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Your Reference: Jacaranda Super Fund

28 October 20 *Prepared for your SMSF.*

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Trustee
The Jacaranda Super Fund
1 Macquarie Place
Sydney NSW 2000
Australia

Dear Trustee,

Investment Strategy of the Jacaranda Super Fund

We attach the pro-forma Investment Strategy, adoption minutes and Investment Statement Library for Jacaranda Super Fund.

How to print your document

After checking with your accountant, when you are satisfied that the document is correct:

1. Download the PDF (Do not print directly from the browser.)
2. Print the PDF Printer settings: A4 paper
100% scale (turn off 'fit to page')
3. Print single sided (NOT duplex).

We confirm that we act only for the Trustee of the Jacaranda Super Fund of 1 Macquarie Place, Sydney NSW 2000, Australia. However, only in that capacity. This document has been provided with no legal advice.

We confirm that:

1. Complete the Investment Strategy to reflect your Fund's investments and each member's retirement needs. Your financial planner advises on investment choices and allocations. Your accountant advises on the tax consequences. Consider speaking with your financial planner and accountant on tax issues to help you.
2. Your Investment Strategy also relates to insurances that you may hold in the Fund. The ATO states that the Trustee is to consider "whether the trustees of the fund should hold a contract of insurance that provides insurance cover for one or more members of the fund." This does not mean the fund has to have insurance in place for members. However, it does mean that the Trustee is able to demonstrate its consideration of the requirement for insurance. Whilst the legislation does not specify how this is done, we recommend including a statement by your risk adviser, or yourself. Keep that statement with the pro-forma Investment Strategy. Again, seek the services of your risk adviser and financial

planner to gain the protection that such insurances afford for yourself and your family based on your age, risk exposure and needs.

3. If you need any legal or taxation advice, then please do not hesitate to contact us. However, as a taxation and superannuation law firm we are neither financial advisers nor accountants and cannot provide advice in such matters.

Your Investment Strategy is your plan for making, holding and realising assets consistent with your investment objectives and retirement goals. It sets out why and how you've chosen to invest your retirement benefits to meet these goals.

The superannuation laws require you to formulate, regularly review and give effect to your SMSF's Investment Strategy. We recommend reviewing it at least every 12 months, and sooner when the Fund's or a member's circumstances change.

What is included in a SMSF's Investment Strategy?

Your SMSF Investment Strategy must be in writing. It should also be tailored and specific to the relevant circumstances of your Fund rather than a document which just repeats the words in the legislation.

Relevant circumstances may include (but are not limited to) personal circumstances of the members such as their age, employment status, and retirement needs, which influence your risk appetite. Your strategy should explain how your investments meet each member's retirement objectives.

In particular, under the super laws your strategy must consider the following specific factors in regard to the whole circumstances of your Fund:

1. risks involved in making, holding and realising, and the likely return from your Fund's investments regarding its objectives and cash flow requirements
2. composition of your Fund's investments including the extent to which they are diverse (such as investing in a range of assets and asset classes) and the risks of inadequate diversification
3. liquidity of the Fund's assets (how easily they can be converted to cash to meet fund expenses such as the cost of managing the fund and income tax expenses)
4. fund's ability to pay benefits (such as when members retire and require a lump sum payment or regular pension payments) and other costs it incurs
5. whether to hold insurance cover (such as life, permanent or temporary incapacity insurance) for each member of your SMSF

When formulating your Investment Strategy, it is not a valid approach to merely specify investment ranges of 0 to 100% for each class of investment. You also need to articulate how you plan to invest your super or why you require broad ranges to achieve your investment goals to satisfy the Investment Strategy requirements.

Why are the percentages left blank – and why complete them by handwriting?

We leave the allocation percentages blank so that you consider and record the allocations appropriate for your Fund. We recommend completing them by hand as a practical way to demonstrate your personal consideration. Handwriting is our recommended practice, not a legal requirement. Whether handwritten or completed electronically, your allocations and supporting reasons must reflect your Fund's circumstances.

The percentage (or dollar allocation, if you wish) of the Fund's assets invested in each class of investment should support and reflect your articulated investment approach towards achieving your retirement goals. If you choose not to use allocated portions or percentages in your Investment Strategy, you should ensure material assets are listed in your Investment Strategy. You should also include the reasons why investing in those assets will achieve your retirement goals. You can do this by attaching balance sheets and further statements to your Investment Strategy.

What help does the ATO give you in preparing an SMSF Investment Strategy?

The Australian Taxation Office's investment strategy fact sheet for SMSF trustees places significant emphasis on compliance. Trustees are instructed that the fund must comply with the SIS Act, Section 52B(2)(f), by:

1. Investing to maximise member returns while considering the risks associated with holding investments.
2. Considering diversification and the risks of concentrating the Fund's investments in one asset or asset class.
3. Maintaining the superannuation fund's ability to pay benefits and other costs as they become due.

While these requirements are outlined, the remainder of the document focuses on compliance issues. It lacks detailed investor education or practical guidance for SMSF trustees on effectively achieving these objectives. As a regulator, this is appropriate. It is your accountant, auditor and financial planner that help with how to achieve these goals.

Diversification

Whilst you are required to consider diversification, your Fund is not required to be diversified. For example, you may deem it appropriate to have a 100% cash allocation. Perhaps you anticipate a pandemic or another major disruption. Or perhaps the Fund is in pension phase and is seeking a low risk tolerance.

The ATO has no right to dictate what is an appropriate level of diversification or what asset classes funds should invest in. And the ATO has never done so. Where your Fund holds concentrated investments, explain why you chose them, the risks you considered and how the Fund will pay benefits and expenses. The attached Diversification Statement guides you through these matters.

For example, a SMSF may own the members business premises. It may be the only investment in the SMSF. You need to explain why an illiquid investment meets the needs of each of the members. Would a single asset SMSF with a business property be appropriate for a retiree receiving a pension?

Who helps the members and trustees prepare the Investment Strategy allocation and insurances?

As taxation and superannuation lawyers, Legal Consolidated cannot help you prepare your SMSF Investment Strategy's allocations or insurances. Financial advisers help you with this and your allocations. Risk advisers help you with insurances, including life insurance. Your accountant also helps you with the taxation consequences of your asset classes – acquiring, holding and selling.

The Trustee must consider whether the Fund should hold insurance for its members.

Since 2012 the SMSF trustee must:

- Consider whether insurance cover should be held by the fund. This is on the members' lives;
- Review that decision regularly. This is as part of the review the investment strategy of the fund.

The obligation under SIS Reg 4.09(2)(e)) requires the trustees to consider:

"for a self managed superannuation fund – whether the trustees of the fund should hold a contract of insurance that provides insurance cover for one or more members of the fund."

While the Trustee is not obliged to take out insurance, there must be evidence that it was considered.

To prove for the purpose of the annual audit that the trustees have considered the issue, the trustees prepares minutes which:

- show that it is aware of the obligation to consider insurance cover;
- shows that it has considered the need for insurance cover for each of the members;
- documents that it has implemented cover, where required;
- acknowledges that it has determined that insurance is or is not required for a particular member

Legal Consolidated as a law firm, does not provide that service. You need to speak with

Insurance needs a decision, even where you decide not to buy cover. Keep the reasons with your annual review.

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ial) insurance is required in the

eed for cover as their debts are low

other super funds

s outside of the superannuation

n is too high for the cover provided

- the member has been declined for cover due to occupation or pre-existing conditions
- the member has advised the Trustee as to what cover the member does or does not want

To what level of detail is the Trustee to provide? Is it a short statement that it has considered insurance in respect to the individual needs of each member?

The challenge for the SMSF Trustee, auditor and the regulator being the ATO is that they cannot see outside of the SMSF.

Should the Trustee seek information as to assets and insurance outside of the SMSF? I am not sure that a member is obliged to surrender such personal information. Or is it enough that the member has told the Trustee as to what insurance he or she wants, or does not want? Further, a member could merely not agree to provide the insurance company with any information for its due diligence in the provision of any insurance.

If you require assistance with completing this pro-forma Investment Strategy, seek advice from your SMSF adviser, licensed financial adviser, risk adviser and accountant.

All members and trustees must sign the Minutes and the Investment Strategy

Self-Managed Super Funds (SMSFs) offer trustees flexibility and control over retirement savings, but this freedom comes with significant compliance responsibilities. Effective record keeping is crucial for demonstrating adherence to the legal requirements and the fund's investment strategy.

The Importance of Minute Signing by Trustees: We require all members and trustees, or directors of the corporate trustee, to sign the attached Minutes and Investment Strategy. Their signatures record their participation in, and agreement with, the decisions. This is a requirement of our document package based on feedback from accountant sitting in on ATO desk top audits, rather than a general ATO rule that every trustee must sign every meeting minute:

1. **Accountability:** By signing the minutes, each trustee takes personal and collective responsibility for the decisions made. This is crucial in ensuring that all actions taken are in the best interests of all fund members.
2. **Transparency:** Signed minutes provide unambiguous evidence of the decisions and the processes by which they were reached. This transparency is essential not only for current trustees but also for auditing purposes and future dispute resolution.
3. **Compliance:** Signing the minutes is a compliance measure that helps trustees confirm that they have actively participated in the decision-making process and are in agreement with the actions taken. This can be particularly important in the context of the fund's investment strategy and the compliance with superannuation laws. Section 103 of the SIS Act requires the Trustee to keep minutes of trustee meetings and records of trustee decisions for at least 10 years.

Record Keeping Best Practices:

To ensure that your SMSF complies with ATO guidelines and operates effectively, consider the following best practices for record keeping:

- **Timely Documentation:** Prepare and sign minutes promptly after each meeting. This practice helps avoid discrepancies and ensures decisions are recorded accurately while still fresh.
- **Detailed Records:** Minutes should include detailed descriptions of the discussions held, the rationale for decisions, and the outcomes agreed upon. This detail is crucial for audits and understanding the context of decisions in future reviews.

- **Secure Storage:** Keep minutes and other SMSF documents securely stored for at least 10 years, as required by section 103 of the SIS Act, which specifies the duration for keeping the records relevant to auditing and superannuation regulatory purposes.
- **Regular Reviews:** Regularly review and update the SMSF's record-keeping practices to ensure ongoing compliance and efficiency. This includes checking that all trustees have access to the records and understand their responsibilities in keeping them.

