

MASON STEVENS ASSET MANAGEMENT

MASON STEVENS INCOME DISCRETIONARY INVESTMENT MANDATE

1 OCTOBER 2017

For Wholesale Clients / Sophisticated Investors Only

MASON STEVENS MANAGED ACCOUNTS
MASON STEVENS LIMITED ACN 141 447 207 AFSL 351578



IMPORTANT INFORMATION

This document has been issued by Mason Stevens Limited ABN 91 141 447 207, AFSL 351578 (Mason Stevens). Mason Stevens is the Managed Discretionary Account (MDA) Provider of the MDA Service. Mason Stevens has appointed Mason Stevens Asset Management Pty Limited (MSAM), ABN 92 141 447 654, as Program Adviser on the Model Portfolio(s) outlined in this Investment Mandate. MSAM is a Corporate Authorised Representative (CAR461312) of Mason Stevens.

Mason Stevens has appointed a licensed sub-custodian to hold all client monies and financial products in accordance with regulatory requirements. A copy of the agreement under which the appointment of the sub-custodian was made is available for inspection at the registered office of Mason Stevens.

If you are considering using a managed account you must read the Mason Stevens account application, the Model Portfolio information outlined in this document and the Mason Stevens financial services guide.

This Investment Mandate is only available to wholesale clients, as defined in section 761G of the Corporations Act ("Wholesale Client"). Applications will only be considered from Wholesale Clients who apply in Australia. If you are unsure of whether you qualify as a Wholesale Client please contact your legal or financial adviser.

This document does not purport to contain all of the information that a prospective investor may require in evaluating an investment in the Fund. It has been prepared without taking into account the investment objectives, financial situation or needs of any particular investor. You should consult with your financial adviser and obtain professional advice about an investment in the Fund having regard to

your particular investment needs, objectives and financial circumstances before investing. Investment involves risk, potentially resulting in (but not limited to) delays in payment of withdrawal proceeds and the loss of income and capital invested. Past performance is not necessarily indicative of future performance. Mason Stevens and MSAM and their respective directors, officers, employees, sub-contractors and associates do not assure or guarantee the capital value of your investments will be maintained or the investment performance of any investments acquired through the managed account under any Model Portfolio.

Where there are references in this document to data provided by third parties, neither Mason Stevens or MSAM has control over that data and neither party accepts any responsibility for verifying or updating that data.

Mason Stevens, MSAM and their respective directors, officers, employees and associates may from time to time hold interests in investments of, or earn fees and other benefits from, corporations or investment vehicles which may be held in your managed account under any Model Portfolio.

Mason Stevens has issued this document. MSAM consents to the statements in this document attributable to it or referring to them, and have not withdrawn their consent. MSAM have confirmed the statements attributable to them or referring to it are not misleading or deceptive at the time of issue.

All amounts in this document are quoted in Australian dollars and all fees are inclusive of the estimated net effect of GST (i.e. inclusive of GST, less any input tax credits and/or reduced input tax credits).

1. THE MASON STEVENS MANAGED ACCOUNT SERVICE

1.1 INTRODUCTION

About Mason Stevens

Mason Stevens Limited is part of the Mason Stevens group of companies (Mason Stevens Group). The Mason Stevens Group is a privately owned financial services firm based in Sydney, founded in 2010. The Mason Stevens Group specialises in offering separately managed accounts supported by a comprehensive investment and administration platform, as well as bespoke investment solutions to both retail and wholesale investors.

Managed Discretionary Accounts (MDA)

A Managed Discretionary Account (known as a Managed Account) allows you to invest in a professionally managed Model Portfolio(s) that consist of a portfolio of assets that follow a defined investment strategy.

By agreeing to an investment mandate, you will delegate the day-to-day investment decisions of the Model Portfolio(s) to the MDA Provider, who may be advised or appoint a Program Adviser (e.g. Investment Manager).

A Model Portfolio may invest in the following types of assets:

- Australian and international equities
- Fixed income securities
- Exchange traded funds
- Managed funds
- Listed property
- Cash

Unlike investing in managed funds, investors in managed accounts retain the beneficial ownership of the underlying assets of the Model Portfolio(s). This ultimately means that you will be entitled to any income generated from assets held in the Model Portfolio but will also be liable for any tax consequences.

In addition, there are differences between investing in a managed account and an investor holding the asset directly. The table below outlines the primary differences between the two.

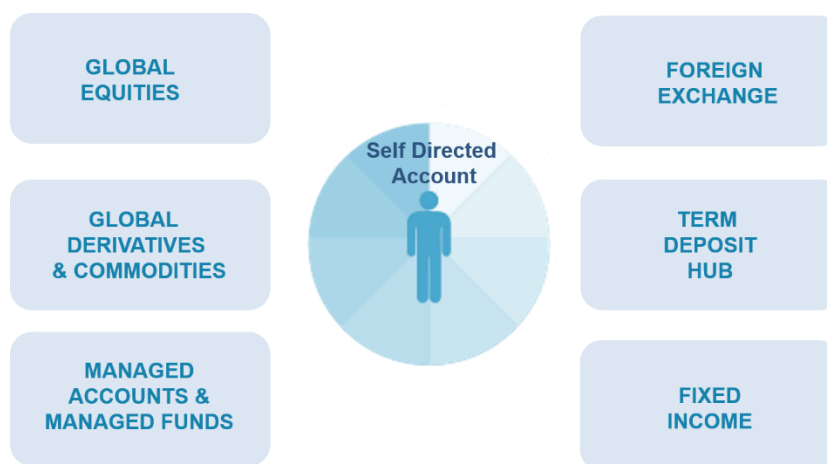
	MDA	Direct Investment
Beneficial Owner	You retain beneficial ownership of all investments. You are entitled to all dividends, franking credits and distributions. The underlying investments are registered in the name of the Custodian appointed by the MDA Provider.	You retain beneficial ownership of all investments. You are entitled to all dividends, franking credits and distributions. The investments are usually registered in your name via CHESS or other market settlement system.
Corporate Actions	As the investments are registered in the Custodian's name any notices for corporate actions are sent to the Custodian. Upon set up of your MDA Service you will be required to provide standing instructions for future corporate actions which the Custodian will implement going forward.	You receive all shareholder notifications on corporate actions directly. You are responsible for communicating with the share registry directly to provide instructions on each actionable corporate action.
Administration	The Custodian structure removes the hassle of paperwork. All contract notes, holding statements, dividend statements can be handled by the Custodian and reported directly to your online account. At the end of financial year the investor is provided with an audited tax report.	All investor communication is sent directly to you. You will need to administrate all your individual investments.

Self Directed Account (SDA)

In addition to holding selected Model Portfolio(s), you (or your licensed financial adviser) will also have the flexibility to choose your own portfolio of assets and hold those investments in what is known as a Self Directed Account. A SDA allows you to instruct Mason Stevens to deal in securities or other investments on your behalf on an execution only basis. These securities will be held outside of any Model Portfolio(s) that you choose as part of your Managed Account.

