

**NT General Stores Pty Ltd
Superannuation Fund**
(“The Fund”)

SMSF Investment Strategy

Trustee:
Darwin Disposals Pty Ltd

Director:
Mr Roger Hamill

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INVESTMENT STRATEGY REQUIREMENTS

The trustees/directors of the corporate trustee are required to prepare an investment strategy (or strategies) that provide a framework for making investment decisions to increase members' benefits for their retirement. This duty is codified in section 52(2)(f) of the Superannuation Industry (Supervision) Act 1993 ("SIS Act") and is an operating standard set out in SIS Regulation 4.09, which applied to all trustees.

This investment strategy report considers, at the fund level:

- the risk and likely return from investments;
- the diversification of the investments;
- the liquidity and cash flow requirements;
- the ability of the fund to discharge its liabilities; and
- whether a contract of insurance that provides cover for one or more members is required

This written investment strategy has been prepared to demonstrate that investment decisions comply with the strategy and the various superannuation laws including:

- Sole Purpose test;
- Restrictions on investments and acquisitions from members;
- Ownership and protection of assets;
- Lending to members;
- Placing charges over fund assets (with limited exceptions);
- Investing in collectables and personal use assets
- Investments being made on an arm's length basis; and
- Restrictions on holdings of in-house assets

Complying Status

The Fund is an Australian Superannuation Fund as defined in subsection 295-95(2) of the Income Tax Assessment Act 1997 and Section 45 of the Superannuation Industry (Supervision) Act 1993 ("SIS Act").

ONGOING MONITORING

The obligation for the trustee to formulate and implement an investment strategy also requires the trustee to monitor and regularly review the investment strategy on an ongoing basis to help ensure that the investments made by the trustee(s) continue to be consistent with the investment strategy. Where this is not the case, the trustee(s) will be required to amend the investment strategy to reflect the change in the investment approach.

FUND PROFILE

Fund Benefit Design:	Accumulation / Pension Fund
Fund Structure	Self-Managed Super Fund (SMSF)
Approximate Current Fund Assets:	\$906,000
Number of Fund Members:	1
Fund Phase:	Accumulation, Pension, Composite
Time horizon of the Fund:	
Member directed investments	Yes (Segregated) / No (Pooled)

Age profile

Age	Number of Members
Less than 40 years	
41-49 years	
50-59 years	
60-64 years	
65-69 years	
70 years and over	1

FUND OBJECTIVES

General Objectives

To provide retirement benefit for the members. In the event of the members' death before retirement, to provide benefits for the dependants of the members.

To ensure that sufficient assets will be available to meet benefit payments when those payments are due to be paid (solvency).

To ensure that sufficient liquid assets will be available to meet benefit payments as and when those payments are due to be paid (liquidity).

To provide protection against the chance of a negative return over any 5 year period.

The Fund has a long investment horizon, therefore the members are prepared to endure a reasonable level of volatility of returns in expectation of long term growth. The members are prepared that there might be years where the returns are negative.

Other (please specify).....
.....
.....

Specific Objectives

[Select/tick from the following as appropriate]

- To achieve the RBA cash rate of return each year. It is expected that the capital value of the Fund is preserved at all times, and to avoid negative returns.
- To obtain a rate of return exceeding CPI by 3% over a period of five years. It is expected that the fund may incur occasional negative returns in any one year.
- To obtain a rate of return exceeding the benchmark indices by 3% over a period of five years. It is expected investment returns will fluctuate, with the likelihood of negative returns in any one year.
- To provide real long term (minimum of ten years) capital growth of at least 5% compounded and a level of income no less than 4%. It is expected that the fund may incur occasional negative returns in any one year.
- To borrow funds in order to maximize the growth of the Fund assets over the long term.
- Other -
.....
.....