This now concludes the matter. Thank you for your instructions.

Yours sincerely,



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**Minutes signed by all members and trustees to review and adopt the
Investment Strategy for Jacaranda Super Fund**

Held at **(Date of Meeting):** 20...

Present: All member(s) and trustee(s) (collectively Members and Trustees) of the Fund were present (in person, by telephone or via the Internet) and all signed this Minute below.

Australian Business Number: The Fund's ABN is

Quorum: It was noted that a quorum was present at the meeting.

Notice of Meeting: It was noted that all relevant persons including the Members and Trustees have received notice of this meeting and that all persons including the Members and Trustees consent to the meeting being held and waive the requirement for any specified period of the notice of the meeting. It was resolved unanimously that the meeting is validly constituted regardless of any failure to give notice as required under the *Corporations Act 2001*.

The Members and Trustees of the Jacaranda Super Fund of 1 Macquarie Place, Sydney NSW 2000, Australia reviewed and considered the update and formulation of the Investment Strategy, the Members and Trustees considered the following specific factors in regard to the whole circumstances of the Fund:

1. investing in a way to maximise member returns taking into account the risk associated with the investment
2. diversification and the benefits of investing across a number of asset classes (for example: shares, property and fixed deposit) over the short, medium and long-term horizon
3. the ability to pay benefits as members retire and pay other costs incurred by the Fund
4. the needs of members (for example, age, income level, employment pattern and retirement needs)
5. the age of a member and the strategy based on that age
6. risks involved in making, holding and realising and the likely return from the Fund's investments regarding i
7. composition of the Fund's investments (such as investing in a diverse (such as investing in a inadequate diversification
8. liquidity of the Fund's assets (h Fund expenses such as the co
9. Fund's ability to pay benefits (s sum payment or regular pensic
10. whether to hold insurance cover insurance) for each Fund member
11. the Members and Trustees have considered the Fund's circumstances and obtained any investment, insurance or tax advice they require. They approve this Investment Strategy. The Fund's auditor independently assesses compliance and does not approve the Fund's investment decisions
12. the law firm only provided this documentation on the basis that the members and trustees unanimously consented to the documentation and that they all signed by these minutes and the Investment Strategy

These minutes record what your trustees considered and decided. Complete the meeting details and keep the signed record.

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**Minutes signed by all members and trustees to review and adopt the
Investment Strategy for Jacaranda Super Fund**

Further, this Investment Strategy of the Jacaranda Super Fund is created in compliance with the *Superannuation Industry (Supervision) Act 1993* to:

1. provide superannuation benefits to members and their dependents to meet their retirement needs
2. ensure that appropriate mixes of investments are held by the fund to support these needs
3. ensure the fund has sufficient liquidity at appropriate times to meet all commitments
4. maximise the tax effectiveness of fund investments and thus deliver the better long term after tax return for members
5. consider the risks and likely return associated with each investment
6. deal with the range and diversity of investments held by the fund
7. consider any risks coming from limited diversification and the liquidity of the fund's investments
8. allow for expected cash flow requirements
9. consider the ages and preferences of its members
10. ensure the fund meets its existing and prospective liabilities such as paying benefits to its members

It was resolved that and, unless any other date is decided otherwise, the effective date for operations is the Date of Meeting as stated by the date above.

The attached the Jacaranda Super Fund Investment Strategy be adopted as the current Investment Strategy and that it be duly signed by the Members and Trustees.

There being no further business the meeting of all the Members and Trustees was declared closed.

Signed below as a true and correct record of the meeting by **all** the Members and Trustees and at times when a member is also a trustee, or director of a corporate trustee then such person signs in both capacities, that is they signed twice. Where required this Minute can be signed in Counterpart. Unless stated otherwise each signature below was affixed on the date of the meeting:

..... (Print Name in full:)

..... (Print Name in full:)

..... (Print Name in full:)

..... (Print Name in full:)

..... (Print Name in full:)

..... (Print Name in full:)

**Minutes signed by all members and trustees to review and adopt the
Investment Strategy for Jacaranda Super Fund**

And as well as the members above, the corporate trustee or all trustees also signed in its own capacity as trustee:

Company officer signature:

Authorised Officer Name:

Investment Strategy of the Jacaranda Super Fund

Investment Strategy of the Jacaranda Super Fund

Date: (Reviewed and dated at least annually.)

1 Dictionary

For the purposes of this Investment Strategy, the words used in the Jacaranda Super Fund of 1 Macquarie Place, Sydney NSW 2000, Australia are applied for the purposes of this document.

2 Introduction

This Investment Strategy operates within the Fund's Deed and applicable law. It does not expand the Trustee's investment powers under the Deed or authorise a prohibited investment or transaction.

The super laws require that the Fund's Members and Trustees (from time to time) **(Members and Trustees)** must formulate and regularly review the Fund's Investment Strategy. The Members and Trustees must also give effect to an Investment Strategy that has regard to the whole of the Fund's circumstances.

This means ensuring the Fund's investments are according to the current Investment Strategy (which the Members and Trustees can update as often as we wish) so that we

A list of assets tells your auditor what you own. Your Strategy explains why you chose that approach and how it meets your retirement needs.

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to help meet this requirement, we age or dollar ranges for each investment Strategy. These market fluctuations.

on a broad range of assets do not Strategy requirements. Rather, at the Fund's super to meet the tolerance and assets outside of

The Trustee ensures, at all times, that the Fund meets the legislated standard payment of pensions. This includes the continuance of the obtaining of the concessional taxation status on the Fund's income.

3 Considerations

In formulating this Investment Strategy, the Trustee considers:

- 3.1 investing in a way to maximise member returns taking into account the risk associated with the investment
- 3.2 diversification and the benefits of investing across a number of asset classes (for example, shares, property and fixed deposit) over the short, medium and long-term horizon
- 3.3 the ability to pay benefits as members retire and pay other costs incurred by Jacaranda Super Fund
- 3.4 the needs of members (for example, age, income level, employment pattern and retirement needs)

4 Objective

This Investment Strategy of the Jacaranda Super Fund (as amended to from time to time) is created in compliance with the *Superannuation Industry (Supervision) Act 1993* to:

- 4.1 provide superannuation benefits to members and their dependents to meet their retirement needs
- 4.2 ensure that appropriate mixes of investments are held by the Fund to support these needs
- 4.3 ensure the Fund has sufficient liquidity at appropriate times to meet all commitments
- 4.4 maximise the tax effectiveness of fund investments and thus deliver the better long term after tax return for members
- 4.5 consider the risks and likely return associated with each investment
- 4.6 deal with the range and diversity of investments held by Jacaranda Super Fund
- 4.7 consider any risks coming from limited diversification and the liquidity of the Fund's investments
- 4.8 allow for expected cash flow requirements
- 4.9 consider the ages and preferences of its members
- 4.10 ensure the Fund meets its existing and prospective liabilities, including paying benefits to its members

As the Superannuation law allows, Jacaranda Super Fund:

- (a) accepts employer and member contribution and contributions from other persons
- (b) transfers from other Superannuation funds, from a spouse and other persons
- (c) provides benefits to members upon retirement
- (d) provides other activities from time to time
- (e) allows access to any different types of benefits
- (f) provides for the payment of pension benefits at a rate as determined in the

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Jacaranda Super Fund

investment) and time in the investment
ns. Different investments have different

g the Fund's capital. However, many
ecurity of capital has to be tempered with
erefore, assets that show volatility may

objectives: protecting the capital and
growing the value of the Fund by obtaining an acceptable rate of return.

6 Insurance

The Trustee has considered whether the Fund should hold a contract of insurance for its members and based partly on the assets inside and outside superannuation.

While preparing the investment strategy consideration was given as to whether to hold insurance cover for each member of Jacaranda Super Fund. To put the matter beyond doubt, each Fund member's insurance was considered and this was in relations to their specific and individual needs and circumstances.

The SMSF can potentially provide insurance for a member for an event that is consistent with one of these conditions of release of the member's super. In particular different types of insurance cover were considered to meet the superannuation conditions of release, these included:

- death (life insurance)
- terminal medical condition
- permanent incapacity which causes the Fund member to permanently cease working (total and permanent disability insurance or TPD)
- temporary incapacity which causes the Fund member to temporarily cease working (income protection insurance)
- the diagnosis of a terminal medical condition (by two medical professionals) that is likely to result in the member's death within two years. Terminal illness benefits are generally an option available with life insurance policies

Specifically, for each member, the Trustee has asked each member to consider these matters, whether:

- the member has indicated that they have no need for cover as their debts are low

Insurance premiums compete with other payments. Consider the members' needs and record the reasons for your decision.

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her super funds
outside of the superannuation
is too high for the cover provided
occupation or pre-existing

t cover the member does or does

Sole purpose test for insurance in superannuation

To meet the sole purpose test, the following conditions were considered:

- any benefits payable under the policy must be paid to a trustee of the SMSF
- those benefits will become part of the assets of the SMSF at least until such time as the relevant member satisfies a condition of release
- the policy was not acquired to secure some other benefit for another person, such as a member or member's relative

But this does not mean insurance inside Jacaranda Super Fund is compulsory, or indeed prudent. Members may already have an appropriate level of cover outside the Fund, though there are benefits that insurance inside your SMSF may provide.

Taxation of insurance inside of a SMSF

The taxation and other considerations of insurance were also considered, including:

- premiums are potentially tax-deductible from the Fund's earnings in its annual tax return, provided the SMSF is listed as the policy owner and the SMSF member is the insured person
- premiums are paid by Jacaranda Super Fund, so a Fund member's personal cash flow is not affected
- insurance cover can usually be tailored to the member's individual circumstances, unlike the group insurance cover that is generally provided for members of large public super funds. This tailoring can help to ensure that a SMSF fund member is not over or underinsured

Trauma insurance in the SMSF

Trauma insurance typically pays a lump sum if the insured person is diagnosed with a

Investment choices, insurance and tax work together. Your financial adviser and accountant address those decisions for your circumstances.