A SDA provides investors with the ability to hold securities across multiple asset classes and multiple international securities exchanges, approved by Mason Stevens.

Mason Stevens will automatically open up a SDA for you on establishment of the Mason Stevens Managed Account Service.



Benefits of the Managed Account Service

The Mason Stevens Managed Account Service (Service) allows you to consolidate other investments you may hold and benefit from consolidated management, execution and reporting. Investors are able to view their holdings in their Managed Account, any transactions and investment performance on a daily basis.

Suitability of this Managed Account Service

Please note that the Mason Stevens Managed Account Service may not be suitable to your relevant circumstances if you have provided limited or inaccurate personal information to your financial adviser. Furthermore, the Service may cease to be suitable should your relevant circumstances change. You should speak with your financial adviser should your circumstances change at any stage.

1.2 PARTIES TO THE INVESTMENT MANDATE

The Investment Mandate is between Mason Stevens and the investor (you) for your investment in your selected Model Portfolio(s).

Program Adviser

Mason Stevens has appointed Mason Stevens Asset Management (MSAM) as the Program Adviser of the Mason Stevens Income Discretionary Investment Mandate (the Model Portfolio).

MSAM's responsibilities include:

- to advise the MDA Provider and manage the Model Portfolio(s) in accordance with the defined portfolio parameters;
- to advise the MDA Provider on the composition of the investment universe for the Model Portfolio(s) and advise of any changes in accordance with the defined portfolio parameters;
- to advise the MDA Provider on corporate actions arising from any direct investments held across the Model Portfolio(s).

MDA Provider

Mason Stevens is the MDA Provider and administrator of the Service.

Mason Stevens' responsibilities include:

- establishing your Managed Account;
- maintaining records of investments in your Model Portfolio(s) and providing you with up-to-date online reporting;
- executing transactions in accordance with your instructions or delegated authority;
- rebalancing the Model Portfolio(s) as instructed by the Program Adviser;
- implementing corporate actions in response to Program Adviser advice;
- arranging the settlement of investments in your Model Portfolio(s);
- recording income on investments held in your Model Portfolio(s) and crediting the cash account;
- supervising compliance of the Program Adviser's portfolio parameters within the Model Portfolio(s).

Custodian

Mason Stevens is licensed by the Australian Securities and Investments Commission (ASIC) to provide custodial and depositary services to clients.

Mason Stevens has appointed a licensed sub-custodian to hold client monies and all financial products. Our primary sub-custodian is:

National Australia Bank
Level 12
500 Bourke Street
Melbourne VIC 3000

NB: National Australia Bank has engaged Citibank N.A. as its global sub-custodian.

From time to time Mason Stevens may change the appointed sub-custodian.

2. INVESTMENT GUIDE

2.1 MODEL PORTFOLIO OBJECTIVE

The principal objective of the Mason Stevens Income Discretionary Model Portfolio is to invest in a portfolio of securities that aims to achieve high risk adjusted returns, while delivering regular cash-flow streams via income from coupons with minimal capital volatility.

The Model Portfolio will have a focus on income and preservation of capital. The target return of the portfolio is RBA Cash + 3%p.a., after fees, with a suggested investment time frame of 3-5+ years.

It is a managed portfolio of fixed income securities, including: Bonds (corporate, financials, government), Subordinated Debt Securities, Hybrids, Residential Mortgage-Backed Securities (RMBS), Asset Backed Securities (ABS), Floating Rate Notes (FRN), Cash Deposits and Term Deposits. Securities may be unlisted, or listed on an exchange.

2.2 INVESTMENT STRATEGY

The Model Portfolio seeks to invest in a risk-adjusted portfolio of fixed income securities unless stated otherwise. Account monies are invested as per the securities and weights as defined in the Model Portfolio, with the Model Portfolio reflecting the current investment views and strategies of the MSAM investment team.

While the primary investment objective is to actively monitor, manage and reposition a portfolio of securities that meets the investment objectives over the suggested investment time frame, the MSAM investment team will act on shorter term market opportunities it has identified to maximise returns. The Program Adviser will have full discretion over the timeframe of when monies are invested and will determine security selection based upon the following criteria:

- Assessed quality of the underlying business, including appropriate ratio analysis;
- Sustainability of coupons or other distributions (if applicable);
- Rating of the underlying issuer and rating of the specific issue, if any;
- Seniority ranking, if applicable;
- Liquidity of the particular security;
- Currency of the security;
- Duration of the particular security;
- Historical volatility of the underlying security.

In addition to in-house capabilities, the Program Adviser will draw on a wide range of research sources. This will include leading analysts from the major broking houses and investment banks, company briefings and meetings with company executives and independent rating agency analysts.

It is expected that the performance will be predominantly income in nature however capital gains (and losses) can also be made.

2.3 REBALANCING

The Program Adviser may adjust the market value weights of the underlying investments in the Model Portfolio to ensure that weightings are consistent with the Model Portfolio's investment strategy.

Rebalancing will occur at the discretion of the Program Adviser.

2.4 PORTFOLIO PARAMETERS

Feature	Description
Availability	The Model Portfolio is open to wholesale clients only, as defined by the Corporations Act. Investors must provide an accountant's certificate confirming their status as a wholesale client.
Name	Mason Stevens Income Discretionary Model Portfolio
Program Adviser	Mason Stevens Asset Management
Investment universe	Bonds (corporate, financials, government), Subordinated Debt Securities, Hybrids, Residential Mortgage-Backed Securities (RMBS), Asset Backed Securities (ABS), Floating Rate Notes (FRN), Cash Deposits and Term Deposits. Securities may be listed on an exchange or unlisted, including repackaged securities, CLNs and CDSs. It may include overseas securities.
Benchmark	RBA Cash Rate
Investment objective	Aims to provide a return of RBA Cash + 3% p.a. (after fees)
Minimum number of investments	5* (subject to market conditions)
Maximum number of investments	Program Adviser discretion, however, the Model Portfolio is unlikely to exceed 25 securities
Minimum cash weighting	1.5%
Maximum cash weighting	100%
Maximum individual security weighting	25%
Maximum sub-investment grade / non-rated weighting	20%
Maximum RMBS / ABS / repackaged securities weighting	20%
Rebalancing	Program Adviser discretion
Minimum initial investment	\$200,000
Minimum additional investment	\$100,000
Minimum withdrawal	\$100,000**
Suggested investment timeframe	3-5 years+

*The Program Adviser, at its discretion, may from time to time elect to shift the investment portfolio to a higher weighting in cash to accommodate prevailing or expected negative market conditions. During these occasions, the "cash weighting" mandate requirements will supersede the "Minimum number of investments" mandate requirement.