RISK PROFILE

Risk Tolerance

[Select/tick from the following as appropriate]

- The members are close to retirement and expect the Fund to invest in risk adverse investments to achieve capital preservation and avoid volatility in returns.
- The Fund has a relatively long time horizon. The members are prepared to endure a reasonable level of volatility of returns in expectation of long term growth.
- The composition of the members is diverse and the collective risk tolerance indicates that there should be a balance of reasonable risk and volatility to achieve long term capital and income growth.
- The Fund is paying a pension income stream(s). Investments should be made in risk adverse investments, which combine reasonable security of capital with the prospect of long term growth, with the view to prolonging the duration of the pension payments.
- The fund may borrow to acquire the beneficial interest in listed Company shares provided the lender's rights on any default of the borrowing or the sum of the borrowing and charges related to the borrowing are limited to rights relating to those listed shares or any replacement to the listed shares.
- The Fund may borrow to acquire the beneficial interest in real estate, provided the lenders rights on any default of the borrowing or the sum of the borrowing and charges related to the borrowing are limited to rights relating to that real estate or any replacement to the real estate;
- Other (please specify)
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.....

Statement on Risk:

[Select/tick from the following as appropriate]

- Investment risk is borne by the members, as fluctuation in investment returns will affect the level of the members' benefits on withdrawal.
- Investment risk is borne by the members, as fluctuation in investment returns will affect the level of the members' benefits on withdrawal. The fluctuation is smoothed by the maintenance of a reserve to which returns are credited or debited according to the credit rate policy.
- Other (please specify)
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DIVERSIFICATION

[Select/tick from the following as appropriate]

- Diversification across currencies, economies and asset classes is achieved through a mix of international and Australian investments. The Trustee recognises that diversification can result in significant reduction to return volatility while maintaining the level of anticipated return.
- Diversification is achieved through a mix of Australian investments across a range of asset classes. The Trustee recognises that diversification can result in significant reduction to return volatility while maintaining the level of anticipated return.
- The funds are primarily invested in equities. The Trustee recognises the higher risk in investing predominantly in only one asset class and the volatility associated with shares. The volatility will be compensated by the prospect of achieving higher return and growth in the longer term. The shares are invested in different industries and sectors, which will spread risk to a satisfactory level.
- The Fund is invested in a Unit Trust and the underlying assets of the Trust are primarily invested in shares. The Trustee recognises that the Fund is subject to higher risk associated with investing predominantly in one asset class and the volatility associated with shares. The Trustee considers that the higher risk will be compensated by the prospect of achieving higher return and growth in the longer term. The shares are invested in different industries and sectors, which will spread risk to a satisfactory level.
- The funds are primarily invested in fixed interest securities and deposits. It is considered that investment in this asset class is suitable for the Fund's policy of maximising capital preservation and avoiding negative return.
- The Fund is invested in a Unit Trust and the underlying asset of the Unit Trust is an investment in a real property. The Trustee recognises that the Fund is subject to a high level of property specific risks. The Trustee considers that real property is a secure investment with the prospect of long term capital appreciation while generating steady income growth.
- The Fund is invested primarily in one real property. The Trustee recognises that the Fund is subject to a high level of property specific risks. The Trustee considers that real property is a secure investment with the prospect of long term capital appreciation while generating steady income growth.
- The Fund is invested primarily in cash and cash deposits. The trustee recognizes that the Fund will not be exposed to economic activity and that there will not be any growth in the asset class. The Trustee considers that cash and cash deposits is a secure investment.
- Other (please specify)
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SMSF Investment Strategy

Indicative asset mix and asset class strategic ranges formulated

[Enter percentages from 0 - 100% in the table below]

Asset Type	Strategic Ranges		Benchmark %
	From %	To %	
Australian Shares (inc. options, futures, Exchange traded options, warrants and CFD's)	10%	80%	65%
Australian Fixed Interest (inc. deposits, debentures, bonds for 12 months & over)	%	%	%
Cash (CMT, Deposits < 12 months, A/c balances)	10%	40%	35%
Managed Funds (covering a range of asset classes)	%	%	%
Direct Property	%	%	%
International Shares	%	%	%
International Fixed Interest (inc. deposits 12 months & over)	%	%	%
Listed Property	%	%	%
Mortgages	%	%	%
Physical Metals and Commodities	%	%	%
Collectibles and Art	%	%	%
Other	%	%	%
			100 %

LIQUIDITY

Statement on Liquidity

[Select/tick from the following as appropriate]