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cancer, stroke, coronary bypass
her the insured person ceases
istent with one of the conditions
provide trauma insurance for its

insurance benefits to a member if it
that existed before 1 July 2014. In
and any associated premiums,

after 1 July 2014.

7 Investments, Methods and Structures

The Trustee may invest all or part of the money and other assets of the Jacaranda Super Fund in any manner in which it could if it was personally entitled as beneficial owners of those assets, under any circumstances and any terms, in Australia or overseas, including investments in space-related enterprises and activities beyond Earth, and in or through any business structure or any arrangement (including companies, joint ventures, partnerships and trusts - including unit, hybrid, family, discretionary, bare and holding) including via other trustees, attorneys, guardians and managers, held directly or indirectly, in:

- 7.1 life, disability and all other types of insurance
- 7.2 non-authorised and authorised Trustee investments
- 7.3 the purchase, improvement or mortgage of real property, chattels and choses in action
- 7.4 residential, industrial and commercial property investment, including geared property investments purchased using any form of borrowing arrangement including limited recourse borrowing arrangements
- 7.5 property trusts and associated investments
- 7.6 deposits and investments with banks and other financial institution securities including term deposits (and the power to open and close such accounts) or any other company partnership or person with or without security

- 7.7 equities, shares, stocks, derivatives, options, debentures, bonds, secured and unsecured notes or other securities including participation in dividend reinvestment programmes and right issues, including the use of geared instalment warrants
- 7.8 units and sub-units of any unit or hybrid trust including units in a pooled superannuation trust
- 7.9 common funds, motor vehicles (including trucks) and live stock
- 7.10 managed investments and associated products
- 7.11 bills of exchange or other negotiable instruments
- 7.12 options, hedging contracts, futures contracts, instalment warrants, derivatives, similar securities to the above and other financial instruments
- 7.13 antiques, currency, collectables and art works
- 7.14 assets using an instalment warrant or gearing strategy both limited and

Property, crypto and emerging industries raise different questions. Select the Library sheets that address what your SMSF actually holds.

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for Trustees provide guarantees and
the borrowing arrangements and other
the Trustee considers on a case-by-case basis,
place or encumber investments or mix
Trustees as if they were personally

is consistent with the SIS Legislation

- (b) The Trustees may borrow money in a manner consistent with the SIS Legislation

8 Managing derivatives and leveraged investments

Before investing in derivatives or leveraged investments, the Trustee records:

- 8.1 the purpose of the investment, including whether it manages an existing risk or seeks an investment return;
- 8.2 the maximum exposure and potential loss, including losses exceeding the initial investment;
- 8.3 how the Fund will meet margin calls, collateral requirements and other payment obligations;
- 8.4 the circumstances in which the Trustee will reduce or close the position; and
- 8.5 how the Trustee will monitor the investment and the financial standing of the other party.

Where appropriate, the Trustee attaches a separate Derivatives Risk Statement addressing these matters.

9 Diversity of the Member's Fund

The Trustee has considered the issue of diversification of the Fund.

The Trustee and Members have considered the ATO's guidance on diversification. That guidance recognises that an SMSF may invest in one asset or asset class. Where investments are concentrated, the strategy should record:

- the risks arising from limited diversification;
- why the investment meets the Fund's return objectives and cash flow requirements; and
- how borrowing increases the risk of losses or a forced sale.

(Source: Australian Taxation Office, [Your investment strategy](#).)

The Trustee considers these matters in the circumstances of the Fund and its members. Diversification spreads investment risk across different assets, industries, markets and sources of income. Several investments may still expose the Fund to the same risk. For example, several properties in one town may depend on the same local employer.

One property. One tenant. If rent stops, how does your SMSF pay its bills? The Library helps you record the risks and your reasons.

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cluding whether its investments or market. It weighs the benefits of the Fund's retirement objectives, losses.

nt approach, it records why that t will manage those risks.

arily saved investment portfolios. It e negative return at some point,

Whether they are diversified or not.

10 Disadvantages of Diversification in Investing

10.1 Reduces Quality

There are only so many quality companies and even less that are priced at levels that provide a margin of safety. The more stocks you put into Jacaranda Super Fund portfolio the less concentrated the portfolio is in the best opportunities.

10.2 Too Complicated

It is possible to include so many assets in the Fund portfolio that the members do not fully understand what is in them. Diversification in investing is important, but a simple portfolio is often easier to manage.

10.3 Indexing

If the SMSF has too many assets in its portfolio it essentially becomes an index fund.

The more shares the Fund owns the more correlated the portfolio is to stock market returns. (Which may lead to lack of diversification.)

10.4 Below Average Returns

Indexing and over diversification may be disadvantages of diversification because quality suffers when you own inferior investments along with good investments. Below average returns result from transaction fees or high fund fees.

These factors were taken into account:

10.4.1 diversification of the Fund's investments

10.4.2 the risks associated with inadequate diversification within the context of the Fund's investment portfolio

10.4.3 the making, holding and realising and the likely return from Jacaranda Super Fund investments having regard to the member's retirement objectives and expected cash flow requirements

10.4.4 the liquidity of the SMSF investments, including the ability of the Fund to pay benefits as members require and pay other costs incurred by the Fund

10.4.5 whether to hold insurance cover for members of Jacaranda Super Fund, from time to time

10.5 Where the Fund holds a concentrated investment

Where considered appropriate to do so, the Trustee attaches a Diversification Statement where one asset, asset class or group of related investments accounts for a substantial part of the Fund. The statement records:

10.5.1 the investments and their proportion of the Fund;

10.5.2 why the Trustee selected them to meet the members' retirement objectives;

10.5.3 the risks, including dependence on one tenant, borrower, business, industry or market;

10.5.4 how the Fund will meet pensions, expenses and loan repayments if income falls or the investments cannot readily be sold; and

10.5.5 the alternatives considered and the reasons for retaining the concentrated approach.

10.6 Concentration in one property

Where considered appropriate to do so and when one property accounts for 90% or more of the Fund's assets (**Property**), the Trustee:

10.6.1 considers the risks of falling property values, reduced rent, tenant default, vacancy, unexpected expenses and delays in selling the Property; and

10.6.2 records in the attached Diversification Statement why holding the Property meets the members' retirement objectives and how the Fund will pay pensions, expenses and loan repayments if rental income falls or stops.

10.7 Investment allocations and changes

The Trustee records the Fund's investment allocations in Table A and documents any

An asset may be valuable but take months to sell. Consider how your SMSF obtains cash when payments fall due.

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s, it identifies the material
ords why they meet the Fund's
ements.

loan repayments and member
s. It considers available cash,
expected contributions and investment income, and the time and cost involved in selling investments. It also considers how the Fund will meet these payments if contributions cease, a tenant stops paying rent, investment income falls or an asset takes longer than expected to sell.

12 How will the Fund meet its payments?

Only when the Trustee deems it required, the Trustee attaches a cash flow forecast after considering these questions:

1. What pensions, benefits, tax, expenses and loan repayments must the Fund pay over the next 12 months?
2. What cash, contributions and investment income will fund those payments?
3. If contributions stop, rent goes unpaid or investment income falls, how will the Fund meet any shortfall?
4. Which assets could the Fund sell, how long would a sale take and what costs or losses might arise?

13 Cost of Investing

The Trustee strives to reduce the costs of investing. However, at times upfront investment costs are payable 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.

Pensions and loan repayments continue when investment income falls. Record how your SMSF meets those payments.

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Jacaranda Super Fund

d, but it will be reviewed (but not

he Investment Strategy?

vestment Strategy is not a 'set and forget' ensure it continues to meet the current and ances of a member.

ry 12 months. Further, certain significant events may also require a review. without limiting the generality thereto, this includes:

- 15.1 a market correction
- 15.2 when a new member joins the Fund or departs the Fund
- 15.3 when a member starts getting a pension when a member dies, loses capacity or experiences a material change in their financial circumstances before making a material investment outside the strategy's existing allocations or approach when borrowing arrangements, cash flow needs or insurance needs materially change. (If for no other reason, this is to ensure Jacaranda Super Fund has sufficient liquid assets and cash flow to meet minimum pension payments prior to 30 June each year)

16 Replaces prior Investment Strategy

This Investment Strategy replaces all previous Investment Strategy documents.

Every member and **every** trustee signs this Investment Strategy in both their personal capacity and where applicable as directors of the corporate trustee (**all** trustees and members must sign):

Director/Member: Full name:

Director/Member: Full name:

Director/Member: Full name:

Director/Member: Full name:

Director/Member: Full name:

Director/Member: Full name:

Company's officer Authorised officer name:

Table “A” of the Jacaranda Super Fund

Subject to SIS Rules:

Asset Allocation of the Fund by percentage (or actual values) in Australia and anywhere in the world, geared or ungeared.