Please note these parameters are not absolutely fixed at all times. The Program Adviser targets these parameters but small variations may develop from time to time due to corporate actions, market share prices, index changes and delays in rebalancing due to the Program Adviser minimising turnover of your investments. The timing of additional investments in your Managed Account may also lead to short-term different balances of cash and securities. Mason Stevens will give you reasonable notice of any significant change to these parameters.

Unless otherwise defined in these portfolio parameters, given the nature of fixed income markets, the Program Adviser will bring any breaches back within these defined parameters, on a best endeavours basis.

**Subject to maintaining a minimum account balance of \$100,000. Please refer to "How to Invest" for further information.

3. ABOUT MASON STEVENS ASSET MANAGEMENT

3.1 ABOUT MASON STEVENS ASSET MANAGEMENT

MSAM is the investment management arm of the Mason Stevens Group. MSAM was established to provide investors with the opportunity to access professionally managed investment strategies and funds that are typically reserved for institutions and professional investors.

MSAM works with a range of clients including financial advisers, financial intermediaries, family offices and selected wholesale investors in the delivery of tailored investment solutions.

MSAM's management team has many years of senior management and transactional experience in the banking, finance and investment sectors, spanning multiple business cycles and across a range of asset classes, combined with a track record of successfully managing their own wealth.

For further information on the MSAM investment management team, please refer to www.masonstevens.com.au.

INVESTMENT TEAM

The following members of the MSAM investment team are responsible for management of the Model Portfolio:

VINCENT HUA

Chief Investment Officer (CIO)

Vincent is an experienced trading and portfolio manager with more than 20 years' experience in the Australian and Asian markets across rates, credit, FX, commodities and equities. He has held senior positions at several financial organisations including General Manager of Trading and Products at the Global Markets & Treasury division of the Commonwealth Bank of Australia, Head of Asset & Liability Management and Head of the Management Science Group at Westpac, Managing Director and Head of Liquid Market Trading for Lehman Brothers (Australia) and General Manager of Markets Division for Shinsei Bank in Tokyo, Japan. Vincent is a Fellow of the Institute of Actuaries of Australia. He holds a Bachelor of Economics (Macquarie) and a Master of Economics (Macquarie).

LEANNE LEONG

Managing Director - Finance & Credit

Leanne has over 25 years' experience in the Australian banking industry with institutions such as Citigroup, HSBC and most recently as General Manager of Structured Finance, Capital Management and Securitisation at CBA. In her role at CBA, Leanne was instrumental in raising efficient capital and bank funding through the securitisation of more than AU\$30 billion of assets. Leanne has a range of diverse skills in financing, tax, accounting, law and management.

PETER LIAU

Head of Research

With a background in actuarial studies, Peter has almost 20 years' experience at leading Australian and international institutions. Prior to joining Mason Stevens, Peter held a number of key positions as General Manager in Global Markets & Treasury at CBA, Deputy General Manager in Markets Division with Shinsei Bank (Japan), Senior Manager in Asset & Liability Management and Senior Manager in the Management Science Group at Westpac, Actuarial Consultant with Trowbridge Consulting and Assistant Manager in the Actuarial Department with AIA (part of the AIG Group).

ALWYN HUNG

Portfolio Manager - Fixed Income

Alwyn has more than 20 years of institutional financial markets and investment management experience primarily focusing on international debt markets. He has a strong track record of analysing, formulating and developing investment ideas and views from an interest rate, foreign exchange and credit perspective.

Alwyn has a deep understanding across the global fixed income credit product suite through direct experience gained from trading and portfolio management roles held in Australia, Hong Kong, London and New York, including senior roles at Dixon Advisory, HSBC and ABN AMRO Bank. Alwyn holds a Bachelor of Economics and Commerce from the Australian National University.

ANNIE ZHAO

Director – Fixed Income

Annie joins Mason Stevens as an Australasian Credit Specialist. Having previously covered Emerging Markets Credit and G10 Interest Rates at Citigroup Hong Kong in institutional sales, Annie has broad product experience in Asian credit as well as a thorough understanding of the APAC fixed income market. Annie holds a Master degree in Finance from London School of Economics and Political Science and a background in Audit/Advisory.

INVESTMENT COMMITTEE

Mason Stevens has established an Investment Committee that operates under delegated authority of the Board of Mason Stevens Limited. The Investment Committee focuses on research, overall asset allocation, and relative value analysis and from time to time may prepare investment policy

advice, using their skills and experience to cover all asset classes.

The Investment Team for the Model Portfolio reports to the Investment Committee on a periodic basis.

4. INVESTMENT RISKS

4.1 INVESTMENT RISKS

Before you make an investment decision, it is important that you understand the risks that can affect your investment. You must be prepared for the risk that your investment does not meet your investment objectives or you lose money on your investment.

Specific investment risks apply to all investments that may have an effect on the value of your Managed Account. The risks of investing in the Model Portfolio may include, but are not limited to, the following factors:

- **Market risk** – Unexpected conditions (i.e. economic, technological or political) can have a negative impact on the returns of all investments within a particular market. General movements in local and international stock markets, prevailing and anticipated economic conditions, investor sentiment, interest rates and exchange rates could all affect the value of listed securities and the investment returns.
- **Company or security specific risk** – Risks which could affect the value of a specific security, such as a fall in the profit performance of a company, may impact adversely on its share price and may also affect the interest rate it has to pay to borrow funds, which in turn, can affect the value of its debt securities.
- **Currency risk** – If the Model Portfolio holds investments in international assets that are unhedged, a rise in the Australian dollar relative to other currencies will negatively impact investment values and returns. Currency markets can be extremely volatile and are subject to a range of unpredictable forces. It is not the Program Adviser's intention to hedge the foreign currency exposure of the Model Portfolio arising from investments in overseas markets.

Other risks of investment include:

- **Interest rate risk** - Changes in interest rates can influence the value and returns of investment in the Model Portfolio.
- **Credit risk** – Any change in the market perception of the creditworthiness of a security or the credit rating of the issuer of the security may affect the security's value.
- **Program Adviser risk** – This is the risk that the Program Adviser may not achieve their stated investment objectives or that changes in the investment team may impact on the performance of the Program Adviser.
- **Liquidity risk** – The risk that the Model Portfolio may experience difficulty in realising its assets.
- **Time horizon risk** - There is no assurance that in any time period, particularly in the short term, a Model Portfolio will achieve its investment objectives. Many of the underlying assets may be volatile particularly over the short term. The Model Portfolio is suitable for long term investors and is not designed for short term investment.
- **Income risk** - The level of income generated on the Model Portfolio's investments can fall as well as rise and the tax status of such income can change.
- **Asset risk** - Asset risk is the risk that a particular asset or asset class in which the Model Portfolio invests may fall in value, which may have an impact on the value of the Model Portfolio.