- There is no anticipated benefit payment in the next ____ years. Surplus cash (above anticipated liquidity requirements) will be invested in accordance with the Fund's investment strategy.
- A lump sum benefit payment will be made. The Trustee will monitor the liquidity position to ensure that there will be sufficient liquid assets to meet the benefit payments as and when they fall due.
- Members are drawing pension payments at least annually. The Trustee will monitor the liquidity position to ensure that there will be sufficient liquid assets to meet the benefit payments as and when they fall due.
- The fund has entered into a Limited Recourse Borrowing Arrangement (LRBA). The Trustee will monitor the liquidity position to ensure that there will be sufficient liquid assets to meet loan repayments in accordance with the terms and conditions of the lender.
- Other (please specify)
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ABILITY OF FUND TO DISCHARGE EXISTING AND PROSPECTIVE LIABILITIES

[Select/tick from the following as appropriate]

Sufficient cash flow will be maintained to discharge administration expenses, borrowing costs (where applicable) and other outgoings. The Fund is a defined contribution fund and the members are entitled to the accumulation of contributions and earnings in the members' account on withdrawal. The Fund will be able to meet its obligations to the members and other parties at all times.

Other (please specify)

INSURANCE CONSIDERATIONS

Member insurance:

[Select/tick from the following as appropriate]

The trustee considers that a contract of insurance is appropriate for one or more members

Policy holder	Insurance Type	Level of Cover	Comments

The trustees are satisfied that the member(s) have appropriate levels of insurance outside of the Fund

The trustees have considered a contract of insurance for the fund members and are satisfied that they are at a stage in life where insurance is not required or is inappropriate

Member circumstances prohibit the ability to obtain a necessary contract of insurance.

Other (please specify)

RESERVES MANAGEMENT STRATEGY

[Select/tick from the following as appropriate]

- The fund does not operate reserves
- The fund does operate reserves

Type of Reserves operated by fund (if any):

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❖ Trust Deed clause to allow reserves

(Include some detail on types of reserves being used and comments on their prudential management)

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NT GENERAL STORES PTY LTD SUPERANNUATION FUND INVESTMENT STRATEGY

This investment strategy of the Fund replaces the previous strategy in place.

1. Object of the Fund

The objective of the Fund is to maximise the retirement benefits available to the members through diversifying investments and managing risk.

2. Authorised Investments and Risk Profile:

The Trustee is authorised to invest in the following classes of investment. The Trustee is required to invest within the acceptable risk profile for each class of investment as detailed below. Prior to making any investment decision the Trustee will confirm the transaction complies with the provisions of the Superannuation Industry (Supervision) Act 1993.

- a) Shares, stocks or units of whatever kind in any company or trust whether formed or incorporated or trading in Australia or otherwise and regardless of whether the company or trust is a public or private.

Risk Profile

By their nature all shares, stocks and units (whether publicly listed or private), are subject to considerable price fluctuation and are therefore considered moderate risk investments. The Trustee is given the widest possible discretion in its decision making concerning the class of security. The Trustee is authorised to trade in options (both put and call) in any share or unit.

- b) Government Bonds and/or Bank Investment Bonds

Risk Profile

This class of investments attracts minimal risk.

- c) Cash on Deposit with any Bank, Bank or Commercial Bills

Risk Profile

This class of investment attracts minimal risk.

- d) Cash on Deposit with any Insurance Company or Company

Risk Profile

This class of investment attracts considerable but manageable risk. The Trustee may lend money to any company listed on the Australian Stock Exchange, which carries a credit rating (Standards & Poors) of AA or higher and which is secured by a debenture over the company's assets. The Trustee may loan monies to any person or company at its discretion provided the loan is secured by first mortgage real estate security and that the funds loaned do not exceed 70% of the real estate's value.

- e) Real Estate

Risk Profile

This class of investment attracts moderate risk. The Trustee may invest in this class of investment whether the real estate is bought to generate an income, capital appreciation, or both.