Indicative long-term range (%) e.g., 20%-90% (or actual values)

Asset Class	Indicative Long-Term Range (%) or Actual Values
Cash and Cash Equivalents <i>Cash and Fixed Income (Including Australian and International Investments, including equities, managed funds and international</i>	<i>As handwritten below:</i>
<p><i>Table A and your reasons belong together. Complete the investment spread for your SMSF, then select the relevant Library statements.</i></p> <p>legalconsolidated.com.au/smsf-investment-strategies/</p>	
Managed and Pooled Investments <i>including managed investment schemes, managed funds, pooled superannuation trusts, separately managed accounts, and hybrid investment vehicles.</i>	
Direct and Overseas Property <i>Including residential, commercial, and industrial properties, geared or ungeared, and land for development; located in Australia or overseas.</i>	
Unlisted and Specialised Investments <i>Including unlisted shares, units in trusts, private equity, venture capital, early-stage companies, start-ups, businesses, and innovation-driven enterprises.</i>	
Loans and Insurance-Based Investments <i>Including private and commercial loans to related and unrelated parties, secured or unsecured, with or without guarantees, chattel mortgages, and insurance-linked investments such as life insurance bonds and endowment policies.</i>	
Space, Satellite and Off-Planet Investments <i>Including investments in companies, funds, securities and other lawful interests connected with satellites, communications networks, launch services, spacecraft, space stations, lunar infrastructure, space resources and other commercial activities beyond Earth. Investments may be Australian or overseas, listed or unlisted, and</i>	

held directly or through investment vehicles.	
Collectibles, Commodities, and Royalties Including artwork, antiques, jewellery, stamps, coins, rare books, consumables, wine, spirits, precious and non-precious metals, physical or derivative investments in energy, agricultural and soft and physical commodities, as well as income streams from intellectual property like patents and copyrights.	
Cryptocurrencies and Synthetic Financial Products Including digital currencies, blockchain-based assets, cryptocurrency CFD trading, contracts for difference (CFDs), stock indices, commodity derivatives, and futures.	
Infrastructure and Agribusiness Including direct or indirect stakes in toll roads, airports, ports, utilities, renewable energy projects, farming, aquaculture, timber plantations, and other agricultural ventures.	
Gold bullion, artwork and collectables raise different questions. Ownership, storage and personal use matter as well as returns.	...ing any assets ...itory of Australia.
Build this document here: legalconsolidated.com.au/smsf-investment-strategies/	The Trustee ... assets, space- ...ond Earth. Before ...t suits the Fund's ... Fund holds and ...ses and benefit ...ry does not ...
...appropriate by the trustees, such as specialised securities or innovative financial instruments.	...e deemed
Other: as handwritten here:	

The table above was completed in accordance with the considerations outlined previously, as well as additional factors, including:

- **Risks** - an assessment was made regarding the level of risk, asset composition, and the need for any diversification.
- **Liquidity of assets** - the ease with which assets can be converted into cash was evaluated to ensure the fund can meet its expenses.

- **Insurance** - consideration of whether the Self-Managed Superannuation Fund (SMSF) needs to provide insurance coverage for its members and the assets it holds.
- **Benefits** - the ability of Jacaranda Super Fund to pay benefits to the members.
- **Personal circumstances** - factors such as the members' age, employment status, and retirement needs were considered.
- **Holding and protecting investments** - the Trustee considers how the Fund will establish ownership, safeguard, value and sell its investments. For digital

Keep evidence of your review, even when you decide no change is needed. Your accountant and auditor need to follow your decision.

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ity, access credentials and
seas investments, it includes
rship restrictions and access to sale
ownership and transaction records



LEGAL
CONSOLIDATED
BARRISTERS & SOLICITORS

National Law Firm

Head Office
18 Stirling Highway
Nedlands WA 6009

T: 1800 141 612

legalconsolidated.com.au

Your Reference: Jacaranda Super Fund

28 October 20 *Prepared for your SMSF.*

Build this document here: legalconsolidated.com.au/smsf-investment-strategies/

Trustee
The Jacaranda Super Fund
1 Macquarie Place
Sydney NSW 2000
Australia

Dear Trustee,

SMSF Investment Statement Library

Jacaranda Super Fund

We enclose the Investment Statement Library for Jacaranda Super Fund. Use it with the Fund's Investment Strategy that Legal Consolidated has prepared for you. This library accompanies that pro-forma Strategy and follows its Table A and terminology.

Give your auditor a clear explanation

Your auditor checks the financial report and compliance with superannuation law. For the Investment Strategy, the auditor checks its required content, whether the Fund followed it and evidence of review. The audit does not approve investment choices or future returns.

The statements explain the Trustee's approach to risk, diversification, liquidity and payments. They work with Legal Consolidated's Investment Strategy, Table A and your existing records to help show how the Trustee addressed the investment strategy requirements.

Keep the explanation with the evidence

If the ATO reviews or audits the Fund, use the relevant statements with Legal Consolidated's Investment Strategy to explain the issues raised. Keep the Strategy, review records, accounts, contracts and valuations together. The statement explains the Trustee's consideration; source records establish the facts.

The ATO recommends at least annual review and evidence of that review. Review again when circumstances change, including when a pension starts or a member joins or leaves. Select statements that reflect the Trustee's actual consideration.

Select the sheet and attach it to your Strategy

Read the how to use page before selecting a statement. Handwrite the financial year on the statement and attach it to the Investment Strategy prepared by Legal Consolidated for that year. Keep the instructions in this library. You do not need every statement.

Contents

- **Diversification** — explain how the Trustee considered spreading investment risk.
- **Real Estate** — address rent, vacancies, property costs and access to cash.

- **Borrowing** — consider loan repayments, security and pressure on cash flow.
- **Derivatives** — address exposure, margin calls and derivative risks.
- **Crypto and Digital Assets** — consider ownership, custody, volatility and access to digital assets.
- **Overseas Investments** — address currency, foreign ownership and recovery of investments.
- **Private Companies and Start ups** — consider business risk, valuation, shareholder rights and exits.
- **Loans and Private Credit** — address repayment, security, borrower risk and restricted withdrawals.
- **Shares ETFs and Managed Funds** — consider underlying holdings, costs and overlapping risks.
- **Gold Bullion Artwork and Collectables** — address ownership, storage, insurance and personal use restrictions.
- **Retirement Cash Flow** — connect the investments with pensions and other payments.
- **Concentrated Investments** — explain exposure to one asset or a common source of risk.
- **Space and Emerging Industries** — consider the rights, funding and exit risks in emerging industries.
- **Fractional Property** — identify the ownership rights, valuation and exit terms of fractional property.
- **Ethical Investment Restrictions** — consider how ethical exclusions affect risks, returns and diversification.

Use "How to find the statement you need" below to locate the relevant sheets. Each explanation page is followed immediately by its statement. Read selected statements with the pro-forma Investment Strategy supplied with this library.

Advice on investments and accounts

As explained in the cover letter to your pro-forma Investment Strategy, Legal Consolidated provides these pro-forma documents without legal, financial planning or accounting advice. We do not recommend or endorse investments, select allocations or assess whether an investment suits your Fund. We are neither financial advisers nor accountants.

Seek an appropriately licensed financial adviser for advice on investment choices, allocations and the investment strategy. Speak with your accountant about the Fund's accounts and the tax consequences of acquiring, holding and selling investments. Use the statements only where they reflect the Trustee's actual consideration and the Fund's circumstances.

How to find the statement you need

For Jacaranda Super Fund

Select the statements that address the investments and risks of Jacaranda Super Fund. You do not need every sheet. This finder accompanies the pro-forma Investment Strategy supplied by Legal Consolidated.

Spreading investment risk

Diversification; Concentrated Investments; Shares ETFs and Managed Funds; Ethical Investment Restrictions.

Paying pensions, tax and expenses

Retirement Cash Flow; Real Estate; Fractional Property; Private Companies and Start ups; Loans and Private Credit.

Borrowing and exposure to losses

Borrowing; Derivatives; Concentrated Investments.

Showing what the Fund owns

Crypto and Digital Assets; Overseas Investments; Gold Bullion Artwork and Collectables; Fractional Property.

Valuing investments and recovering money

Loans and Private Credit; Private Companies and Start ups; Fractional Property; Space and Emerging Industries

Start with the issue your SMSF faces. One property with a loan may call for Real Estate, Borrowing and Concentrated Investments statements.

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Managed Funds.

ent Strategy. The Trustee must
se investment statements do not
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ment. Keep the explanation in the
egy for the relevant financial year.

structions.

Yours sincerely,



Legal Consolidated Barristers & Solicitors



How to use this statement

Diversification for Jacaranda Super Fund

Trustee of Jacaranda Super Fund

When to use it

Use this statement when the accountant, auditor or ATO asks how the Trustee considered diversification across the Fund's investments. It also supports a portfolio that deliberately focuses on a limited number of investments or asset classes.

What the ATO and auditor look for

Does the explanation match the assets and allocations in the accounts and Table A? Where exposure is concentrated, identify the common risk, the Trustee's reasons and how the Fund will meet its payments. Keep the existing review minutes or other record of review with the Strategy.

Records that support it

The Investment Strategy and Table A identify the Fund's approach and allocations. The accounts identify its holdings and values. Any existing concentration explanation, cash flow forecast or advice relied upon supplies further detail.

Attach the next page to your Investment Strategy

Check that the statement reflects the circumstances of Jacaranda Super Fund and the Trustee's actual consideration. Read this statement with the pro-forma Investment Strategy supplied by Legal Consolidated for Jacaranda Super Fund, including its Table A. Handwrite the year after 30 June, attach the statement to that Strategy and keep this explanation page in the library. Present the statement, Strategy and relevant existing records together.

Advice on investments and accounts

Legal Consolidated supplies pro-forma documents without legal, financial planning or accounting advice. We do not select or endorse investments. Seek an appropriately licensed financial adviser for investment advice and your accountant for the accounts and tax consequences, as explained in the cover letter to your pro-forma Investment Strategy.

Law and audit guidance

- s 52B(2)(f) of the *Superannuation Industry (Supervision) Act 1993* (Cth).
- reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).
- Auditing and Assurance Standards Board, Guidance Statement 009, Auditing Self-Managed Superannuation Funds, paragraphs 327–331 — guidance on auditing the investment strategy.

This statement forms an attachment to the accompanying pro-forma Investment Strategy of Jacaranda Super Fund for the financial year ended 30 June _____.

Diversification statement for Jacaranda Super Fund

Scope of this statement

This statement records the Trustee's approach to diversification for Jacaranda Super Fund. The holdings and values are as set out in the Fund's accounts. Investment allocations and retirement objectives are as set out in Table A and the attached Investment Strategy.

Portfolio exposure

One investment may dominate your SMSF. Explain why you chose it, the risks considered and how you meet payments.

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including exposure to one asset, tenant, or source of income. Separate holdings do not dilute the risk. The assessment concerns the number of investments.

Considered alongside expected return, the assessment needs addressed in the Investment Strategy. Holding risk against the characteristics of the assets does not guarantee a profit or prevent losses.

Concentration and cash flow

Where holdings are concentrated, the Trustee considers the effect of a fall in value, reduced income and difficulty selling. The assessment includes the Fund's ability to pay benefits, tax, expenses and loan repayments. Members' assets outside the Fund do not themselves provide cash to meet the Fund's obligations.

Supporting records

The accounts and Investment Strategy provide the fund-specific context for this statement. Existing records of the Trustee's reasons, forecasts and advice relied upon support that context. This statement is read with those records and the review provisions of the Investment Strategy.