- **Diversification/Concentration risk** - If your Model Portfolio is concentrated into one investment or sector, a fall in that investment or sector may have a significant adverse effect on your total Model Portfolio. Diversification is used as a strategy aimed at reducing the impact that volatility in one investment or sector will have on the performance of your overall Model Portfolio. The Model Portfolio will have a relatively higher concentration over time of listed securities but it is not possible to advise in advance the levels of concentration or diversification of issuers, types of investments or industry sectors.
- **Inflation risk** - Your investment may not keep pace with inflation. Broadly, this could mean that prices may increase more than the value of your investments in the Model Portfolio and if this risk eventuates, you would not be able to buy as much with the value of your investments in the future as you could now.
- **Investment risk** - All investments have an inherent level of risk. The general expectation is that a high risk investment offers a higher expected return on investment. Investment risk may result in performance less than you expect or the loss of all of the capital invested or reduction in or no income and possible delays in repayment. Whilst it is the intention of the Program Adviser to implement strategies designed to minimise potential losses, there can be no assurance that these strategies will be successful.
- **Specific portfolio risk** - The Program Adviser's investment approach may result in a Model Portfolio that differs substantially from an industry benchmark and hence the Model Portfolio's investment returns may also differ substantially from industry benchmark returns.
- **Third party risk** - The MDA Provider uses information and services provided by third parties such as sub-custodians and other service providers. Procedures are in place to address risks associated with outsourcing, such as having comprehensive service agreements with service providers. If a service provider advises of an error, it is corrected and if material, it will generally be communicated to you or your advisor (or both).
- **Systems and technology risk** – The MDA Provider relies on the integrity and reliability of the Model Portfolio trading and administration systems used to manage your managed account. To minimise potential risks, established systems operated by experienced system providers are used. The system providers must have back-up arrangements and business continuity plans. In the event that the systems fail there may be delays in processing transactions or in accessing your investment capital and investment returns may differ from those that would have been achieved.

Please note that the risks identified are not meant to be exhaustive as it is not possible to identify every risk factor associated with investing. The appropriate level of risk for you will depend on various factors including your age, investment timeframe, other investments you may hold, and your level of risk tolerance.

Investors who have concerns regarding any of the above risk factors, or any other applicable risks, are encouraged to contact their financial adviser.

5. FEES AND COSTS

5.1 FEES AND COSTS TABLE

The following fees and other costs are inclusive of the estimated net effect of GST (i.e. inclusive of GST, less any input tax credits and/or reduced input tax credits) unless otherwise stated. These fees and costs will either be deducted from the cash holding of your account or deducted from the returns of some investments and paid to Mason Stevens. You will be notified of any changes and given not less than 30 days' written notice for any increase. You should read all of the information about fees and costs because it is important to understand their impact on your investment.

If the Model Portfolio(s) invests in financial products such as managed funds, fees and costs applicable to the underlying investments are set out in the relevant Product Disclosure Statements (PDS) or other disclosure document. All fees and costs are in \$A.

Mason Stevens Income Discretionary Model Portfolio		
Type of fee or cost	Amount	How and when paid
Fees when your money moves in or out of the Model Portfolio		
Establishment Fee¹ The fee to open your investment	Nil	Not applicable
Contribution Fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee¹ The fee to close your investment	Nil	Not applicable
Management Costs² The fees and costs for managing your investment		
Management Fee	0.77% p.a.	The Management Fee is calculated daily and paid monthly in arrears.
Administration Fee	Account Balance	Rate % p.a.
	\$0 - \$500,000	0.275
	\$500,001 - \$1,000,000	0.220
	>\$1,000,000	Nil
Custody Fee	0.055% p.a.	The Custody Fee is calculated daily and paid monthly in arrears.
Account Service Fee	\$165 p.a.	The cost for the maintenance and operation of your account. It is paid monthly in arrears.

Service fees

Switching Fee

The fee to recover the costs of switching all or part of your investment from one Model Portfolio to another.

Nil

Not applicable

1. There are no specific establishment or exit fees for the Model Portfolio however you may incur any relevant transactional and operational costs (including transaction costs) on the initial purchase, sell down or transfer of securities. Please refer to the Additional Explanation of Fees and Costs section for full details.

2. This fee does not include any amounts payable to your financial adviser. Please refer to the Financial Adviser Fees section for further information.

5.2 TRANSACTIONAL AND OPERATIONAL COSTS

Transactional and operational costs are incurred in the buying or selling of the assets held by 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. Such costs are additional to those disclosed in the Fees and Costs Table above and will be indicated where they are relevant to the Model Portfolio.

At the time of transacting in fixed income securities at market, a “bid/ask spread” may be incurred. A bid/ask spread is the industry terminology for the amount by which the ask price exceeds the bid price for an asset in the market. It is considered that the difference between the amount paid for the fixed income asset and the value of the asset at the time of purchase based on its immediate selling price is a transaction cost. You should be aware that the spread is an implicit cost, not charged directly to your account, and will depend on the type of instrument, size of order, timing of the transaction, execution quality, liquidity of the underlying market and actions of other market participants during execution etc. The bid/ask spread is considered a cost to the assets of the Model Portfolio.

The amount of transactional and operational costs will generally reflect the extent to which the assets of a Model Portfolio are managed. Model Portfolios that are actively managed will have higher transactional and operational costs, but this will not necessarily mean that the returns to investors in the portfolio will be lower. Transactional and operational costs are not necessarily determinative of the performance of the Model Portfolio or returns paid to an investor. In some cases, Model Portfolios with higher transactional and operational costs may have higher returns when compared to the returns of Model Portfolios that have lower transactional and operational costs.

Transactional and Operational Costs table – Self Directed Accounts

You will be charged transaction costs when the Program Adviser buys or sells securities within your selected Model Portfolio(s). Please refer to “Transaction Costs (Model Portfolios)” in the table below.

In addition, if you (or your financial adviser) transact within your Self Directed Account you will also incur transaction costs outlined in “Transaction Costs (Self Directed Accounts)”.

You are able to view the transactions costs charged to your account in the trade advice confirmations that you receive post execution, transaction costs are a direct deduction from your account and fully transparent.

For any changes to the costs below, you should refer to the Mason Stevens Continuous Disclosure Updates and Information web page, found in the Resources tab at www.masonstevens.com.au. The below costs are accurate as at the date of this Investment Mandate.

Cost	Amount	How and when paid
In-specie Transfer Fee	Should you request a transfer of direct securities in or out of your Self-Directed Account, an in-specie transfer fee of up to \$33.00 for each investment is payable on transfer.	Deducted from your cash balance at the time of the transfer.
Transaction Costs* (Self Directed Accounts)	<p>Managed Funds**: \$33.00 per transaction</p> <p>Fixed Income: 0.55%, minimum \$55.00 per transaction</p> <p>Domestic equities: 0.55%, minimum \$33.00 per transaction</p> <p>International equities: 0.825%, minimum \$75.00 per transaction</p>	Deducted from your cash balance at the time of the transaction.

***None of these transaction costs are paid by investors in the Model Portfolio. The transaction costs above are for buying and selling securities in your Self-Directed Account.**

****** Managed Funds into which you may invest may charge a management fee, performance fee or buy/sell spread or on a buy or sell of units in those funds. You should refer to the relevant managed fund product disclosure statement for full details of their fees and charges.

