



# Mason Stevens Managed Account Service

**ISSUE DATE: 14 DECEMBER 2018**

This notice dated 14 December 2018, updates information contained in the investment mandates issued by Mason Stevens as the Managed Discretionary Account (MDA) Provider of the Mason Stevens Managed Account Service.

The below tables provide update to the Indirect Cost Ratios (ICRs), estimated performance fees and transactional and operational costs disclosed in the relevant investment mandate (for the Model Portfolios). Updated numbers have not been provided for those estimates that have not changed since the most recent issue of the investment mandate.

Please refer to the investment mandate for full information on ICRs, estimated performance fees and transactional and operational costs information.

## Indirect Cost Ratio (ICR)

Where a Model Portfolio's investment universe includes securities such as managed funds, ETFs or LICs, the issuers of these financial products may charge management costs (including performance fees) and transactional and operational costs. These indirect costs are deducted from the underlying investments in the Model Portfolio. You should refer to the relevant product disclosure statement for full details on the fees and costs charged by the managed fund, ETF, LIC or other underlying security.

The ICR provided is an estimate only (based on the previous financial year and reasonable estimates going forward) using information publicly available to us.

<b>Model Portfolio</b>	<b>Indirect Cost Ratio (%) p.a.</b>
AdvicePlan Balanced Investment Option	0.82%
AdvicePlan Growth Investment Option	1.36%
BlueRock Australian Shares Model Portfolio	0.68%
BlueRock Income-Focused Model Portfolio	0.75%
BlueRock Income-Focused ETF Model Portfolio	0.22%
BlueRock International Model Portfolio	0.35%
BlueRock Specialist Investments Model Portfolio	1.76%
HNW Defensive Investments Model Portfolio	0.58%
HNW High Discretion External Manager Model Portfolio	1.67%
HNW International Growth Model Portfolio	0.41%
HNW UK Equities (GBP Denominated) Model Portfolio	0.31%
HNW International Growth Assets (GBP Denominated) Model Portfolio	0.18%
HNW High Discretion External Manager (GBP Denominated) Model Portfolio	0.83%
HNW Defensive Investments (GBP Denominated) Model Portfolio	0.54%
IRRIS Defensive Model Portfolio	0.71%
IRRIS Income Equities Model Portfolio	1.29%
IRRIS Growth Equities Model Portfolio	1.20%
Territory Low Volatility Portfolio	0.56%
Territory Mid-Term Income Portfolio	0.60%
Territory Long-Term Portfolio	0.00%
Wealthmed Australian Shares Model Portfolio	0.00%
Wealthmed Defensive Model Portfolio	0.79%
Wealthmed International Model Portfolio	0.11%

## Estimated Performance Fees

A performance fee is a payment made to the Program Adviser for generating positive returns. The higher the outperformance of the Model Portfolio for the financial year (relative to its performance benchmark), the generally the higher the performance fee paid.

Below are the revised estimated performance fees based on the previous financial year and reasonable estimates. Please refer to the relevant investment mandate for the Model Portfolios performance fee calculation methodology and further information.

<b>Model Portfolio</b>	<b>Estimated Performance Fee (%) p.a.</b>
8IP Australian Small Companies Model Portfolio	0.58%
Loftus Peak Global Change Model Portfolio	1.38%
Quest Australian Equities Concentrated Portfolio – Wholesale	0.79%
Quest Australian Equities Concentrated Portfolio – Retail	0.72%
Quest Australian Equities Highly Concentrated Portfolio – Wholesale	0.35%

## Transactional and Operational (T&O) Costs

Transactional and operational costs are incurred in the buying or selling of the assets of the Model Portfolio including brokerage costs, settlement costs, clearing costs, registration fees, bank charges, Government taxes, stamp duty (if applicable) and the bid/ask spread on fixed income securities bought and sold at market. These costs are paid out of the assets of the Model Portfolio not your account.

Below are the revised T&O Costs based on the previous financial year and reasonable estimates.

<b>Model Portfolio</b>	<b>T&amp;O Cost (%) p.a.</b>
Ashfords Retail Australian Fixed Income Model Portfolio	0.21%
Ashfords Wholesale Diversified Fixed Income Model Portfolio	0.24%
HNW Fixed Income Model Portfolio	0.21%
Mason Stevens Australian Fixed Income Model Portfolio	0.21%

### IMPORTANT INFORMATION

Current as at 14 December 2018. This is general information only and does not constitute financial product advice. Because of this you should, before acting on this information, consider its appropriateness having regard to your objectives, financial situation and needs. This document provides an overview or summary only and it should not be considered a comprehensive statement on any matter or relied upon as such. Mason Stevens Limited 91 141 447 207, AFSL No. 351578 is the Managed Discretionary Account (MDA) Provider of the Mason Stevens Managed Account Service. If you are considering using a managed account you must read the account application form, the relevant investment mandate and the Mason Stevens Financial Services Guide (FSG). If you are a retail investor, you must obtain personal advice from a licensed financial adviser on whether a managed account and a particular investment option or model portfolio is appropriate for you.