

Four S Superannuation Fund

20 Mcdivitt Court
NERANG QLD 4211

Investment Strategy Financial Year 2019-20

BACKGROUND: The Trustees of the fund have devised this investment strategy for the fund. Among other things, the Trustees have considered and determined that the funds current asset mix of assets is appropriate for its members for the financial year. Trustees have given regard to the members, age and their in-ability to withdraw from their superannuation interests for retirement purposes in devising a strategy for the next financial year.

Stacy Kennedy is 56 years of age. All members will be in accumulation phase for at least the next five years.

INVESTMENT OBJECTIVES:

To maximise returns and minimise the risks of investment of the fund's assets in managing and providing superannuation benefits to members and their dependants in meeting their retirement needs. To ensure all investments are consistent with the appropriate Superannuation Legislations and the fund's investment strategy.

RISK, RETURN AND DIVERSIFICATION

Each investment decision will be made with due regard to the associated, risk and expected return. The Director of the Trustee Company will seek financial advice where necessary. To maximise overall returns of the fund's investments and minimise the exposure of risk from any particular investment, the fund will maintain a defensive investment strategy portfolio.

Consideration by all members of the fund of the low returns on direct property, the record high debt levels in Australian property and the available fund assets & cash to invest, no direct property is considered appropriate at this time and no funds will be invested in this asset class.

Considering the current high share market locally in Australia and overseas, the Director of the Trustee Company has decided that they will not invest assets of the fund in this asset class.

Also both the share markets and real estate values are exposed to international events and uncertainty. Therefore an allocation of a material cash position in the fund is warranted to ensure the bulk of fund assets are maintained for future years. Cash & Fixed Interest

provides minor income but capital preservation is sort primarily. Inflation expectations remain low for the foreseeable future.

Further consideration is provided for the current uncertainty of investment returns due to the COVID-19 Pandemic, Government imposed lockdowns and share market volatility around the world.

The fund's investment may include but not limited to Cash and cash equivalents, Equities (both Australian and International), Debt securities, direct and indirect property, trusts and managed funds, Indicative asset classes are as set out below:

<u>ASSET CLASS</u>	<u>INDICATIVE RANGES</u>
Cash & Money Market Securities	30% to 100%
Australian Fixed Interest	0% to 70%
Australian Managed Funds	0% to 10%
Direct and Indirect Property	0% to 10%
Australian Shares	0% to 10%
International Shares	0% to 10%

Additionally the Director of the Trustee Company may use derivatives where appropriate as a means of hedging investment risks and maximising investment return. The Director of the Trustee Company reserves the right to make any investment that is permitted under the superannuation rules, the fund's trust deed and may amend this investment strategy to ensure such an investment is consistent with the investment strategy of the fund.

LIQUIDITY

Each investment decision will be made with due regard to the cash flow requirements of the fund. The Director of the Trustee Company will consider the liabilities (current and prospective) of the fund and ensure adequate cash is maintained by the fund to meet its liabilities as they fall due. The fund's liquidity needs will be considered at the time of each investment and also during the regular review of the fund's portfolio and investment strategy. The Director of the Trustee Company may borrow money to finance the acquisition of investments as appropriate in accordance with the superannuation laws in the fund.

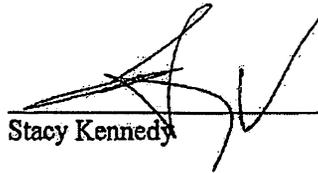
INSURANCE

COVER:

The Director of the Trustee Company will assess the need of insurance for all members and will seek insurance advice where necessary to ensure all members are adequately insured. Insurance policies may be held by the fund or by members personally.

REVIEW:

The investment strategy will be reviewed regularly and at least once a year at the end of financial year. The investment strategy may be revised as appropriate where the Director of the Trustee Company investment objectives change or are to include a particular class or type of investment. The fund's investment portfolio will be reviewed at least quarterly.


Stacy Kennedy

Date: _____

1.5.2020