

RESOLUTION OF THE TRUSTEE OF MANSFIELD FAMILY SUPER

Date: 22nd February 2020

Present: Trustee Directors

The Trustee of the above fund DO HEREBY RESOLVE as follows:

ADOPTION OF INVESTMENT POLICY STATEMENT, OBJECTIVE AND STRATEGY

It is noted that the Trustees have formulated investment objectives for the fund and an investment strategy to achieve those objectives, (the investment objectives and investment strategy together as attached) having regard to the whole of the circumstances of the fund, including:

- (i) the risk involved in making, holding and realising, and the likely return from the entity's investments having regard to its objectives and its expected cash flow requirements;
- (ii) the composition of the entity's investments as a whole including the extent to which the investments are diverse or involve the entity in being exposed to risks from inadequate diversification;
- (iii) the liquidity of the entity's investments having regard to its expected cash flow requirements;
 - the ability of the entity to discharge its existing and prospective liabilities;
 - the fund profile;
 - anticipated future contributions;
 - past investment performance; and
 - the current investment portfolio and asset mix,

The trustee resolved to adopt the investment objectives of the fund being *"to maximise the retirement income of members of the Fund whilst providing as much death benefits as can be provided, given the member's retirement income needs, to the member's dependants or legal estate upon the member's death"* and adopt and implement the investment strategy herein.

EXECUTED BY:

The Trustee

M&K Mansfield Pty Ltd hereby resolve the minute to be signed by the persons authorised on behalf of the company pursuant to section 127 of the Corporations Act 2001:



Mark Damien Mansfield
Director



Kathryn Gayle Mansfield
Director

A. DETAILS OF THE FUND

The Mansfield Family Super fund was established on the 9th March 2018 and the current trustee of the fund is M&K Mansfield Pty Ltd. The fund has been established to provide retirement benefits for the members of the fund. Membership of the fund is voluntary, and upon joining, members are required to provide certain minimum information to the Trustees.

The fund is maintained as a Self-Managed Superannuation Fund under the Superannuation Industry (Supervision) Act 1993 ("SISA"), and regulated by the Australian Taxation Office.

A.1 MEMBERS

The Members of the Mansfield Family Super are:

Name	Date of Birth
Mark Damien Mansfield	11/01/1972
Kathryn Gayle Mansfield	14/04/1973

A.2 BENEFITS

The current intention is to pay one of more benefits before or at retirement of the member when the member meets a condition of release for their superannuation benefits including the payment of:

- A lump sum
- An Income Stream
- A Transition to Retirement Income Stream, or
- Such other superannuation benefit as the Superannuation Laws allow.

The Trustee may invest fund assets having regard to the need to realise the investments at the members' dates of retirement, age preservation age, 60 (or such later date as the member nominates in accordance with the rules governing the payment of benefits from complying superannuation funds) or in the event of disability – whether permanent or temporary or upon death of a member of the fund.

B. INVESTMENT OBJECTIVES OF THE FUND

B.1 CORE PURPOSE OF THE SUPER FUND

The Trustees declare that the fund is being maintained for at least one of the following core purposes:

- Paying benefits to members on or after retirement from gainful employment; or
- Paying benefits to members when they have reached age 65; or
- Paying benefits to other members upon the death of a member. This may require the benefits being passed on to a member's dependants or legal representative.

ANCILLARY PURPOSE

Ancillary purpose for maintaining the fund include the provision of benefits to members in the following circumstances:

- Termination of the member's employment with an employer who, at any time, had made contributions to the fund for the member
- Cessation of employment due to ill-health (whether physical or mental);
- Death of the member after retirement where the benefits are paid to the member's dependants or legal representative;
- Death of the member after attaining a prescribed age where the benefits are to the members dependants or legal representative;
- Other ancillary purposes approved in writing by the Tax Office including the payment of a transition to retirement income stream.

This last ancillary purpose allows a fund to provide benefits in situations of financial hardship and/or on compassionate grounds as well as the payment by a Trustee of a fund of a transition to retirement income stream. The Trustee may at all time act prudently to pursue the maximum rate of return possible, subject to acceptable risk parameters, and the maintenance of diversification that can be achieve with the available assets.