Legislation

s 52B(2)(f) of the *Superannuation Industry (Supervision) Act 1993* (Cth).
reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).



How to use this statement

Real Estate for Jacaranda Super Fund

Trustee of Jacaranda Super Fund

When to use it

Use this statement where the Fund holds, or proposes to acquire, real estate and a question arises about property risk, rent, vacancies or access to cash. Use the Borrowing Statement as well if the property involves borrowing.

What the ATO and auditor look for

Keep title, lease, rent and valuation evidence together. Identify any related tenant or seller. The explanation of property risk should agree with the Fund's actual rent, expenses, cash reserves and loan commitments.

Records that support it

Use the property and cash balances in the accounts, Table A, the lease and property records. Existing valuation, expense and loan records provide the figures relevant to the holding.

Attach the next page to your Investment Strategy

Check that the statement reflects the circumstances of Jacaranda Super Fund and the Trustee's actual consideration. Read this statement with the pro-forma Investment Strategy supplied by Legal Consolidated for Jacaranda Super Fund, including its Table A. Handwrite the year after 30 June, attach the statement to that Strategy and keep this explanation page in the library. Present the statement, Strategy and relevant existing records together.

Advice on investments and accounts

Legal Consolidated supplies pro-forma documents without legal, financial planning or accounting advice. We do not select or endorse investments. Seek an appropriately licensed financial adviser for investment advice and your accountant for the accounts and tax consequences, as explained in the cover letter to your pro-forma Investment Strategy.

Law and audit guidance

- ss 62, 66, 71 and 109 of the *Superannuation Industry (Supervision) Act 1993* (Cth).
- reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).
- Auditing and Assurance Standards Board, Guidance Statement 009, Auditing Self-Managed Superannuation Funds, paragraphs 327–331 — guidance on auditing the investment strategy.

This statement forms an attachment to the accompanying pro-forma Investment Strategy of Jacaranda Super Fund for the financial year ended 30 June _____.

Real Estate statement for Jacaranda Super Fund

Property holdings and purpose

This statement concerns the real estate investments of Jacaranda Super Fund identified in its accounts or the attached Investment Strategy. The accounts identify the existing holdings and values; Table A sets out the investment allocation. The Trustee assesses property as part of the Fund's retirement investment approach.

Income and holding costs

The Trustee considers rental receipts together with rates, insurance, management fees, repairs, maintenance and other property expenses. Rent may fall or stop while costs continue. Lease expiry, tenant default, vacancy and unexpected work affect the net income available to the Fund.

Value and access to cash

A tenant stops paying rent. Rates, insurance and pensions continue. Record how your SMSF deals with that pressure.

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ability to produce cash are separate
ling demand, the property's
and the time needed to realise it.

1, industry or business. Where the
e pensions and other payments.
trustee also considers the effect of

that business reducing or ceasing operations.

Ownership and dealings

The property, lease, valuation and transaction records provide the context for the Fund's holding. Related-party acquisitions and leases require assessment against the applicable exceptions and commercial terms. The Fund's property serves its retirement purpose; it does not provide members or relatives with private accommodation.

Legislation

ss 62, 66, 71 and 109 of the *Superannuation Industry (Supervision) Act 1993* (Cth).
reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).



How to use this statement

Borrowing for Jacaranda Super Fund

Trustee of Jacaranda Super Fund

When to use it

Use this statement where the Fund's investment involves borrowing, including an LRBA, and an accountant, auditor or the ATO asks how the Trustee considered repayments, cash flow or a forced sale.

What the ATO and auditor look for

Show the actual loan and holding trust documents, repayments and security. The auditor must distinguish the investment explanation from evidence that the borrowing satisfies the limited recourse borrowing requirements. This statement does not validate the loan structure.

Records that support it

The loan and holding documents identify the actual structure and terms. Use the accounts, repayment records and Investment Strategy for the Fund's liabilities, cash and investment allocation.

Read this explanation before selecting the following statement. Keep the explanation in your Library and attach the relevant statement to your Strategy.

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Strategy

...ces of Jacaranda Super Fund and the
ent with the pro-forma Investment
Jacaranda Super Fund, including its Table
statement to that Strategy and keep this
ement, Strategy and relevant existing

...ts without legal, financial planning or
investments. Seek an appropriately
and your accountant for the accounts
r letter to your pro-forma Investment

Strategy.

Law and audit guidance

- ss 67, 67A, 67B and 109 of the *Superannuation Industry (Supervision) Act 1993* (Cth).
- reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).
- Auditing and Assurance Standards Board, Guidance Statement 009, Auditing Self-Managed Superannuation Funds, paragraphs 327–331 — guidance on auditing the investment strategy.

This statement forms an attachment to the accompanying pro-forma Investment Strategy of Jacaranda Super Fund for the financial year ended 30 June _____.

Borrowing statement for Jacaranda Super Fund

Borrowing and the investment

This statement records borrowing considerations for Jacaranda Super Fund. The loan agreements, holding documents and accounts identify the actual arrangements and liabilities. The investment approach and allocations are as set out in the attached Investment Strategy and Table A.

Repayment capacity

Higher interest or lost rent puts pressure on repayments. Record the risks and how your SMSF meets its loan commitments.

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and loan expenses together with the cash available to the Fund, an account of changes in receipts, including those receipts.

Investment income may coincide with repayments may continue throughout a period of time. The effect on benefits, tax and other payments, including the consequences of realising an asset sooner than intended.

Security and contractual exposure

The assessment includes repayment dates, default terms, security, recourse and any separate guarantees identified in the loan documents. A limited recourse arrangement does not remove investment risk or settle the separate exposure of a person who gives a guarantee.

Structure and changes

Borrowing, refinancing and work on a borrowed asset are assessed against the Fund's Deed and the applicable SIS restrictions. The accounts and transaction documents support the Fund's actual position. The loan label alone does not establish that an arrangement falls within a borrowing exception.

Legislation

ss 67, 67A, 67B and 109 of the *Superannuation Industry (Supervision) Act 1993* (Cth),
reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).



How to use this statement

Derivatives for Jacaranda Super Fund

Trustee of Jacaranda Super Fund

When to use it

Use this statement where the Fund holds or proposes to use options, futures, CFDs, currency hedges or other derivatives. It supports an explanation of exposure, leverage, collateral and cash demands.

What the ATO and auditor look for

Identify the contracts, exposures, margin arrangements and any charge over Fund assets. Where reg 13.15A requires a derivatives risk statement, provide that separate document addressing the actual policies and controls. This general investment sheet does not replace it.

Records that support it

Use the Investment Strategy, contract or product terms, position reports, margin records and any existing derivatives risk statement. Those records identify actual exposure, settlement and collateral obligations.

Attach the next page to your Investment Strategy

Check that the statement reflects the circumstances of Jacaranda Super Fund and the Trustee's actual consideration. Read this statement with the pro-forma Investment Strategy supplied by Legal Consolidated for Jacaranda Super Fund, including its Table A. Handwrite the year after 30 June, attach the statement to that Strategy and keep this explanation page in the library. Present the statement, Strategy and relevant existing records together.

Advice on investments and accounts

Legal Consolidated supplies pro-forma documents without legal, financial planning or accounting advice. We do not select or endorse investments. Seek an appropriately licensed financial adviser for investment advice and your accountant for the accounts and tax consequences, as explained in the cover letter to your pro-forma Investment Strategy.

Law and audit guidance

- ss 52B and 67 of the *Superannuation Industry (Supervision) Act 1993* (Cth).
- regs 4.09, 13.14 and 13.15A of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).
- Auditing and Assurance Standards Board, Guidance Statement 009, Auditing Self-Managed Superannuation Funds, paragraphs 327–331 — guidance on auditing the investment strategy.

This statement forms an attachment to the accompanying pro-forma Investment Strategy of Jacaranda Super Fund for the financial year ended 30 June _____.

Derivatives statement for Jacaranda Super Fund

Purpose and scope

This statement records the Trustee's investment considerations for derivatives used or proposed by Jacaranda Super Fund. The Investment Strategy identifies the investment approach. The relevant contracts and position records identify the instrument, exposure and settlement obligations.

Exposure and potential loss

A margin call may need cash quickly. Consider the exposure, monitoring and cash available before using this statement.

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ated by each position, rather than treating
risk. Buying and writing options create
it and its terms, losses and payment

nt payments, financing costs and
he Fund's other cash needs. A position
n immediate cash demand. Closing a
ket price.

Contract and counterparty risks

The assessment includes expiry, termination, the availability of a market, the other party's capacity to perform and the effect of a provider failure. The Trustee considers how derivatives interact with existing investments and whether they reduce or increase the portfolio's total exposure.

SIS restrictions and supporting records

Borrowing and charges over Fund assets are assessed against the applicable restrictions and exceptions. Where required, the Fund's derivatives risk statement addresses the particular policies and controls. Contract, position and collateral records provide the factual context for this statement.

Legislation

ss 52B and 67 of the *Superannuation Industry (Supervision) Act 1993* (Cth).

regs 4.09, 13.14 and 13.15A of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).



How to use this statement

Crypto and Digital Assets for Jacaranda Super Fund

Trustee of Jacaranda Super Fund

When to use it

Use this statement where the Fund holds or proposes to hold crypto or other digital assets and questions arise about ownership, custody, volatility, valuation or access to funds.

What the ATO and auditor look for

Show that the Fund owns the holding and that transactions and year-end values reconcile with its records. Exchange statements, transaction histories and custody records support the explanation. Do not disclose private keys or passwords.

Records that support it

Use exchange and custody records, wallet and transaction records, the accounts and Investment Strategy. Relevant records show the Fund's ownership, transactions and valuation basis without disclosing private keys or passwords.

Attach the next page to your Investment Strategy

Read this explanation before selecting the following statement. Keep the explanation in your Library and attach the relevant statement to your Strategy.

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of Jacaranda Super Fund and the with the pro-forma Investment da Super Fund, including its Table ment to that Strategy and keep this it, Strategy and relevant existing

without legal, financial planning or stments. Seek an appropriately your accountant for the accounts er to your pro-forma Investment

Strategy.