**NT GENERAL STORES PTY LTD SUPERANNUATION FUND
INVESTMENT STRATEGY**

f) Other Collectible Assets

Risk Profile

This class of investment is considered high risk. Whilst authorised, the Trustee may only purchase antiques, jewellery or works of art which has been valued by at least two independent experts.

g) Such other Investments as the Trustee considered will fulfil the object of the Fund

Risk Profile

No risk profile can be qualified.

3. Diversification of Investments

The Trustee may invest in such class or classes of investment as it may in its discretion decide, save that category f) investments shall not at any time constitute 5 % of the Fund's assets. The Trustee is specifically authorised to vary the mix of investments at its absolute discretion and may sell or trade any asset or assets of the Fund at any time, in accordance with the ranges set below.

The Trustee believes the following mix of investments is appropriate to meet the objective of this investment strategy:

<u>Category</u>	<u>Range</u>	<u>Return</u>
a) Shares, stocks or units	up to 40%	CPI + 3%
b) Government Bonds and/or Bank Investment Bonds		
c) Cash on Deposit with any Bank, Bank or Commercial Bills	up to 50%	Bank rates
d) Cash on Deposit with any Insurance Company or Company		
e) Real Estate including shares in unlisted Company	up to 75%	7%
f) Other Collectible Assets		
g) Such other investments as the Trustee considered will fulfil the object of the Fund		

**NT GENERAL STORES PTY LTD SUPERANNUATION FUND
INVESTMENT STRATEGY**

4. Liquidity

Due consideration will be given, prior to any investment decision, as to the liquidity requirements of the fund to ensure the fund will be able to pay its debts as and when they fall due.

As members of the Fund are entitled to receive a benefit from the Fund, the required liquidity of the Fund will need to be such that any pay out as well as any recurrent taxation liability can be met. The Trustee is therefore required to maintain an appropriate level of liquidity in order to meet the liabilities of the Fund as and when they fall due, otherwise the Trustee must ensure that the class or classes of assets is comprised of assets that are transferable in specie.

5. Insurance

Taking into consideration the age of the members, the amount of the insurance premium for members, the fact that there are/no child dependents, the wealth of the members personally and the size of members' accrued benefits, the trustee has deemed it unnecessary for the fund to take out any insurance over the members.

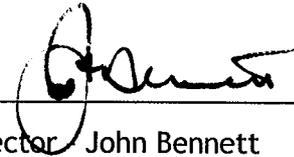
6. Performance

The Trustee will review performance on an annual basis, or more frequently as appropriate. Performance is to be measured against the above return ranges for the asset categories applicable, taking into account current market circumstances.

The members have agreed to the preceding investment strategy, and to signify the adoption and confirmation of the NT General Stores Pty Ltd Superannuation Fund Investment Strategy, the signatures of the Trustee appear below.



Director - Roger Hamill



Director John Bennett

Dated: 25TH Nov. 2013

25-11-13

NT GENERAL STORES PTY LTD SUPERANNUATION FUND INVESTMENT STRATEGY

This investment strategy of the Fund replaces the previous strategy in place.

1. Object of the Fund

The objective of the Fund is to maximise the retirement benefits available to the members through diversifying investments and managing risk.

2. Authorised Investments and Risk Profile:

The Trustee is authorised to invest in the following classes of investment. The Trustee is required to invest within the acceptable risk profile for each class of investment as detailed below. Prior to making any investment decision the Trustee will confirm the transaction complies with the provisions of the Superannuation Industry (Supervision) Act 1993.

- a) Shares, stocks or units of whatever kind in any company or trust whether formed or incorporated or trading in Australia or otherwise and regardless of whether the company or trust is a public or private.

Risk Profile

By their nature all shares, stocks and units (whether publicly listed or private), are subject to considerable price fluctuation and are therefore considered moderate risk investments. The Trustee is given the widest possible discretion in its decision making concerning the class of security. The Trustee is authorised to trade in options (both put and call) in any share or unit.

- b) Government Bonds and/or Bank Investment Bonds

Risk Profile

This class of investments attracts minimal risk.

- c) Cash on Deposit with any Bank, Bank or Commercial Bills

Risk Profile

This class of investment attracts minimal risk.