For additional information on the fees and costs applicable to the Service please consult Mason Stevens' Financial Services Guide.

5.3 ADDITIONAL EXPLANATION OF FEES AND COSTS

Management Costs

The management costs for the Model Portfolio(s) comprise:

- a management fee payable by the MDA Provider to MSAM as Program Adviser for advising and managing the Model Portfolio(s); and
- an administration fee to cover the costs of administering the Model Portfolio; and
- a custody fee to cover the costs of custody of your investments including the fees and charges of any appointed sub-custodian; and
- an account service fee for the cost of maintaining and operating your Managed Account (please note this is at the account level and not charged per Model Portfolio).

Any administration expenses in excess of the amount provided for in the management cost are paid by us and are not an additional cost to you.

Differential Fees

We may negotiate differential fees with 'wholesale clients' (as defined in the Corporations Act). Accordingly, a separate investment mandate agreement may be entered into with each investor.

Financial Adviser Fees

Your financial adviser (through your financial adviser's licensee) may receive payments in connection with the provision of financial advice to you, including in relation to recommending the Service to you. If you give Mason Stevens a direction to pay monies to your financial adviser for financial advisory services provided to you, you are authorising Mason Stevens to deduct monies from your Managed Account to pay to your financial adviser (through the licensee of the financial adviser). The level and the type of fees deducted will be determined by you through the agreement between you and your financial adviser. These fees will be set out in your Application, or in such other form agreed to by Mason Stevens. We can only deduct and pay fees to your financial adviser with your consent and we will rely on your Application Form (or in such other form agreed to by Mason Stevens) as evidence of your consent.

6. HOW TO INVEST

6.1 APPLICATION AMOUNTS

Minimum initial investment

A \$200,000 minimum initial investment is required to invest in the Model Portfolio.

Investors must provide an accountant's certificate confirming their status as a wholesale client as defined by the Corporations Act in order to qualify to invest in the Model Portfolio.

Minimum additional investments

Additional minimum investments of \$100,000 may be made at any time.

For further information please refer to the "Portfolio Parameters" in the Investment Guide section.

Investing in the Model Portfolio

Generally, your initial investment amount and any subsequent contribution is invested within ten business days, although the Program Adviser will utilise its discretion to gradually implement the strategy considering such factors as market conditions, availability and liquidity of investments, upcoming new issues and economic parcel sizes, so your account's Model Portfolio may differ from the Model Portfolio due to delays in implementation for these reasons.

Any additional investment amounts may be held in cash until Mason Stevens under the instructions from the Program Adviser undertakes the next rebalance of the Model Portfolio. The timing of the investment of those cash funds is entirely at the discretion of the Program Adviser.

Please note that variations may occur in the composition of your account's Model Portfolio and the Model Portfolio because of practical issues associated with investing. Factors such as additional investments, withdrawals and the payment of dividends and interest will affect the cash holding and the composition of your Model Portfolio.

6.2 INCOME

Income received on investments held in your Model Portfolio will be credited to your cash holding of that Model Portfolio. At the discretion of the Program Adviser, the income may be used to add to existing investments in your Model Portfolio, invested in a new security or investment, or held in cash.

6.3 WITHDRAWAL AMOUNTS

You may make a partial withdrawal from the Model Portfolio at any time by notifying Mason Stevens in writing, subject to maintaining a minimum balance of \$100,000.

Mason Stevens will process the withdrawal within one business day after the day we receive a valid instruction from you or your authorised representation, subject to exchange procedures and trading conditions.

If your instruction is to exit from the Model Portfolio, you will incur transaction costs on the sell down of the securities held within the Model Portfolio. No additional charges or levies will apply, however, you may incur a capital loss or be liable for Capital Gains Tax as a result of the exit.

Mason Stevens strongly recommends that you obtain your own tax advice as the result of any withdrawals may vary your tax situation depending on your individual circumstances.

For further information on transacting your Managed Account please refer to "Operating Your Managed Account".

7. ESTABLISHING YOUR MANAGED ACCOUNT

Your financial adviser may conduct an annual review of the Managed Account that you hold and determine the ongoing appropriateness and suitability of the respective Managed Account and Model Portfolio(s) outlined in this Investment Mandate.

If you are a wholesale or sophisticated investor as defined by the Corporations Act, an SOA or Record of Advice is not required to be completed for you, even if personal advice is provided.

Some issuers might require personal documentation for AML/CTF purposes or evidence of wholesale client status. Mason Stevens relies on the information which you provide to establish this, but cannot assure you that all issuers will accept wholesale client status in all cases.

It is also possible that the laws on client status generally or in respect of categories of investments or investors (or ASIC's interpretation of the laws) may change and individual investors may no longer qualify for wholesale or significant investor status.

Before you decide to invest you should receive and read the following:

- Mason Stevens Account Application;
- Mason Stevens Terms;
- this document, known as the Investment Mandate, which details the Investment Guide of the Model Portfolio(s) you wish to invest in.

7.1 THE INVESTMENT MANDATE

This Investment Mandate is between Mason Stevens and the investor (you), for your investment in the Mason Stevens Income Discretionary Model Portfolio, which Mason Stevens administers subject to the terms of this Investment Mandate.

7.2 OPENING AN ACCOUNT

To open a Managed Account you must complete the Mason Stevens Account Application process. As part of your account application, you will be required to provide identity documentation on all applicants (including any party given authority to operate the account on your behalf) in order to determine the beneficial owners of all accounts. This verification process will take place before your account is opened. If we are unable to process your application because it is incomplete or incorrectly completed, we will contact you or your financial adviser.

Once your account has been accepted you will receive a confirmation that your Managed Account has been opened, to invest in the specific Model Portfolio(s) you have selected. A Self-Directed Account will also be established.

If you choose to buy and sell securities within your Self-Directed Account you will be subject to transactions costs associated with buying and selling securities. These transaction costs will be additional to the transaction costs associated with the Model Portfolio(s).

The confirmation you receive about the information on your Managed Account will contain details of your username and password, which will allow you to access information on your Managed Account at www.masonstevens.com.au.

When you receive the notification you will be able to contribute cash or transfer an existing portfolio of approved investments into your Managed Account (or a combination of both). Not all securities can be transferred into your Managed Account. Your financial adviser will confirm if any of your existing investments cannot be transferred.

The minimum investment requirement for the Model Portfolio is detailed in this document. These minimums will apply unless agreed otherwise by Mason Stevens.

Nominating an Authorised Person

You will be asked to nominate an authorised person (e.g. your financial adviser) on your Managed Account during the account application process. This will allow your financial adviser (or any other person that you nominate) to undertake certain activities in relation to operating your Managed Account, including providing instructions to Mason Stevens to implement. Any authorised person will have the same level of authority on your Managed Account as the investor, however they will be unable to change your nominated bank account. Please refer to "Changing Your Managed Account Details" for further information.