Law and audit guidance

- ss 62, 66 and 109 of the *Superannuation Industry (Supervision) Act 1993* (Cth).
- regs 4.09 and 4.09A of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).
- Auditing and Assurance Standards Board, Guidance Statement 009, Auditing Self-Managed Superannuation Funds, paragraphs 327–331 — guidance on auditing the investment strategy.

This statement forms an attachment to the accompanying pro-forma Investment Strategy of Jacaranda Super Fund for the financial year ended 30 June _____.

Crypto and Digital Assets statement for Jacaranda Super Fund

Holdings and investment approach

This statement concerns digital asset investments of Jacaranda Super Fund identified in its accounts or Investment Strategy. The Trustee considers the rights actually acquired, including whether the holding is a direct digital asset, a fund interest or an investment in a business.

Price and investment risk

The assessment includes price volatility, market depth, technology changes and the possibility of a substantial or total loss. A quoted price may not be achievable for the whole holding. Staking, lending or other yield arrangements add the risks arising from their particular terms and counterparties.

Ownership and custody

For Jacaranda Super Fund, fund ownership is distinguished from an individual's control of an account or key. The ownership and transaction records provide evidence of the Fund's interest. The Trustee considers separation from personal holdings, custody arrangements, access credentials and continuity of access if the person controlling them dies or loses capacity.

Liquidity and valuation

The Trustee considers exchange failure, cyber incidents, frozen withdrawals and lost market value may not be able to be realised. Transaction and transaction records

Who controls the wallet and private keys? Keep evidence that the SMSF owns its digital assets and can access them.

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the holding and any acquisition or disposal; transferring a member's interest; purchase from an unrelated seller.

Legislation

ss 62, 66 and 109 of the *Superannuation Industry (Supervision) Act 1993* (Cth),
regs 4.09 and 4.09A of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).



How to use this statement

Overseas Investments for Jacaranda Super Fund

Trustee of Jacaranda Super Fund

When to use it

Use this statement for foreign shares, overseas property, foreign funds or other investments exposed to foreign currency and law. It supports an explanation of ownership, valuation and access to income or sale proceeds.

What the ATO and auditor look for

Connect foreign ownership and custody documents with the accounts. Explain currency conversion and access to proceeds. An overseas holding does not itself establish the Fund's tax residency; management and control raise a separate question.

Records that support it

Use the accounts, custody or title records, transaction statements and Investment Strategy. Relevant foreign tax, currency conversion and remittance records explain actual receipts and values.

Attach the next page to your Investment Strategy

Check that the statement reflects the circumstances of Jacaranda Super Fund and the Trustee's actual consideration. Read this statement with the pro-forma Investment Strategy supplied by Legal Consolidated for Jacaranda Super Fund, including its Table A. Handwrite the year after 30 June, attach the statement to that Strategy and keep this explanation page in the library. Present the statement, Strategy and relevant existing records together.

Advice on investments and accounts

Legal Consolidated supplies pro-forma documents without legal, financial planning or accounting advice. We do not select or endorse investments. Seek an appropriately licensed financial adviser for investment advice and your accountant for the accounts and tax consequences, as explained in the cover letter to your pro-forma Investment Strategy.

Law and audit guidance

- ss 52B, 62 and 109 of the *Superannuation Industry (Supervision) Act 1993* (Cth).
- reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).
- Auditing and Assurance Standards Board, Guidance Statement 009, Auditing Self-Managed Superannuation Funds, paragraphs 327–331 — guidance on auditing the investment strategy.

This statement forms an attachment to the accompanying pro-forma Investment Strategy of Jacaranda Super Fund for the financial year ended 30 June _____.

Overseas Investments statement for Jacaranda Super Fund

Investment route and records

This statement concerns the overseas investments of Jacaranda Super Fund identified in the accounts or attached Investment Strategy. The Trustee considers whether the Fund holds an asset directly, through a custodian, or through a fund or other investment vehicle. Those structures create different rights and risks.

Currency exposure

Changes in exchange rates affect Australian dollar values and receipts as well as the local

Currency moves and overseas ownership rules affect what you recover. Keep ownership and access records with your explanation.

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costs and the effect of currency obligations. Any hedge is assessed

foreign title and custody arrangements, enforcing rights. Delays, capital of money to the Fund.

Tax and available cash

Foreign tax and Australian tax consequences affect the net return. The Trustee considers when income and proceeds will actually be available, rather than relying only on a foreign market valuation. The relevant tax and transaction records support the figures in the accounts.

Fund residency and investment location

Holding an overseas asset does not itself determine the Fund's tax residency. A trustee or member living overseas raises separate management, control and residency questions. The Fund's Australian requirements continue alongside the obligations affecting the foreign holding.

Legislation

ss 52B, 62 and 109 of the *Superannuation Industry (Supervision) Act 1993* (Cth).
reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).



How to use this statement

Private Companies and Start ups for Jacaranda Super Fund

Trustee of Jacaranda Super Fund

When to use it

Use this statement for unlisted shares, private businesses, venture capital or early-stage investments. It is relevant where questions concern valuation, shareholder rights, future funding or the ability to sell.

What the ATO and auditor look for

Provide the share or unit rights, ownership register, financial information and valuation support. Identify related parties and any further funding commitments. A promoter's price or hoped-for listing does not, by itself, establish the value or liquidity of the holding.

Records that support it

Use shareholding and subscription records, the Constitution or shareholders agreement, the accounts and available valuation material. The Investment Strategy and Table A identify the Fund's intended allocation.

Attach the next page to your Investment Strategy

Check that the statement reflects the circumstances of Jacaranda Super Fund and the Trustee's actual consideration. Read this statement with the pro-forma Investment Strategy supplied by Legal Consolidated for Jacaranda Super Fund, including its Table A. Handwrite the year after 30 June, attach the statement to that Strategy and keep this explanation page in the library. Present the statement, Strategy and relevant existing records together.

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Law and audit guidance

- ss 62, 66, 71 and 109 of the *Superannuation Industry (Supervision) Act 1993* (Cth).
- reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).
- Auditing and Assurance Standards Board, Guidance Statement 009, Auditing Self-Managed Superannuation Funds, paragraphs 327–331 — guidance on auditing the investment strategy.

This statement forms an attachment to the accompanying pro-forma Investment Strategy of Jacaranda Super Fund for the financial year ended 30 June _____.

Private Companies and Start ups statement for Jacaranda Super Fund

Investment rights

This statement concerns private company and early-stage investments of Jacaranda Super Fund identified in its accounts or Investment Strategy. The Trustee considers the rights attached to the actual share class or instrument, including voting, income, information access and priority on a sale or winding up.

Business and funding risks

The assessment includes the business's income, expenses, debt and dependence on future funding. New issues may dilute existing holdings or grant different rights to later investors. Business growth does not necessarily produce a return to every shareholder.

Valuation

For Jacaranda Super Fund, a recent capital raising or headline business valuation is considered alongside the rights of the Fund's particular holding. Forecasts depend on assumptions. The available financial and valuation material supplies the basis for assessing the holding recorded in the accounts.

Exit and liquidity

The Trustee considers transfer restrictions, the availability of a buyer, required approvals and proceeds. A proposed listing, takeover or cash for pensions and expenses.

A share valuation is only part of the story. Consider funding needs, shareholder rights and how the SMSF exits.

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fire assessment under the acquisition, inception, ownership and company records assessed within the Fund's overall

ss 62, 65, 71 and 103 of the *Superannuation Industry (Supervision) Act 1993* (Cth),
reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).



How to use this statement

Loans and Private Credit for Jacaranda Super Fund

Trustee of Jacaranda Super Fund

When to use it

Use this statement where the Fund lends directly or invests through private credit. It supports questions about borrower risk, security, recoverability and restrictions on withdrawals.

What the ATO and auditor look for

Identify the borrower, enforceable repayment rights, security and evidence of recoverability. Distinguish a direct loan from an investment in a lending fund. Interest paid does not, by itself, establish that the principal is recoverable.

Records that support it

Use the loan or product documents, security records, statements and accounts. Existing borrower information, valuations and repayment records provide the specific context. Related borrowers require consideration of the applicable SMSF restrictions.

Attach the next page to your Investment Strategy

Check that the statement reflects the circumstances of Jacaranda Super Fund and the Trustee's actual consideration. Read this statement with the pro-forma Investment Strategy supplied by Legal Consolidated for Jacaranda Super Fund, including its Table A. Handwrite the year after 30 June, attach the statement to that Strategy and keep this explanation page in the library. Present the statement, Strategy and relevant existing records together.

Advice on investments and accounts

Legal Consolidated supplies pro-forma documents without legal, financial planning or accounting advice. We do not select or endorse investments. Seek an appropriately licensed financial adviser for investment advice and your accountant for the accounts and tax consequences, as explained in the cover letter to your pro-forma Investment Strategy.

Law and audit guidance

- ss 62, 65, 71, 83 and 109 of the *Superannuation Industry (Supervision) Act 1993* (Cth).
- reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).
- Auditing and Assurance Standards Board, Guidance Statement 009, Auditing Self-Managed Superannuation Funds, paragraphs 327–331 — guidance on auditing the investment strategy.
- In *Cam & Bear Pty Ltd v McGoldrick* [2018] NSWCA 110, the Court addressed an auditor's failure to identify and report doubts about recovery of assets described as cash. The lesson is practical: explain what the Fund actually holds and support its value and access to money.

This statement forms an attachment to the accompanying pro-forma Investment Strategy of Jacaranda Super Fund for the financial year ended 30 June _____.

Loans and Private Credit statement for Jacaranda Super Fund

Nature of the holding

This statement concerns lending and private credit investments of Jacaranda Super Fund identified in its accounts or Investment Strategy. The Trustee considers whether the Fund holds a direct debt or an interest in a pooled vehicle, and the rights that follow from that structure.

Repayment and security

The assessment includes the borrower's capacity to repay, the source of repayment and the loan term. Security is considered by reference to its validity, value, ranking and enforcement costs. A guarantee depends on the guarantor's capacity to meet it. The label secured does not establish full recovery.