- d) Cash on Deposit with any Insurance Company or Company

Risk Profile

This class of investment attracts considerable but manageable risk. The Trustee may lend money to any company listed on the Australian Stock Exchange, which carries a credit rating (Standards & Poors) of AA or higher and which is secured by a debenture over the company's assets. The Trustee may loan monies to any person or company at its discretion provided the loan is secured by first mortgage real estate security and that the funds loaned do not exceed 70% of the real estate's value.

- e) Real Estate

Risk Profile

This class of investment attracts moderate risk. The Trustee may invest in this class of investment whether the real estate is bought to generate an income, capital appreciation, or both.

**NT GENERAL STORES PTY LTD SUPERANNUATION FUND
INVESTMENT STRATEGY**

f) Other Collectible Assets

Risk Profile

This class of investment is considered high risk. Whilst authorised, the Trustee may only purchase antiques, jewellery or works of art which has been valued by at least two independent experts.

g) Such other Investments as the Trustee considered will fulfil the object of the Fund

Risk Profile

No risk profile can be qualified.

3. Diversification of Investments

The Trustee may invest in such class or classes of investment as it may in its discretion decide, save that category f) investments shall not at any time constitute ____ % of the Fund's assets. The Trustee is specifically authorised to vary the mix of investments at its absolute discretion and may sell or trade any asset or assets of the Fund at any time, in accordance with the ranges set below.

The Trustee believes the following mix of investments is appropriate to meet the objective of this investment strategy:

<u>Category</u>	<u>Range</u>	<u>Return</u>
a) Shares, stocks or units	up to 70%	CPI + 2%
b) Government Bonds and/or Bank Investment Bonds		
c) Cash on Deposit with any Bank, Bank or Commercial Bills	up to 70%	Market Interest Rate
d) Cash on Deposit with any Insurance Company or Company		
e) Real Estate		
f) Other Collectible Assets		
g) Such other investments as the Trustee considered will fulfil the object of the Fund	up to 30%	CPI + 3%

**NT GENERAL STORES PTY LTD SUPERANNUATION FUND
INVESTMENT STRATEGY**

4. Liquidity

Due consideration will be given, prior to any investment decision, as to the liquidity requirements of the fund to ensure the fund will be able to pay its debts as and when they fall due.

As members of the Fund are entitled to receive a benefit from the Fund, the required liquidity of the Fund will need to be such that any pay out as well as any recurrent taxation liability can be met. The Trustee is therefore required to maintain an appropriate level of liquidity in order to meet the liabilities of the Fund as and when they fall due, otherwise the Trustee must ensure that the class or classes of assets is comprised of assets that are transferable in specie.

5. Insurance

Taking into consideration the age of the members, the amount of the insurance premium for members, the fact that there are/no child dependents, the wealth of the members personally and the size of members' accrued benefits, the trustee has deemed it unnecessary for the fund to take out any insurance over the member (or the trustee has decided that the fund requires life insurance cover over the members).

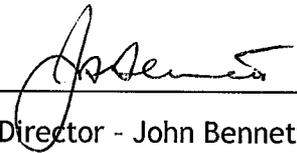
6. Performance

The Trustee will review performance on an annual basis, or more frequently as appropriate. Performance is to be measured against the above return ranges for the asset categories applicable, taking into account current market circumstances.

The members have agreed to the preceding investment strategy, and to signify the adoption and confirmation of the NT General Stores Pty Ltd Superannuation Fund Investment Strategy, the signatures of the Trustee appear below.



Director - Roger Hamill



Director - John Bennett

Dated: 13 March 2013

**NT GENERAL STORE PTY LTD SUPERANNUATION FUND
INVESTMENT STRATEGY**

The Investment Strategy of the Fund is to be:-

1. Object of the Fund

The objective of the Fund is to maximise the retirement benefits available to the members through diversifying investments and managing risk.

2. Authorised Investments and Risk Profile:

The Trustee is authorised to invest in the following classes of investment. The Trustee is required to invest within the acceptable risk profile for each class of investment as detailed below. Prior to making any investment decision the Trustee will confirm the transaction complies with the provisions of the Superannuation Industry (Supervision) Act 1993.