7.3 INITIAL CONTRIBUTION

Cash Contribution

Cash contributions can be made by direct deposit or electronic funds transfer (EFT) to the following bank account details:

Account Name: Mason Stevens Trust Account
Bank: National Australia Bank
SWIFT: NATAAU3302S
BSB: 083-088
Account Number: 16599 7734

It is important to ensure you include your account number (or account name) as the reference when making a direct deposit or EFT as it assists with the identification of your transaction. If you omit the account number or name, there may be delays in implementing your instructions for your Managed Account.

Cash management

When you invest through the MDA Service, your cash funds are pooled with the cash funds of other clients of the Service. Mason Stevens deposits these cash funds with an Authorised Deposit-taking Institution (ADI), Australia and New Zealand Banking Group ABN 11 005 357 522 (ANZ) or, for amounts to settle pending purchases or receipt of

sale proceeds, using our primary sub-custodian National Australia Bank Limited. Your cash funds are managed among the deposit accounts to ensure that amounts are reserved to settle pending purchases and amounts are made available for investment. The current interest rate applicable to your account for cash funds invested through the Service by deposits with ADIs is notified to you via the relevant disclosure document and/or fee schedule or other updated notice provided to you. The rate calculated on your funds will be determined by the interest earned by Mason Stevens on all clients' cash funds on deposit with the respective ADIs after consideration of any fees payable to Mason Stevens for any management and administration of such cash balances and associated payments and services. Mason Stevens will not withdraw your money except where instructed by you, including an authorisation by you in accordance with the terms and any investment mandates you have given.

Transfer of Investments

Securities and other investments that you own can be transferred to your Managed Account. To do so you will need to complete the appropriate documentation that will be provided by your financial adviser and your financial adviser will be able to assist you with completing the necessary documentation.

You can only transfer investments to your Managed Account that are beneficially owned by the applicant for the Managed Account and are in the name on the Account Application for the Managed Account. A cost base history per parcel needs to be recorded for each of the investments transferred to your Managed Account before the transfer can be finalised. You should carefully check the details you are providing since Mason Stevens accepts the details you provide and accepts no liability for the information provided.

Investments you wish to transfer in or purchase in your Managed Account, that are not part the Model Portfolio, may be held in a separate account known as a Self-Directed Account, which will be automatically established for you when your account application has been accepted.

8. IMPLEMENTING AND MANAGING YOUR MODEL PORTFOLIO

8.1 INVESTMENT

Once your Account Application has been accepted and your Managed Account established to invest in the Model Portfolio(s), your cleared funds are invested in securities and other investments at weightings determined by the Program Adviser, consistent with the objectives and strategy of the Model Portfolio which you have nominated.

Generally, your initial investment amount and any subsequent contribution is invested within one month, although the Program Adviser will use its discretion to implement the strategy over time by considering such factors as market conditions, availability and liquidity of investments, upcoming new issues and economic parcel sizes, so your account's Model Portfolio may differ from the Model Portfolio due to delays in implementation for these reasons.

The Program Adviser is responsible for advising on the execution of the transactions to invest your Model Portfolio using brokers or other intermediaries approved by Mason Stevens who will execute upon these instructions.

In managing your account's Model Portfolio, small uneconomic transactions will generally be avoided and a minimum transaction size determined by the Program Adviser may be applied. Purchases and sales of securities may be aggregated with those for other Model Portfolios so that only transactions for the net changes are implemented, and all the changes will be reflected in all of the Model Portfolios, subject to minimum parcels and denominations as set out in the securities' documentations. Any costs associated with the purchase and sale of securities and investments will be apportioned between all relevant Model Portfolios.

The composition of your Model Portfolio managed under a particular Model Portfolio may differ from the current Model Portfolio. The weightings of the securities and other investments in an individual portfolio will be managed with an allowance for the value of the holding to differ from target weightings.

Variations can also occur in the composition of your account's Model Portfolio and the actual Model

Portfolio because of practical issues associated with investing. Factors such as additional investments, withdrawals and the payment of dividends, coupons and/or interest will affect the cash holding and the composition of your Model Portfolio. The variations in the composition of your Model Portfolio may differ from other clients' Model Portfolios. This may result in variations in the performance between your Model Portfolio and the Model Portfolios of others investing under the same Model Portfolio.

8.2 INVESTING IN YOUR MANAGED ACCOUNT

You can open or add to your account by contributing cash or securities. If you transfer in securities to open or add to your account, where they are held within a Model Portfolio, decisions relating to those securities will be the responsibility of the Program Adviser from the time the securities are registered in the name of the sub-custodian and transferred into your Managed Account. The securities are held and managed under the terms of your Managed Account contract and you remain the beneficial owner of the assets.

8.3 ONGOING MANAGEMENT

When you nominate the Model Portfolio, you are instructing Mason Stevens to ensure that your Model Portfolio is invested in accordance with the investment strategy of the Program Adviser. You authorise MSAM to make investment decisions within the investment parameters of the particular Model Portfolio. This includes buying and selling securities, and other investments, acquiring and redeeming units and responding to corporate actions and dividend elections.

Should you wish to avoid investments in a particular company or industry you must provide written notice of your preference to your financial adviser. This will be processed by Mason Stevens once it receives this instruction from your financial adviser. This may be treated by Mason Stevens as terminating your Investment Mandate. Mason Stevens will give effect to that termination either at the end of the month in which it receives your instructions or the subsequent month.

9. OPERATING YOUR MANAGED ACCOUNT

9.1 INSTRUCTIONS FROM YOUR AUTHORISED PERSON

When you nominate an authorised person (generally your financial adviser) on your Managed Account, this will allow them to providing certain instructions to Mason Stevens to implement. For example, they will be able communicate to Mason Stevens to invest any cash contributions or to buy or sell securities on your behalf.

If your authorised person has changed you will need to contact Mason Stevens even order for us to update our records.

9.2 CASH HOLDINGS

Each Model Portfolio has a cash holding. Income received from securities held in your Model Portfolio will be credited to your cash holding of that Model Portfolio. All fees and expenses are paid from the Model Portfolio to which they relate.

At the discretion of the Program Adviser, the income may be used to add to existing investments in your Model Portfolio, invested in a new security or investment, or held in cash. Mason Stevens will maintain the minimum cash holding of your account by selling or redeeming investments if necessary, after taking into account income received. Please note that the sale or redemption of these investments may result in capital gains and losses being realised.

Interest is calculated on the daily balance and paid monthly at the rate determined by Mason Stevens and as notified to your financial adviser from time to time.

9.3 CORPORATE ACTIONS AND VOTING

Program Adviser is responsible for making decisions on any corporate actions arising from investments beneficially held by you in your Model Portfolio(s), and for direction of voting at shareholder meetings, under the terms of the contract with Mason Stevens. Corporate actions include:

- participation in share buy backs or takeover offers;
- rights issues;
- options; and
- any instruments that has attached holder voting rights.