The Trustee may ensure that all investments are authorised under the trust deed, are made for the sole purpose of providing benefits to members and the dependants of members, and are made in accordance with the legislative requirements applicable to complying superannuation funds.

The Trustee may invest to ensure sufficient liquidity is retained within the fund to meet benefit payments due, and may adjust its specific objectives where it believes the risk profile of the fund has changed.

The Trustee may make investments involving fund members, employer sponsors or their SISA Part 8 associates, provided these are undertaken on an arm's length basis, and do not exceed in-house asset limits or breach any other legislative requirements. Such investments may only be made where the Trustee is satisfied that the fund is complying with SISA as a result of the Trustee making the investment.

The Trustee may consider suggestions from members for specific investments in relation to members generally or for an individual member, and may make investments in accordance with those suggestions provided that they fall within the scope of the investment strategy of the fund. However it is the Trustee's responsibility to enter into any and all investments of the Fund.

B.2 SPECIFIC OBJECTIVES

The Trustees of the Fund have the following investment objective:

“To maximise the retirement income of members of the Fund whilst providing as much death benefits as can be provided, given the member’s retirement income needs, to the member’s dependants or legal estate upon the member’s death.”

C. ASSET MANAGEMENT STRATEGY

In order to give effect to the investment objective of the fund, the Trustee may have regard to the investment principles outlined in the Fund Rules in the implementation of its strategy and the actual making of its investments.

The Trustee must also satisfy that the proposed investment:

- Is permitted by the Trust Deed
- Complies with the law
- Is within the asset allocation of the adopted investment strategy

The Trustee may generally accept the following investments provided they comply with the investment strategy:

- Private or closely held unit trusts
- Private or unlisted companies
- Private business premises
- Domestic and international residential and commercial property
- Domestic companies listed on other exchanges
- Listed International securities
- Collectables, including art, coins, antiques
- Agribusiness investments
- Derivatives with limited investment risk

The Trustee may not accept these investments unless authorised by the Regulator:

- Family home
- Any mortgage where the family home is security
- Derivatives that have unlimited investment risk unless a Risk Management Strategy has been out in place by the Trustee
- In-house assets exceeding more than 5% of the superannuation funds assets
- Assets not considered at arm’s length or on a strict commercial basis

D. ASSET CLASS

It was resolved that the fund may also be permitted to invest in any or all of (but not limited to) the following investment types:

D.1 INVESTMENT TYPE

- Cash
- Property – both commercial and residential
- Australian Shares – both listed and unlisted shares

It was resolved that investments may be made directly or indirectly via unit trusts, instalment warrants, holding trusts or other vehicles as permitted under relevant statutes and regulations that may be deemed suitable by the Trustees.

Given the Trustees desire to maintain flexibility of the fund, the Trustee has reserved the right to alter the investment mix of the fund at any time, in the manner they believe is the best at that time for the purpose of achieving the funds objectives. The Trustees reserve the right to invest in any asset class not covered in the tables above.

D.2 INVESTMENT RISK AND RETURN

It has been noted and accepted by the Trustees that growth assets such as Australian and International shares and property present greater potential risk and volatility than cash and fixed interest investments.

The Trustees recognise that the taxation benefits associated with the use of growth assets such as Australian and International shares and property may assist in achieving the fund's investment objectives. If the Trustee of the fund enters into a limited recourse loan or other borrowing arrangement in respect of the acquisition of a fund asset then return may be enhanced however any market risk on the downside may be magnified. The Trustees of the fund are authorised to borrow and will take into account the benefits of leverage in their risk/return profile for the fund's investments.

E. INVESTMENT MANAGEMENT AND REVIEW

To monitor the success of the investment policy in achieving the investment objective, the Trustee may take the following action:

- (a) compare investment returns against investment objectives on an annual basis;
- (b) compare the investment performance of the fund against a sample group of superannuation master funds;
- (c) compare investment returns against cash rates available over a 12 month period

The fund's investment strategy is to be reviewed at least annually to ensure that it remains appropriate to the objectives and circumstances of the fund and its member(s). The Trustee

undertakes to communicate with the members should they feel that any change in strategy should be contemplated in order to better achieve the fund objective.

