits through prudent investments, having regard to the whole of the circumstances of the Fund.

The Fund will consider the time frame of 25 years for investing in accordance with members' retirement. The fund will pursue an investment strategy appropriate to this time frame.

Investment objectives

The trustees of the AGN Superannuation Fund have formulated the following investment objectives and strategy, in accordance with section 52B(2)(f) of the Superannuation Industry (Supervision) Act 1993 (SISA) and SIS regulation 4.09(2) (SISR).

Short term (2 years or less)

To ensure the fund preserves its capital base.

To ensure the fund has sufficient liquidity to meet operating expenses, taxation liabilities and cash benefit payments, as and when they fall due.

Medium term (2-5 years)

To enhance the value of the members superannuation savings before retirement via additional contributions and effective asset allocation.

To maximise tax effective returns by the use of imputation credits from a range of Australian based equities.

To achieve long-term capital growth of at least 5% per annum compounded over rolling 5-year periods.

To achieve a rate of income of no less than 3% per annum from an Assertive portfolio.

Long term (>5 years)

To ensure the fund provides positive returns in at least 4 out of every 5 rolling tax years.

To ensure the fund has accumulated sufficient assets to fund an account-based pension that will provide a combined family income of at least \$30,000 per annum (net) indexed annually to CPI.

The whole of the fund's circumstances have been considered in formulating these investment objectives such as membership profile (e.g., member's age, aversion to risk and investment expectations), benefit design, tax position, fund size, liquidity and likelihood of future contributions.

Investment strategy

The investment strategy is the method chosen by the trustees in order to achieve these investment objectives.

The investment strategy of the fund comprises of the following asset allocations:

Portfolio	Range	Benchmark %
Cash	1 - 100	10%
Fixed Interest	0 - 60	20%
Property (direct or indirect)	0 - 60	0%
Domestic Shares	0 - 90	70%
International Shares	0 - 60	0%
TOTAL		100%

These ranges are purely indicative and the trustees may vary the allocations at any time if satisfied that the current market conditions or the fund's circumstances warrant such a change. If the trustees wish to invest outside these parameters, the investment strategy of the fund must be revised in writing and all decisions minuted.

Caution: It is noted that any breaches of the fund's investment strategy may result in the trustees being fined or sued for loss or damages. The fund could also lose its complying fund status.

In arriving at this investment strategy, the trustees considered:

- The age of the members;
- The risk and return characteristics of each investments;
- Diversification of investments to manage variability of returns;
- Liquidity and cash-flow requirements - short and long term; and
- Ability of the fund to discharge its liabilities.

Investment Policies

No investments in venture capital or private companies or other specialised assets with limited markets.

No investments in any type of derivative, including warrants, foreign exchange, options, hedge funds, commodities, CFD's, etc.

The Trustees may invest in any of the following:-

- Cash
- Australian Equities listed on the Australian Securities Exchange (ASX) or other recognised Australian listed exchange
- Fixed Term Deposits
- Listed Property Trusts listed on the Australian Securities Exchange (ASX) or other recognised Australian listed exchange
- Unlisted Property Trusts
- Other Listed Trusts listed on the Australian Securities Exchange (ASX) or other recognised Australian listed exchange
- Direct Property (Residential &/or Commercial)
- Listed Managed Funds listed on the Australian Securities Exchange (ASX) or other recognised Australian listed exchange
- Unlisted Managed Funds
- Listed Fixed Interest Securities listed on the Australian Securities Exchange (ASX) or other recognised Australian listed exchange
- Other investments as approved by the relevant legislation for Superannuation Funds and for Account-based pension Funds, not otherwise excluded in this strategy

Minutes of the meeting of Arthur Nicolas and Giuliana Nicolas

as trustees for the AGN Superannuation Fund

held at 16 Southview Crescent on 30 September 2017

Present:

Arthur Nicolas (Chairperson)

Giuliana Nicolas

General Business:

The investment strategy for the AGN Superannuation Fund dated 30 September 2017 was tabled and discussed.

The trustees indicated that the investment strategy was appropriate, taking into account risk, return, diversification, liquidity and the ability of the fund to discharge its liabilities.

The business of whether the Fund should hold a contract of insurance that provides insurance cover for each member was tabled and discussed. These discussions take into account any personal insurance cover members may own in their own name/s.

The trustees indicated that based on each member's personal circumstances and their specific needs for personal insurance cover, the existing insurance strategy was deemed appropriate based on each member's age, health, assets, liabilities, income level and whether they have any dependants.

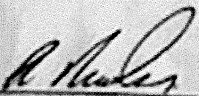
This view was supported by their financial planner.

Resolution: the trustees resolved that the level of insurance cover for each member is appropriate and that the investment strategy be adopted.

Declaration: hereby declare that these minutes are a true and correct record.

Closure: being no further business the meeting closed.

Signed:


ARTHUR NICOLAS


GIULIANA NICOLAS

On-going review

The trustees of the AGN Superannuation Fund will continue to monitor the investment performance of the fund's assets, which will be measured by individual asset classes against suitable indicators, such as the ASX Ordinary Accumulation Index for shares (see list below).

The review of the performance is to be carried out at least annually or when significant life circumstances may change. The review will consider in particular the rolling 3 and 5 year results.

If the performance of the investments has failed in meeting the investment objectives over a reporting period, then the investment strategy of the fund needs to be reviewed by the trustees of the AGN Superannuation Fund as soon as practical.

Insurance

The SIS Regulations now provide the requirement for trustees to consider whether the fund should hold a contract of insurance that provides personal insurance cover for all members of the fund (SIS Regulations reg 4.09(2)(e)). The effect of the Regulations is to ensure trustees consider holding appropriate levels of personal insurance for members, whether members hold their insurance inside or outside superannuation.


Accordingly, the trustees have given due consideration to each member's personal circumstances in regard to their needs for personal insurance cover, and have noted each member's level of insurance cover and whether these policies are held inside the Fund or in each member's personal name, or whether it is necessary to hold insurance cover at all for some or all of the members.


Each member's policy and level of personal insurance cover will be reviewed annually, if applicable.

Benchmarks

Fund Investments	Benchmarks
Australian Shares	S&P/ASX 200
Australian Fixed Interest	SBC All Maturities Index Commonwealth Bank All Maturities Bond Index
International Shares	FT World Index (Financial Times) MSCI (Morgan Stanley Capital Index) World ex Aus
Direct Property	Morningstar Direct Property Index
Listed Property Trusts	S&P/ASX 200 A-REIT
Unlisted Property Trusts	Morningstar Med Unlisted Property Trust Index

Signed:


ARTHUR NICOLAS


GIULIANA NICOLAS