The MDA Provider may receive reports, confirmations and other information relating to the investments of the Model Portfolio(s) in your Managed Account from companies, brokers and other parties with such information being retained by Mason Stevens.

9.4 ADDITIONAL INVESTMENT

You can make additional investments into your Managed Account at any time. Please refer to the relevant Model Portfolio for minimum additional investment amounts.

Additional investments can be made by bank deposit, electronic transfer, cheque, or via the transfer of approved securities you own.

9.5 WITHDRAWALS

You can request a withdrawal from a Model Portfolio at any time, subject to maintaining the minimum balance in that Model Portfolio, and subject to meeting the minimum withdrawal, by providing a signed authorisation or written request from an authorised email address. Proceeds of the withdrawal will be paid by electronic transfer to your nominated bank account that is stipulated in your application form or as instructed by the authorised signatories for the Managed Account.

If sufficient cash is available in your nominated Model Portfolio, withdrawal is usually completed within three business days. If sufficient cash is not available in your nominated Model Portfolio, Mason Stevens will sell or redeem investments in that Model Portfolio to obtain the cash required. When an event outside Mason Stevens' control affects the ability to sell investments such as suspension of trading in a market, or added liquidity risks in markets makes realising assets difficult, payment will be made as soon as is practical.

9.6 CHANGING YOUR MANAGED ACCOUNT DETAILS

To change the contact details of your Managed Account you should complete the Change of Details Form or provide a written request from an authorised email address.

If you wish to change the nominated bank account into which withdrawals are paid or contributions are received, you must complete a Change or Add New Nominated Bank Details Form with original signatures from all persons named as account holders. Once a request has been received Mason Stevens will confirm any change of bank details directly with at least one person named as account holder.

9.7 CLOSING YOUR MANAGED ACCOUNT

If you decide to close your Managed Account you can request:

- the disposal of securities in your Model Portfolio(s) and the proceeds to be retained to a Self-Directed Account; **or**
- the disposal of securities in your Model Portfolio(s) and the proceeds be paid to your nominated bank account that you advised to us on your Application Form; **or**

- the transfer of securities in your Model Portfolio(s) into an issuer or broker sponsored holding; **or**
- the transfer of any unlisted securities into a nominated custodial account, subject to the notional amount transferred being of an allowable market parcel; **or**
- a combination of the above.

To close your Managed Account, please complete an Account Closure Form.

If you decide to transfer securities, they must be in the same name as your Managed Account. The Managed Account will generally be closed within ten days of receipt of your request. However, note that the timing will be subject to the sell down of the Model Portfolio(s) and will incur transaction costs.

Prior to closing your Managed Account, all fees and expenses will become due and payable and will be deducted.

9.8 GENERAL

Any instructions for your Managed Account must be in writing and provided directly to Mason Stevens or through your nominated authorised person (e.g. your financial adviser).

9.9 ELECTRONIC INSTRUCTIONS

Both you and your financial adviser can use email to provide instructions for your Managed Account via an authorised email address specified on your application form.

In sending any electronic instruction by the terms of the Service you release Mason Stevens from and indemnify Mason Stevens against all losses and liabilities arising as a result of processing an instruction that includes your Managed Account number and a signature that is apparently your signature or that of an authorised signatory of your Managed Account.

You also agree that neither you nor anyone claiming through you has any claim against Mason Stevens or the appointed sub-custodian in relation to any payment or action. You bear the risk of a fraudulent withdrawal request made by a person who has access to your Managed Account number, signature or email account.

10. TAXATION

10.1 TAXATION

As the beneficial owner of the assets held in the Model Portfolio(s) in your Managed Account, all income, capital gains and capital losses and their taxation consequences are passed onto you or are attributable to you.

After the end of the financial year you will be provided with details of income, capital gains or losses, tax credits and other items to help you to complete your tax return.

10.2 TAX FILE NUMBER OR AUSTRALIAN BUSINESS NUMBER

If you are an Australian resident and have a Tax File Number (TFN) or an Australian Business Number (ABN) or exemption is not quoted, tax will be deducted from any income you earn at the highest marginal rate plus Medicare levy or any other applicable levies or taxes.

10.3 TAX ACCOUNTING METHOD

Capital gains tax position can be viewed within your Managed Account. Holdings of an investment will be sold starting with the highest cost parcel held over 12 months. This tax accounting methodology is known as long term, highest cost method.

11. REPORTING

11.1 ONLINE REPORTING

Once your Managed Account is established you are granted online access to information on your Managed Account via the secure website www.masonstevens.com.au. Your agreement to access this online reporting will be acknowledged in the application forms provided.

You will separately receive a user name and a password which allows you to access the website and reports for your Model Portfolio(s) in your Managed Account. We suggest you change your password on your first visit to the website. Online reporting allows you to view daily reports for your Model Portfolio(s) as at the previous business day that show:

- transactions affecting your account such as any purchases or sales in investments;
- income transactions including franking credits and withholding tax;
- Model Portfolio valuation; and
- realised and unrealised capital gains.

The Model Portfolio valuation uses 20 minute delayed prices for domestic listed investments when viewing your Model Portfolio. These are supplied by an independent financial data company. Any unlisted investment, held in your portfolio will be valued at least weekly where possible. For unlisted securities, Mason Stevens will provide a price which it reasonably considers reflects the market price of the security, or if it is unable to reasonably determine a market price, it will apply a best estimate of a fair price. (Occasional downtime for maintenance will delay your access and will be kept to a minimum).

11.2 ANNUAL REPORT

On an annual basis, you will also receive a report for your Model Portfolio(s) that includes:

- realised gains and losses from the sale of investments;
- income received from investment;
- franking credits received;
- income and expenses; and
- other tax components such as foreign income deferred tax, TFN withholding tax and other items which relate to income received from your investments.

This annual report will assist in the preparation of your tax return. In your report, Mason Stevens will provide you with an annual statement and supporting important information that will assist you and your tax adviser in determining your tax obligations. Since taxation depends on your own circumstances, you should consult your tax agent or accountant when completing your return. Mason Stevens and the Program Adviser do not provide tax or legal advice.

This report will generally be available by the end of September each year and will include a statement from the auditors of Mason Stevens. We usually provide this report and any statement from the auditors of Mason Stevens by emailing you with a link to your account.

12. ADDITIONAL INFORMATION

12.1 YOUR MANAGED ACCOUNT

References to “your Managed Account” in this mandate includes all the investments in your designated holdings in the Model Portfolio(s) (unless otherwise specified).

12.2 PERIOD OF OPERATION OF THE INVESTMENT MANDATE

This contract remains in force until either party gives a written notice of termination to the other of this Investment Mandate, or your Managed Account.

Also, if you instruct us to vary your Model Portfolio from the Model Portfolio selected, we will treat that as your notice of termination of your Managed Account unless we tell you otherwise.