F. INVESTMENT STRATEGY

In order to achieve the investment objective of the fund, the Trustee wishes to adopt and pursue the strategy set out hereunder. The Trustee reserves the right to implement more than one strategy as it sees fit, and to offer separate strategies to members and even for member superannuation interests. The Trustee also reserves the right to implement separate and different action plans in the acquisition and disposal of assets pursuant to this strategy.

The Trustee may consider the implementation of this objective through a single asset strategy where it considers it to be appropriate provided all other investment strategy criteria are met.

F.1 INVESTMENT STRATEGY

The investment strategy detailed below is a plan for making, holding and realising the assets of the fund to meet the specific objective of the Trustee of the fund as outlined above.

F.2 PORTFOLIO ALLOCATION

It was resolved in order to give effect to the investment objective of the fund:

“To maximise the retirement income of members of the Fund whilst providing as much death benefits as can be provided, given the member’s retirement income needs, to the member’s dependants or legal estate upon the member’s death.”

that the Trustee has determined the Mansfield Family Super may be permitted to invest in any or all of (but not limited to) the following asset classes and managed around the following ranges:

Asset Class	Asset Allocation Range	Allocation as at 01/07/2019	12 -24 Months Target %
Cash	10 - 70%	68.60	20.00
Direct Property	25 - 80%	31.07	80.00
Others	0 - 100%	0.33	0.00
Total		100.00	100.00

F.3 PORTFOLIO DIVERSIFICATION

In considering the degree of diversification appropriate to the fund, the Trustee has determined to take into account the following:

- (a) the existing assets of the fund;
- (b) the existing assets of the family other than assets held in the fund;
- (c) its access to expert investment advice;
- (d) the existing and projected membership and assets of the fund.

F.4 LIABILITIES

The fund will need to have adequate funds held in cash/fixed interest to meet short term liabilities including insurance premiums, pension payments, lump sum payments, tax liabilities, annual return fees, accounting fees, audit fees and other operation expenses of the fund. Further monies may be retained from time to time in cash/fixed interest in order to take advantage of investment opportunities as they arise. The Trustees of the fund are of the opinion that the investment strategy is structured in such a manner that the fund is sufficiently liquid to discharge its current and future liabilities.

Where the Trustee of the fund has undertaken a limited recourse lending arrangement the Trustee will need to ensure that it maintains cash flow to cover any interest and principal repayments, insurance premiums and other expenses associated with the arrangement.

Liabilities of the Fund

Type	Amount
Investment Loan	\$0.00

F.5 CASH FLOW AND LIQUIDITY

As the fund has a long term profile and has been established to accumulate wealth to provide for the members retirement in the future, there is no need to currently have short term liquid funds available.

F.6 FUND DEMOGRAPHICS

The Trustee has implemented its strategy taking into account the dates of retirement of the members of the fund. It has also taken into account the expressed intention of the members to receive their benefits as a lump sum / account based pensions upon retirement.

F.7 PERFORMANCE MONITORING

To monitor the success of the investment strategy in achieving the investment objectives, the Trustee may take the following action:

- compare investment returns against cash rates and CPI available over a 12 month period; and
- may review this strategy on an annual basis or on such other basis as it believes appropriate.

F.8 BENCHMARKS

The Trustee may measure its success criteria against certain benchmarks and indices although there is no requirement to do so. The nominated benchmarks for performance may be as follows:

- (a) Australian shares – all ordinaries accumulation index;
- (b) Liquid assets – average cash management trusts;
- (c) Australian fixed trusts – commonwealth all series, all maturities and accumulation index;

- (d) Property trusts – average of composite property accumulation index;
- (e) Such loans as may not be prohibited by SISA, and whether or not the loan may also count as an in-house asset of the fund – average rate for comparable loans from major banks;
- (f) Such leases of fund property as may be permitted by SISA, and whether or not the lease may also count as an in-house asset of the fund – at a commercial rate obtained by the Trustee from a qualified source;
- (g) Such acquisitions of assets as may not be prohibited by SISA, and whether or not the acquisition may also count as an in-house asset of the fund – for a commercial price reflected in comparable markets;
- (h) Moses/Myer index for Investment Grade Artwork;
- (i) A residential property index in the area where the Trustee invests.

F.9 INSURANCE

The Trustees have considered whether the fund should hold insurance for one or more of its members and is of the opinion that the members do not currently require insurance within the fund.