Return and recoverability

*A loan is not cash in the bank.
Consider repayment capacity, security
and restrictions on getting your money
back.*

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ised rate are considered
xtensions, capitalised interest and
available cash.

rights, redemption restrictions
ation or statement balance is not
cludes pensions, expenses and the

Related dealings and records

Related-party loans and investments require assessment against the applicable restrictions and limits. Commercial terms and the Fund's retirement purpose remain relevant. Loan, security, repayment and product records provide the factual support for this statement and the amounts in the accounts.

Legislation

ss 62, 65, 71, 83 and 109 of the *Superannuation Industry (Supervision) Act 1993* (Cth).
reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).



How to use this statement

Shares ETFs and Managed Funds for Jacaranda Super Fund

Trustee of Jacaranda Super Fund

When to use it

Use this statement where the Fund holds listed shares, ETFs or managed funds and questions arise about diversification, overlapping investments, income or liquidity.

What the ATO and auditor look for

Reconcile holding and transaction records with the accounts. Identify material overlap between direct shares and pooled products. Product names alone do not show diversification; the actual underlying exposure and withdrawal terms matter.

Records that support it

Use holding and transaction statements, product documents, the accounts and Investment Strategy. Available portfolio reports identify underlying exposures, fees and distribution information.

Attach the next page to your Investment Strategy

Check that the statement reflects the circumstances of Jacaranda Super Fund and the Trustee's actual consideration. Read this statement with the pro-forma Investment Strategy supplied by Legal Consolidated for Jacaranda Super Fund, including its Table A. Handwrite the year after 30 June, attach the statement to that Strategy and keep this explanation page in the library. Present the statement, Strategy and relevant existing records together.

Advice on investments and accounts

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Law and audit guidance

- ss 52B and 109 of the *Superannuation Industry (Supervision) Act 1993* (Cth).
- reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).
- Auditing and Assurance Standards Board, Guidance Statement 009, Auditing Self-Managed Superannuation Funds, paragraphs 327–331 — guidance on auditing the investment strategy.

This statement forms an attachment to the accompanying pro-forma Investment Strategy of Jacaranda Super Fund for the financial year ended 30 June _____.

Shares ETFs and Managed Funds statement for Jacaranda Super Fund

Holdings and structure

This statement concerns shares, ETFs and managed fund interests of Jacaranda Super Fund identified in its accounts or Investment Strategy. The Trustee considers the rights held by the Fund and the structure, mandate and terms of each investment.

Underlying exposures

Different funds may hold the same investments. Look through the labels when considering concentration, costs and risk.

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s and pooled holdings, concentration in particular manager. Different read.

s are considered with management leads. Distributions may change and on is not treated as the same thing as

Liquidity and market conditions

The Trustee considers trading depth, settlement, withdrawal terms and the possibility of suspension or delayed redemption. Listed status does not remove market or counterparty risk. Leveraged, inverse or derivative-based products are assessed according to their particular operation.

Portfolio and supporting records

The holdings are considered together with the Fund's retirement objectives and payment needs. Product, holding, distribution and transaction records support the ownership and values in the accounts. Table A and the Investment Strategy provide the context for the allocation.

Legislation

ss 52B and 109 of the *Superannuation Industry (Supervision) Act 1993* (Cth),
reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).



How to use this statement

Gold Bullion Artwork and Collectables for Jacaranda Super Fund

Trustee of Jacaranda Super Fund

When to use it

Use this statement where the Fund holds physical metals, collectables or personal use assets, or products giving exposure to them. It supports questions about ownership, valuation, storage, insurance and personal benefit.

What the ATO and auditor look for

Identify the asset, ownership and valuation evidence. Distinguish bullion from collectables and personal use assets. Where the specific collectables rules apply, keep the relevant storage, insurance and disposal records with the Fund's other documents.

Read this explanation before selecting the following statement. Keep the explanation in your Library and attach the relevant statement to your Strategy.

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the arrangements, insurance records required by the

Jacaranda Super Fund and the pro-forma Investment Strategy for the Jacaranda Super Fund, including its Table of Contents. Attach this Statement to that Strategy and keep this Strategy and relevant existing

records together.

Advice on investments and accounts

Legal Consolidated supplies pro-forma documents without legal, financial planning or accounting advice. We do not select or endorse investments. Seek an appropriately licensed financial adviser for investment advice and your accountant for the accounts and tax consequences, as explained in the cover letter to your pro-forma Investment Strategy.

Law and audit guidance

- ss 62 and 62A of the *Superannuation Industry (Supervision) Act 1993* (Cth).
- regs 4.09 and 13.18AA of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).
- Auditing and Assurance Standards Board, Guidance Statement 009, Auditing Self-Managed Superannuation Funds, paragraphs 327–331 — guidance on auditing the investment strategy.

This statement forms an attachment to the accompanying pro-forma Investment Strategy of Jacaranda Super Fund for the financial year ended 30 June _____.

Gold Bullion Artwork and Collectables statement for Jacaranda Super Fund

Nature of the asset

This statement concerns artwork, metal, bullion and other collectable investments of Jacaranda Super Fund identified in its accounts or Investment Strategy. The Trustee considers the actual asset or contractual right. Artwork, bullion, a pooled product, jewellery and collectable coins do not necessarily have the same legal or investment characteristics.

Value and return

The assessment includes authenticity, condition, provenance and the available market. Storage, insurance, transport, dealer margins and sale commissions affect the return. A purchase price or insurance value is considered separately from the amount available on a sale.

Ownership and custody

For Jacaranda Super Fund, the Trustee considers whether the holding is specific property owned by the Fund or a claim against a provider. Custody, access, insurance and the assessment,

Gold and artwork need more than a price tag. Consider ownership, storage, insurance and restrictions on personal use.

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personal use rules, the relevant disposal apply. The investment serves enjoyment by a member or related

holding costs. The Trustee considers how the Fund will meet those costs and its other payments, including the time and cost of realising the holding. Ownership, valuation, storage and insurance records provide the factual context.

Legislation

ss 62 and 62A of the *Superannuation Industry (Supervision) Act 1993* (Cth).

regs 4.09 and 13.18AA of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).



How to use this statement

Retirement Cash Flow for Jacaranda Super Fund

Trustee of Jacaranda Super Fund

When to use it

Use this statement when pensions start or change, contributions reduce, or questions arise about paying benefits while the Fund holds investments that take time to sell.

What the ATO and auditor look for

Connect the explanation with actual pension and benefit payments, cash balances and expected receipts. Show how illiquid assets affect payment timing. Keep any existing cash flow forecast and record of the Strategy review with the Fund's records.

Records that support it

Use the accounts, pension and benefit records, existing cash flow information and Investment Strategy. Those records provide actual amounts and dates. This sheet adds no new forecast form to complete.

Attach the next page to your Investment Strategy

Check that the statement reflects the circumstances of Jacaranda Super Fund and the Trustee's actual consideration. Read this statement with the pro-forma Investment Strategy supplied by Legal Consolidated for Jacaranda Super Fund, including its Table A. Handwrite the year after 30 June, attach the statement to that Strategy and keep this explanation page in the library. Present the statement, Strategy and relevant existing records together.

Advice on investments and accounts

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Law and audit guidance

- s 52B(2)(f) of the *Superannuation Industry (Supervision) Act 1993* (Cth).
- reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).
- Auditing and Assurance Standards Board, Guidance Statement 009, Auditing Self-Managed Superannuation Funds, paragraphs 327–331 — guidance on auditing the investment strategy.
- In *Cam & Bear Pty Ltd v McGoldrick* [2018] NSWCA 110, the Court addressed an auditor's failure to identify and report doubts about recovery of assets described as cash. The lesson is practical: explain what the Fund actually holds and support its value and access to money.

This statement forms an attachment to the accompanying pro-forma Investment Strategy of Jacaranda Super Fund for the financial year ended 30 June _____.

Retirement Cash Flow statement for Jacaranda Super Fund

Payment obligations

This statement records cash flow considerations for Jacaranda Super Fund. The accounts, pension and benefit records identify its actual payments and liabilities. The Investment Strategy sets out the retirement objectives and approach to meeting those payments.

Sources of cash

The Trustee considers cash balances, investment income, expected contributions and the realisation of investments. The assessment distinguishes a holding's market value from the money available at the time a payment falls due.

Changes in income

For Jacaranda Super Fund, reduced or ceased contributions may coincide with pension payments, repairs, tax or loan repayments. Rent, dividends and other receipts may fall or stop. The Trustee considers these changes together rather than assuming that the pattern of a prior year will continue.

*Pensions, tax and expenses need cash.
Record how your SMSF pays them
when income falls or assets take time
to sell.*

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ts and the effect of selling during
able to benefit from a recovery.
ot provide cash immediately.

th, a rollover or another benefit
records provide the Fund's actual
sh allocation is assumed in this

statement.

Legislation

s 52B(2)(f) of the *Superannuation Industry (Supervision) Act 1993* (Cth).

reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).



How to use this statement

Concentrated Investments for Jacaranda Super Fund

Trustee of Jacaranda Super Fund

When to use it

Use this statement where a substantial part of the Fund depends on one investment or common risk. Examples include one property, several properties in one town or investments linked to one business or industry.

What the ATO and auditor look for

Identify the asset or common exposure in the accounts and Table A. The explanation should address income stopping, values falling and delays in selling. Include the Trustee's existing reasons and the Fund's capacity to meet payments.

Records that support it

Use the accounts and Table A to identify actual holdings and proportions. Leases, loans, portfolio reports and existing explanations of the Trustee's investment approach supply the detail relevant to the exposure.

Attach the next page to your Investment Strategy

Check that the statement reflects the circumstances of Jacaranda Super Fund and the Trustee's actual consideration. Read this statement with the pro-forma Investment Strategy supplied by Legal Consolidated for Jacaranda Super Fund, including its Table A. Handwrite the year after 30 June, attach the statement to that Strategy and keep this explanation page in the library. Present the statement, Strategy and relevant existing records together.

Advice on investments and accounts

Legal Consolidated supplies pro-forma documents without legal, financial planning or accounting advice. We do not select or endorse investments. Seek an appropriately licensed financial adviser for investment advice and your accountant for the accounts and tax consequences, as explained in the cover letter to your pro-forma Investment Strategy.

