

The Portfolio Service SMSF

Investment strategy nomination

If the fund has segregated assets, please complete a separate investment strategy nomination for each member of the fund.

If the fund has pooled assets, the investment strategy set out below applies to all members of the fund.

| | |
|-----------------------|--|
| Fund name | |
| Fund reference number | |
| Effective date | |

Investment strategy and risk return profile

The following investment strategy has been formulated by the trustees of the fund as required by the Superannuation Industry (Supervision) (SIS) Act 1993, the SIS Regulations 1994 and the Australian Taxation Office (ATO) and is effective from the date above.

1. Applicable member (if segregated assets)

The following strategy applies to the following member:

| | |
|-------------------------|--|
| Member's full Name | |
| Member's account number | |

If you, as trustee(s) would like to formulate and implement your own investment strategy, please complete **section 2**. In so doing, please note that we will not be able to monitor this strategy for you. You will, however, be able to see the asset allocations via the investment strategy portfolio valuation report on My Portfolio.

If you, as trustee(s) would like to choose one of our approved investment strategies, please complete **section 3**. If your fund goes out of strategy, your adviser will receive alerts via My Portfolio.

Please note, however, that it is your responsibility, as trustee(s), to ensure the fund remains within the nominated investment strategy.

2. Trustees implementing their own investment strategy

The trustees have selected the following risk/return profile for the fund:

- Defensive
- Conservative
- Balanced
- Growth
- High growth

The trustees select the following assets and asset allocation ranges for the fund:

| Asset class | Range 0% to 100% |
|----------------------|------------------|
| Cash | to |
| Fixed interest | to |
| Australian shares | to |
| International shares | to |
| Property | to |
| Other: | to |
| Other: | to |
| Other: | to |

3. Trustees implementing one of our approved strategies

The trustees have selected ✓ the following risk/return profile for the fund:

- 1 – Conservative
- 2 – Moderately conservative
- 3 – Balanced
- 4 – Balanced to moderate growth
- 5 – Growth

| Strategy 1 – Conservative | |
|---|---------------------|
| Objective: Achieve stable growth by reinvesting interest income | |
| Asset class | Allowable range (%) |
| Income investments ¹ | 80 – 100 |
| Growth investments ² | 0 – 20 |

| Strategy 2 – Moderately conservative | |
|---|---------------------|
| Objective: Achieve stable growth by reinvesting interest income | |
| Asset class | Allowable range (%) |
| Income investments ¹ | 55 – 85 |
| Growth investments ² | 15 – 45 |

| Strategy 3 – Balanced | |
|--|---------------------|
| Objective: Produce moderate income and medium capital growth | |
| Asset class | Allowable range (%) |
| Income investments ¹ | 35 – 65 |
| Growth investments ² | 35 – 65 |

| Strategy 4 – Balanced to moderate growth | |
|--|---------------------|
| Objective: Achieve stronger capital growth with some liquidity | |
| Asset class | Allowable range (%) |
| Income investments ¹ | 15 – 45 |
| Growth investments ² | 55 – 85 |

| Strategy 5 – Growth | |
|---|---------------------|
| Objective: Achieve capital growth over the medium and longer term | |
| Asset class | Allowable range (%) |
| Income investments ¹ | 1 – 25 |
| Growth investments ² | 75 – 99 |

Notes:

- Income investments include – cash, Australian fixed interest, international fixed interest.
- Growth investments include – Australian shares, international shares, property and other.

4. Trustee declaration and signature

The trustees of the fund have unanimously agreed to implement the investment strategy and abide by the risk/return profile, and give effect to the nominated investment strategy above with immediate effect and until such time as the fund is wound up or a suitable replacement investment strategy is executed.

In formulating the investment strategy, the trustees have considered the following:

- Income:** The income generated from the fund's investments will include interest, dividends and distributions. Some of the income may include tax-effective franking (or imputation) credits as well as other tax credits.
- Capital growth:** Some of the fund's investments may experience capital growth as a result of realised capital gains, unrealised capital gains as well as other forms of capital growth.
- Diversification:** Spreading your money across a range of asset classes and/or different investment managers in order to reduce overall risk and increase the potential for more consistent returns.
- Overall investment returns:** The overall return from the investments and assets of the fund may include both income and capital growth.
- Liabilities:** The liabilities of the fund include administration fees, accounting fees and audit fees, costs associated with investing, taxation and member benefits.
- Liquidity risk:** The risk that a security and/or investment asset cannot be converted into cash with little or no loss of capital and minimal delay.
- Member benefits:** Throughout the year, member benefit payments may need to be made (either lump sum benefit payments or pension payments).
- Regular reviews:** As personal circumstances change, the trustees will review the investment strategy to assess:
 - the income received from the fund's assets
 - the capital growth of the fund's assets
 - the overall return from the fund's assets
 - the liabilities of the fund
 - member's payments (lump sum benefit payments/pension payments)
 - the fund's risk/return profile
 - the diversification of the fund's investments, and
 - specific strategies deployed.
- Risk:** The extent to which the actual return of an investment may vary from its expected return.

The fund's investments will meet the requirements of the fund's trust deed, the Superannuation Industry (Supervision) (SIS) Act 1993, the SIS Regulations 1994 and any other relevant Law.

Signed by

* All trustees/directors are required to sign.

| | |
|---|--|
| Corporate trustee name (if applicable) | |
| Trustee/director name | |
| Trustee/director signature | |
| Date | |
| Trustee/director name | |
| Trustee/director signature | |
| Date | |
| Trustee/director name | |
| Trustee/director signature | |
| Date | |
| Trustee/director name | |
| Trustee/director signature | |
| Date | |

Please return to:

Email: forms@aetlimited.com.au

Fax: 1800 781166

Or post

The Portfolio Service SMSF

Administration Services

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