

**RESOLUTION OF MEETING OF THE TRUSTEES OF  
THE CUBIT SUPERANNUATION FUND**

Held at: 1 Yucca Court, Eight Mile Plains, Qld, 4113

This resolution has been prepared formalising the decision made on 30 June 2012

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**PRESENT:** Terrence Roderick Cubit  
Judith Ann Cubit

**NOTICE OF MEETING:**

Notice of meeting was deemed to have been given as all parties entitled to attend at meetings and vote are present.

**CHAIRMAN:**

It was resolved to appoint Terrence Roderick Cubitto act as Chairman of the Meeting.

**BUSINESS:**

In accordance with the requirements of *Section 52(2)(f) of the Superannuation Industry (Supervision) Act 1993*, and in keeping with the provisions of The Cubit Superannuation Fund trust deed, the trustee(s) are in favour of the following resolutions:

**Resolved as follows:**

1. The implementation of the Investment Strategy is approved.
2. The Investment Strategy is approved for the period 1 July 2011 to 30 June 2012.
3. This resolution is carried from the close of this meeting.

**CLOSURE:**

There being no further business to attend to the meeting was declared closed.

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Signed as a true and correct copy.




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Terrence Roderick Cubit  
Trustee



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# Self Managed Superannuation Fund Investment Strategy

Prepared for The Cubit Superannuation Fund

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# Investment Strategy of The Cubit Superannuation Fund

**Date:** *1.7.2022* (Each time you fill out this Investment Strategy, print it out and date it. You can update it as often as you so choose.)

## 1. DICTIONARY

For the purposes of this Investment Strategy these words mean:

**"Relevant Requirements"** means the SIS Legislation and other legislation as applicable from time to time; and

**"SIS Legislation"** includes the following Acts:

- i. the *Tax Laws Amendment (Simplified Superannuation) Act 2007* (Cth);
- ii. the *Superannuation Industry (Supervision) Act 1993* (Cth) ("**SIS Act**");
- iii. the *Superannuation (Financial Assistance Funding) Levy Act 1993* (Cth);
- iv. the *Superannuation (Resolution of Complaints) Act 1993* (Cth);
- v. the *Superannuation (Rolled-Over Benefits) Levy Act 1993* (Cth);
- vi. the *Superannuation Industry (Supervision) Consequential Amendments Act 1993* (Cth);
- vii. the *Superannuation Supervisory Levy Amendment Act 1993* (Cth);
- viii. the *Occupational Superannuation Standards Amendment Act 1993* (Cth);
- ix. any regulations ("**SIS Regulations**") made under the above Acts; and
- x. all other requirements whether legislative or administrative including:
  - A. any administrative guidelines issued by the Responsible Authority; or
  - B. statements by government advising changes and any proposed changes to the SIS Legislation.

## 2. OBJECTIVE

This investment strategy of The Cubit Superannuation Fund ("**Fund**") (as amended from time to time) is created in compliance with the SIS Act.

### 3. THE FUND

- i. The Fund:
  - A. accepts employer and member contribution and contributions from other persons as the laws allow;
  - B. transfers from other superannuation funds and from a spouse as the laws allow;
  - C. provides benefits to members upon retirement as the laws allow;
  - D. provides other activities as allowed by the laws and regulations from time to time;
  - E. allows access to any unrestricted non-preserved benefits (as/when allowed by the laws and regulations); and
  - F. provides for the payment of pension benefits at a rate as determined in the future from time to time.
- ii. The Fund complies with the current laws and regulations and the rules in the trust deed. It has the following investment objectives:
  - A. Risk and Rate of Return
    - I. 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.
    - II. The trustee (from time to time) of the Fund ("Trustee") has a strong emphasis on preserving the Fund's capital. However, many sound investments are not capital guaranteed.
    - III. 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.
    - IV. 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.
  - B. Reserving accounts
    - I. Prudential management requires that a strategy be put in place so that the Trustee has the ability to pay its liabilities and obligations, whether contingent or actual, as and when they fall due. They can be paid to either members or for paying the expenses of the Fund.
    - II. From time to time the Trustee is at liberty to put in place

reserve accounts, in accordance with the deed for any classes including these categories:

1. investment (it can also hold undistributed investment income and income above the Fund's required return);
  2. contributions (such as an unallocated contribution made by an employer on behalf of a group of employees); and
  3. miscellaneous (these include pre 12 May 2004 forgone and forfeited benefits, plus expenses and other legal provisions).
- iii. The Trustee is also at liberty to create a separate and additional investment strategy for reserving for each type of Fund reserve.
- iv. These can be for any lawful purpose including smoothing returns, advisory fees, accounting fees, taxes, surcharge liabilities, life and disabled insurance premiums, death and disability payments and any purposes set out in Australian Tax Offices' Superannuation Contributions Ruling 1999/1.
- v. The Trustee is at liberty under section 55(6) of the SIS Act to defend against any loss or damage suffered by a member because the reserves were managed in accordance with section 52(g)(2) of the SIS Act.

#### **4. 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. An investment can be for capital growth only, income only or a combination.

#### **5. TRUSTEE'S OBLIGATIONS**

- i. The Trustee ensures that the Fund meets the legislated standard minimums to continue to obtain concessional taxation status on the income.
- ii. 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.
- iii. The Trustee acknowledges that members' benefits are a liability of the Fund. The Trustee gives thought to the level of benefit required to be paid to the member. However, while no terminations or benefits are expected to be paid out in the short to medium term, the Trustee is at liberty to examine investments that are medium term. However, when the member is in pension phase the time horizon may be far shorter.