Law and audit guidance

- s 52B(2)(f) of the *Superannuation Industry (Supervision) Act 1993* (Cth).
- reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).
- Auditing and Assurance Standards Board, Guidance Statement 009, Auditing Self-Managed Superannuation Funds, paragraphs 327–331 — guidance on auditing the investment strategy.

This statement forms an attachment to the accompanying pro-forma Investment Strategy of Jacaranda Super Fund for the financial year ended 30 June _____.

Concentrated Investments statement for Jacaranda Super Fund

Identification of the exposure

This statement concerns concentrated investments of Jacaranda Super Fund as identified in its accounts and Investment Strategy. Table A records the allocation. The assessment includes a substantial exposure to one asset, asset class, tenant, borrower, location, industry or source of income.

Connected risks

Separate investments may respond to the same event. The Trustee considers common tenants, businesses, markets and funding sources rather than relying only on the number of holdings. Concentration may be material below a 90% allocation.

Investment approach

For Jacaranda Super Fund, the Trustee considers the concentrated approach alongside the cash flow requirements addressed in its Investment Strategy and the evidence supporting its actual cash flow.

One tenant, borrower or industry may drive several investments. Consider the common risk as well as each asset.

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The effect of the sole tenant leaving or business freezing, or pensions falling due before expected values, unexpected expenses and business depends on the same exposure, contributions and Fund receipts may fall together. The Fund's accounts, existing cash flow information and Investment Strategy provide the actual payment needs and approach to meeting them.

Position and supporting records

The accounts, Investment Strategy and relevant holding records are read together with this statement. They identify the actual concentration and the Fund's payment needs. The Trustee considers how the exposure affects the Fund's capacity to pay pensions, expenses and other liabilities.

Legislation

s 52B(2)(f) of the *Superannuation Industry (Supervision) Act 1993* (Cth).
reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).



How to use this statement

Space and Emerging Industries for Jacaranda Super Fund

Trustee of Jacaranda Super Fund

When to use it

Use this statement where the Fund's actual or proposed investments involve space-related businesses or other emerging industries. Examples include satellite, launch, communications and supporting technology businesses.

What the ATO and auditor look for

Identify the actual share, fund interest or contractual right and its valuation support. Explain funding needs, transfer restrictions and the time before receipts are expected. An industry theme does not replace evidence of the rights the Fund acquired.

Records that support it

Use the subscription or product documents, ownership records, available financial and valuation material, the accounts and Investment Strategy. Those records identify what the Fund actually acquires.

Attach the next page to your Investment Strategy

Read this explanation before selecting the following statement. Keep the explanation in your Library and attach the relevant statement to your Strategy.

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Jacaranda Super Fund and the pro-forma Investment Strategy for Jacaranda Super Fund, including its Table of Contents, attach this statement to that Strategy and keep this statement with your Strategy and relevant existing records.

Do not rely on legal, financial planning or other professional advice. Seek an appropriately qualified professional or accountant for the accounts and valuation support for your pro-forma Investment Strategy.

Strategy.

Law and audit guidance

- ss 52B, 62 and 109 of the *Superannuation Industry (Supervision) Act 1993* (Cth).
- reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).
- Auditing and Assurance Standards Board, Guidance Statement 009, Auditing Self-Managed Superannuation Funds, paragraphs 327–331 — guidance on auditing the investment strategy.

This statement forms an attachment to the accompanying pro-forma Investment Strategy of Jacaranda Super Fund for the financial year ended 30 June _____.

Space and Emerging Industries statement for Jacaranda Super Fund

Nature of the investment

This statement concerns space-related or emerging-industry investments of Jacaranda Super Fund identified in its accounts or Investment Strategy. The Trustee assesses the actual security, fund interest or contractual right rather than the industry theme alone.

Funding and business risks

The assessment includes technical failure, project delays, regulatory requirements, insurance, customer dependence and the need for further funding. New issues may dilute an existing interest or give later investors priority. Technical success does not necessarily produce a return for every investor.

Rights and valuation

For Jacaranda Super Fund, the investment documents identify the rights acquired and the available information about value. An investment in a business operating beyond Earth is distinct from a claim to ownership of celestial land or resources. The relevant law and transaction structure affect enforceability.

Exit and cash flow

The Trustee considers transfer restrictions, the availability of buyers and the time before launch, listing, takeover or future funding and the fund's benefits and expenses.

A new industry still needs clear investment rights. Consider funding, valuation and how your SMSF gets its money back.

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existing exposures, retirement objectives
- fund interest may already fall within a
, Table A and investment records
holding twice.

ss 320, 321 and 322 of the *Superannuation Industry (Supervision) Act 1993* (Cth).
reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).



How to use this statement

Fractional Property for Jacaranda Super Fund

Trustee of Jacaranda Super Fund

When to use it

Use this statement where the Fund invests through a fractional property platform, a property syndicate or a shared property arrangement. It addresses what the Fund owns, how the holding is valued and how it obtains its money back.

What the ATO and auditor look for

Identify the actual legal interest, ownership records and valuation support. Distinguish a direct share of land from trust units or a contractual claim against a provider. Check the withdrawal and transfer terms against the Fund's cash needs; a platform balance does not establish immediate access to money.

Records that support it

Use the ownership or unit register, title or custody records, product and platform terms, valuation information, accounts and Investment Strategy. Those records identify the actual rights and amounts.

Attach the next page to your Investment Strategy

Check that the statement reflects the circumstances of Jacaranda Super Fund and the Trustee's actual consideration. Read this statement with the pro-forma Investment Strategy supplied by Legal Consolidated for Jacaranda Super Fund, including its Table A. Handwrite the year after 30 June, attach the statement to that Strategy and keep this explanation page in the library. Present the statement, Strategy and relevant existing records together.

Advice on investments and accounts

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Law and audit guidance

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- reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).
- Auditing and Assurance Standards Board, Guidance Statement 009, Auditing Self-Managed Superannuation Funds, paragraphs 327–331 — guidance on auditing the investment strategy.

This statement forms an attachment to the accompanying pro-forma Investment Strategy of Jacaranda Super Fund for the financial year ended 30 June _____.

Fractional Property statement for Jacaranda Super Fund

Rights and ownership

This statement concerns fractional property investments of Jacaranda Super Fund identified in its accounts or accompanying Investment Strategy. The Trustee considers trust or another contractual right. determine legal ownership.

*What does your SMSF actually own?
Consider the platform, legal rights, fees
and withdrawal arrangements.*

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ing property valuation, debt, fees
own on a platform is considered
unts and investment records

Exit and access to money

For Jacaranda Super Fund, the Trustee considers withdrawal terms, transfer restrictions, the availability of buyers and the depth of any secondary market. An advertised trading facility does not guarantee a buyer or immediate payment. The assessment includes delays, discounts and the effect on pensions, tax and expenses.

Income and connected risks

The Trustee considers rent falling or stopping, vacancy, repairs, borrowing and dependence on the platform, manager or custodian. Several fractional interests may share the same property, tenant, market or provider risks. The holding is considered with the Fund's other exposures and Table A.

Fund purpose and records

Related-party involvement and the structure of the holding require consideration under the applicable SMSF restrictions. Ownership, product, income and transaction records are read with this statement. The investment serves the Fund's retirement purpose; the fractional structure does not itself establish compliance.

Legislation

ss 52B, 62, 66, 71 and 109 of the *Superannuation Industry (Supervision) Act 1993* (Cth).
reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).



How to use this statement

Ethical Investment Restrictions for Jacaranda Super Fund

Trustee of Jacaranda Super Fund

When to use it

Use this statement where the Trustee applies ethical, environmental, social or governance criteria to select or exclude investments. It addresses the effect of those criteria on the Fund's investment choices, risks and returns.

What the ATO and auditor look for

Identify the criteria actually adopted and the resulting holdings. Explain their effect on diversification, expected return and the Fund's retirement purpose. Check product disclosures and screening exceptions rather than relying on an ethical or environmental label.

Records that support it

Use the criteria recorded in the Investment Strategy or existing Trustee records, product disclosures, screening information, portfolio reports and accounts. These records identify what is excluded and the resulting exposures.

Read this explanation before selecting the following statement. Keep the explanation in your Library and attach the relevant statement to your Strategy.

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Investment Strategy

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Jacaranda Super Fund, including its Table
statement to that Strategy and keep this
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investments. Seek an appropriately
and your accountant for the accounts
r letter to your pro-forma Investment

Strategy.

Law and audit guidance

- ss 52B and 62 of the *Superannuation Industry (Supervision) Act 1993* (Cth).
- reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).
- Auditing and Assurance Standards Board, Guidance Statement 009, Auditing Self-Managed Superannuation Funds, paragraphs 327–331 — guidance on auditing the investment strategy.

This statement forms an attachment to the accompanying pro-forma Investment Strategy of Jacaranda Super Fund for the financial year ended 30 June _____.

Ethical Investment Restrictions statement for Jacaranda Super Fund

Investment criteria

This statement records consideration of ethical, environmental, social or governance criteria applied to investments of Jacaranda Super Fund. The accompanying Investment Strategy and existing Trustee records set out the criteria actually adopted and the relevant exclusions or selection requirements.

Retirement purpose

The criteria are considered alongside the Fund's retirement objectives, expected return,

Your investment criteria may narrow the choices. Record the restrictions and their effect on diversification and returns.

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approach serves the Fund's retirement self establish that an investment

market or asset class may increase the resulting concentration, available and's overall investment approach. An

Product claims and actual holdings

The assessment includes the product's stated screening methods, exceptions, thresholds and underlying holdings. Different providers may apply different definitions. Product disclosures and available portfolio information provide the basis for assessing whether the holding meets the Fund's recorded criteria.

Changes and supporting records

The Trustee considers changes in product holdings, screening policies or the Fund's criteria when reviewing the Investment Strategy. The assessment includes the costs and practical consequences of retaining or changing an investment. The accounts, Table A and existing records provide the fund-specific context.

Legislation

ss 52B and 62 of the *Superannuation Industry (Supervision) Act 1993* (Cth).
reg 4.09 of the *Superannuation Industry (Supervision) Regulations 1994* (Cth).