- a) Shares, stocks or units of whatever kind in any company or trust whether formed or incorporated or trading in Australia or otherwise and regardless of whether the company or trust is a public or private.

Risk Profile

By their nature all shares, stocks and units (whether publicly listed or private), are subject to considerable price fluctuation and are therefore considered moderate risk investments. The Trustee is given the widest possible discretion in its decision making concerning the class of security. The Trustee is authorised to trade in options (both put and call) in any share or unit.

- b) Government Bonds and/or Bank Investment Bonds

Risk Profile

This class of investments attracts minimal risk.

- c) Cash on Deposit with any Bank, Bank or Commercial Bills

Risk Profile

This class of investment attracts minimal risk.

- d) Cash on Deposit with any Insurance Company or Company

Risk Profile

This class of investment attracts considerable but manageable risk. The Trustee may lend money to any company listed on the Australian Stock Exchange, which carries a credit rating (Standards & Poors) of AA or higher and which is secured by a debenture over the company's assets. The Trustee may loan monies to any person or company at its discretion provided the loan is secured by first mortgage real estate security and that the funds loaned do not exceed 70% of the real estate's value.

**NT GENERAL STORE PTY LTD SUPERANNUATION FUND
INVESTMENT STRATEGY**

e) Real Estate

Risk Profile

This class of investment attracts moderate risk. The Trustee may invest in this class of investment whether the real estate is bought to generate an income, capital appreciation, or both.

f) Other Collectible Assets

Risk Profile

This class of investment is considered high risk. Whilst authorised, the Trustee may only purchase antiques, jewellery or works of art which has been valued by at least two independent experts.

g) Such other Investments as the Trustee considered will fulfil the object of the Fund

Risk Profile

No risk profile can be qualified.

3. Diversification of Investments

The Trustee may invest in such class or classes of investment as it may in its discretion decide, save that category f) investments shall not at any time constitute **20%** of the Fund's assets. The Trustee is specifically authorised to vary the mix of investments at its absolute discretion and may sell or trade any asset or assets of the Fund at any time, in accordance with the ranges set below.

The Trustee believes the following mix of investments is appropriate to meet the objective of this investment strategy:

Category	Range	Return
a) Shares, stocks or units	to 50%	
b) Government Bonds and/or Bank Investment Bonds	to 10%	
c) Cash on Deposit with any Bank, Bank or Commercial Bills	to 5%	
d) Cash on Deposit with any Insurance Company or Company	to 5%	
e) Real Estate	to 50%	
f) Other Collectible Assets	to 5%	
g) Such other investments as the Trustee considered will fulfil the object of the Fund	to 10%	

**NT GENERAL STORE PTY LTD SUPERANNUATION FUND
INVESTMENT STRATEGY**

4. Liquidity

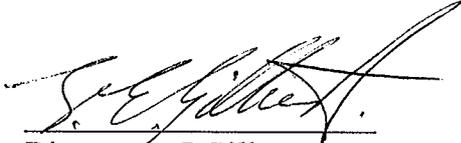
Due consideration will be given, prior to any investment decision, as to the liquidity requirements of the fund to ensure the fund will be able to pay its debts as and when the fall due.

As members of the Fund will be entitled to receive a benefit from the Fund anytime, the required liquidity of the Fund will need to be such that any pay out as well as any recurrent taxation liability can be met. The trustee is therefore required to maintain an appropriate level of liquidity in order to meet the liabilities of the Fund as and when they fall due, otherwise the Trustee must ensure that the class or classes of assets is comprised of assets that are transferable in specie.

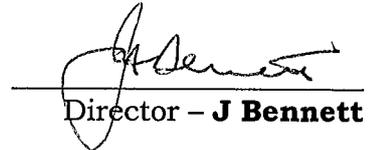
5. Performance

The trustee will review performance on an annual basis, or more frequently as appropriate. Performance is to be measured against the above return ranges for the asset categories applicable.

The members have agreed to the preceding investment strategy, and to signify the adoption and confirmation of the **NT General Store Pty Ltd Superannuation Fund** Investment Strategy, the signatures of the Trustee appear below.



Director – **J Gilbert**



Director – **J Bennett**

Dated: **19 August 2004**