Subject to your contract, your Managed Account will be managed in accordance with the terms of this Investment Mandate.

12.3 CONTINUOUS DISCLOSURE UPDATES AND INFORMATION

Mason Stevens may from time to time use its website (www.masonstevens.com.au) to provide updates on disclosure information in its Investment Mandates. For any material changes to this Investment Mandate you will also be notified in writing.

Mason Stevens Continuous Disclosure Updates and Information page can be found under the “Resources” tab on the website.

12.4 PRIVACY

By completing your Account Application, you may be providing Mason Stevens with personal information. We also collect your personal information to verify your identity as part of the account application process. Any personal information obtained is collected, stored and disclosed to any third parties in accordance with the Privacy Act 1988 (Cth) and the Australian Privacy Principles (APPs).

For further information of our Privacy Policy please refer to the Mason Stevens website, www.masonstevens.com.au.

12.5 ANTI-MONEY LAUNDERING AND COUNTER TERRORISM FINANCING (AML/CTF)

In accordance with the AML/CTF Act, Mason Stevens is required to collect information with respect to the identity of all applicants (including any third parties) in order to determine the beneficial owners of all accounts. As such we may be required to verify your identity and source of your application monies before providing services to you, and to re-identify you if we consider it necessary to do so. Where you supply documentation as part of the account application process relating to the verification of your identity, Mason Stevens keep a record of this documentation for 7 years. If you do not provide the requested documentation there may be a delay in processing your managed account.

Under the provisions of the AML/CTF Act, we also have the right to not provide a designated service to certain circumstances.

12.6 FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA)

FATCA is United States (US) tax legislation that assists the US Internal Revenue Service (IRS) to identify and collect tax from US residents for tax purposes that invest in certain financial accounts through non-US entities. If you are a US resident for tax purposes, you should note that Mason Stevens is a 'Foreign Financial Institution' under FATCA. Mason Stevens intends to comply with its FATCA obligations, as determined by either the FATCA regulations or the inter-governmental agreement (IGA) entered into by Australia and the US for the purposes of implementing FATCA and any Australian laws and regulations relating to the IGA. Australia has entered into an IGA with the US. Under these obligations, Mason Stevens will have to obtain and disclose information about certain investors to the ATO or IRS. In order for Mason to comply with its obligations, we will also request that you provide certain information about yourself, including your US Taxpayer Identification Number (if applicable).

12.7 COMMON REPORTING STANDARD (CRS)

The Common Reporting Standard (CRS) is the single global standard for the collection, reporting and exchange of financial account information on foreign tax residents. Australia has signed the OECD Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information. This agreement enables CRS information to be exchanged between jurisdictions' tax authorities where relevant legislation has been adopted. The Australian CRS legislation is effective 1 July 2017 and as a result Mason Stevens is required to collect certain information about foreign tax residents to provide it to the Australian Taxation Office (ATO). The ATO may pass this information onto tax authorities in other jurisdictions who have adopted the CRS. The requirements are similar to those which exist under FATCA, however, there are a greater number of countries in respect of which the ATO may provide information to the respective tax authorities.

12.8 CONFLICTS

Mason Stevens pays MSAM a fee for its role as Program Adviser.

Mason Stevens also charges its investors fees for the services Mason Stevens provides. Outside of this arrangement, Mason Stevens does not have any relationships or associations which could be expected to influence the provision of this Model Portfolio.

Mason Stevens may from time to time offer financial products and other services outside the Model Portfolio and these will be disclosed separately. Mason Stevens is obligated to act honestly and in the best interests of its clients, exercise due care and diligence, prioritise its clients' interests and not use any information obtained to its own advantage or to cause detriment to the client.

12.9 MAKING A COMPLAINT

Mason Stevens has established an internal process for handling complaints with the view to ensuring the prompt, fair and effective resolution of complaints. If you have a concern or complaint, please tell us so that we can investigate and try to resolve the matter. We aim to resolve most issues within five business days.

If you believe your complaint has not been satisfactorily dealt with, or if you have not received a response, within 45 days, you may wish to contact the Financial Ombudsman Service ('FOS'). FOS is an independent dispute resolution service, registered with the Australian Securities and Investments Commission, which can consider complaints about financial products.

Mason Stevens is a member of FOS (our FOS membership number is 15155). The service is free to our clients.

The contact details for FOS are:

Financial Services Ombudsman Limited
GPO Box 3
Melbourne VIC 3001
T: 1800 36 72 87
F: 03 9613 6399
E: info@fos.org.au
W: www.fos.org.au

13. GLOSSARY

Account Service Fee

This is the cost for the general maintenance and operation of your managed account by Mason Stevens. It is an annual cost but paid monthly in arrears from your cash balance.

Authorised Person

A person whom you authorise to have access to transact on your Managed Account. Any authorised person will have the same level of authority as the investor and will have their identity verified for AML/CTF purposes.

Transaction costs

This is the cost charged by Mason Stevens to execute securities market transactions on the Model Portfolio(s) or your Self-Directed Account. These costs are deducted from your cash balance at the time of transaction.

Management Fee

The fee paid to the Program Adviser for management of the Model Portfolio(s).

Managed Discretionary Account (MDA)

A Managed Discretionary Account allows you to invest in professionally managed Model Portfolio(s) that consist of a portfolio of assets that follow a defined investment strategy. The investment decisions are made by a Program Adviser.

Managed Discretionary Account (MDA) Service

The Mason Stevens Managed Account Service (Service) allows you to establish a Managed Account that will enable you to select and invest in specific Model Portfolio(s). You as the investor will delegate the day-to-day investment decisions of the Model Portfolio(s) to Mason Stevens, who may be advised by a Program Adviser. The investor retains beneficial ownership of all assets within the Model Portfolio(s) you choose to invest in.

MDA Provider

Mason Stevens is the licensed MDA Provider of the MDA service. Mason Stevens is authorised under its Australian Financial Services Licence (AFSL) to provide MDA services.

Model Portfolio

A Model Portfolio is a professionally managed portfolio of assets that follows a defined investment strategy and investment parameters.

Program Adviser

Mason Stevens has appointed Mason Stevens Asset Management (MSAM) as the Program Adviser of the Model Portfolio. The Program Adviser is responsible for the day-to-day investment decisions and management of the Model Portfolio.

Reduced Input Tax Credit (RITC)

Reduced Input Tax Credit is a restricted recovery of amount of GST on a list of acquisitions of services by Mason Stevens as allowed by the ATO.

Self-Directed Account (SDA)

A SDA is a separate account in your name that permits you or your authorised representative to transact directly in fixed income securities, listed equities, managed funds etc. An SDA is not a MDA.

Statement of Advice (SOA)

The SOA is the document that sets out the personal advice given to you by your licensed external financial adviser (if you have one). It usually includes the basis on which the advice is given and information on any payments or benefits the adviser will receive.

CONTACT INFORMATION

Please contact your financial adviser if you have any queries or require further information.

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