## 6. INVESTMENTS, METHODS AND STRUCTURES

- i. The Trustees may invest all or part of the money and other assets of the Fund in any manner in which they could if they were personally entitled as beneficial owners of those assets, under any circumstances and any terms, and in or through any business structure or any arrangement (including companies, joint ventures, partnerships and trusts - including unit, hybrid, family, discretionary) including:
  - A. in insurance and any other type of insurance including trauma;
  - B. in Trustee investments;
  - C. in the purchase, improvement or mortgage of real property;
  - D. on deposit with any bank or building society (and the power to open and close such accounts) or any other company partnership or person with or without security;
  - E. in shares, stocks, options, debentures, bonds, unsecured notes or other securities;
  - F. in units or sub-units of any unit trust including units in a pooled superannuation trust;
  - G. in common funds, artworks, motor vehicles (including trucks) and live stock;
  - H. in bills of exchange or other negotiable instruments;
  - I. in options, hedging contracts, futures contracts, instalment warrants, derivatives, Contracts for Difference ("CFD's"), similar securities to the above and other financial instruments;
  - J. investing in any asset using the instalment warrant; and
  - K. in other investments, which the Trustee considers on a case-by-case basis, such as investments in agribusiness.
- ii. The Trustees may dispose of, vary, transpose, replace or encumber investments or mix investments with investments of other people or trustees as if they were personally entitled to them as beneficial owners.
- iii. The Trustees invest in a manner which is consistent with the Relevant Requirements.
- iv. The Trustees may borrow money in a manner consistent with the Relevant Requirements.
- v. The Trustees may only lend money to Members if it is consistent with the Relevant Requirements.

## 7. BORROWING

- i. To seek higher returns, the Trustee may borrow money under any circumstances, for any reason, including limited recourse borrowing as provided for under sections 67A and 67B of the SIS Act ("**Borrowed Moneys**") and applying the Borrowed Moneys for any purpose including the purchasing, refinancing and repairs and maintenance of an Acquirable Asset, under any circumstances (including through a trust, bare trust, warrant, limited recourse borrowing arrangement or beneficially).
- ii. Where the purchase has been made otherwise than beneficially, then the power to acquire the legal ownership of such asset (or replacement asset) at any time and the right to provide any lender with a loan on any conditions including a limited recourse loan (including a loan limited to rights relating to the original asset or the replacement asset).

## 8. INSURANCE

The Trustee cannot accept the transfer of an existing insurance policy from a member, or a relative of a member but may arrange cover for members within the fund. Arranging insurance cover is an important part of the fund's investment strategy to provide benefits for members and their family. The Trustee has considered whether insurance, such as life insurance, income protection insurance and disability cover or other permissible cover should be held for one or more members. Arranging insurance cover will depend on the age, applicable premium and extent of cover appropriate and is subject to the availability of insurance in respect of a member. Whilst the trustee can generally claim a tax deduction for the insurance premium, excluding trauma cover, the trustee also takes into account the restricted tax deductibility of premiums for an "own occupation" definition for disability cover.

## 9. DIVERSITY OF THE MEMBER'S FUND

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

<b>Asset Allocation (%) of The Cubit Superannuation Fund</b>	<b>Range (%) e.g. 0 - 100%</b>
Cash	0 - 10%
Australian Fixed Interest	
International Fixed Interest	
Australian Equities (Current Benchmark: S&P ASX 200)	70 - 80%
International Equities (Current Benchmark: MSCI World Ex \$A)	15 - 25%
Diversified Property (other than residential)	
Residential, commercial or retail property (direct, listed or unlisted)	
Hedge funds	
Antiques and art works	
Loans, loan facilities and securities	
Other investments (considered on a case by case basis) such as agribusiness	
Others:	

- iii. Where no range has been inserted above then the Trustee considers that no specific percentage range for each of the asset classes should be adopted but that each asset class should be considered on its own investment merits having regard to an appropriate degree of diversification.

## 10. PAYING DEBTS

The Trustee is obliged to pay tax, expenses and benefits. It will do so within 31 days. The Trustee ensures that it holds sufficient cash to meet such obligations. Moneys must also be kept in reserve to meet the risk and reward objectives of the Fund.

## 11. COST OF INVESTING

The Trustee strives to reduce costs of investing. However, at times upfront investment costs are payable in order to obtain the best investment products that fit into this investment strategy. Exit costs and penalties may also be part of the cost of carrying out this investment strategy.

## 12. INVESTMENTS

### a. Cash

Money can be held in kind, banks, building societies, lending institutions and cash management accounts.

### b. Australian Shares

After research and due diligence, these include listed and unlisted securities including shares, warrants, derivatives, CFD's, derivatives securities and managed funds.

**c. Australian Fixed Interest**

These include deposits banks, building societies, lending institutions, cash management accounts, government and non-government bonds, bank bills, debentures, corporate notes and specialist fixed interest funds.

**d. International Shares**

After research and due diligence, these include investments directly or indirectly in listed and unlisted shares from around the world including listed and unlisted securities including shares, warrants, derivatives, CFD's, derivatives securities and managed funds.

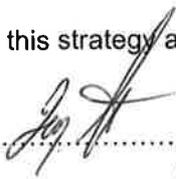
**e. Property**

This includes both direct and indirect investments in listed and unlisted property trusts and property securities funds.

**f. Review**

The Trustees are to regularly review the funds investment strategy and evidence this review in the minutes of trustee meetings held during the income year.

The Trustees may review this strategy as required, but it will be reviewed at least annually.

Signed by the Trustee(s)  .....