



DYNAMIC ASSET

MANAGED ACCOUNT SERVICE INVESTMENT MANDATE

GOALS BASED PORTFOLIOS

MANAGED ACCOUNT SERVICE INVESTMENT MANDATE

Targeting investment outcomes
to meet your goals

GOALS BASED PORTFOLIOS

Targeting *Cash Flow Requirements*

Cash Plus Portfolio

Short-Term Portfolio

Mid-Term Portfolio

Targeting *Risk Adjusted Returns*

Long-Term Wealth Protector Portfolio

Long-Term Wealth Builder Portfolio

OTHER SERVICES

Self-Directed Account

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Mason Stevens Managed Accounts
Mason Stevens Limited
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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 Dynamic Asset Consulting Pty Limited, ABN 62 150 928 591, AFSL 502623 (Dynamic Asset Consulting or DAC) as Program Adviser on the Model Portfolio(s) outlined in this Investment Mandate.

Mason Stevens has appointed a licensed sub-custodian to hold most 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 form, the Model Portfolio information outlined in this document and the Mason Stevens Financial Services Guide.

If you are a retail investor, you must obtain personal advice from a licensed financial adviser on whether a managed account and a particular Model Portfolio is appropriate for you given your personal goals, needs and financial circumstances. This document is produced without consideration of the investment goals, needs or financial circumstances of any person who may read it.

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 Dynamic Asset Consulting 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 Dynamic Asset Consulting has control over that data and neither party accepts any responsibility for verifying or updating that data.

Mason Stevens, Dynamic Asset Consulting 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. Dynamic Asset Consulting consents to the statements in this document attributable to it or referring to them, and have not withdrawn their consent. Dynamic Asset Consulting 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).

INTRODUCTION

The Goals Based Portfolios Managed Account Service (Service) allows you to establish a Managed Discretionary Account (known as a managed account) to invest in a range of Goals Based Portfolios (also referred to as 'Model Portfolios') that aim to deliver specific investment outcomes.

The Service enables you to delegate the day-to-day investment decisions of your managed account to the MDA Provider, which is advised by Dynamic Asset Consulting as the Program Adviser.

The Service allows you to consolidate your investments and to access the benefits of consolidated management and reporting, including viewing the investments, any transactions and any investment changes in your portfolios on a daily basis.

Importantly, you, the investor, retains beneficial ownership of all assets within the portfolios you choose to invest in.

In conjunction with your financial adviser, multiple Goals Based Portfolios can be blended to construct an overall portfolio that seeks to improve the probability of meeting your unique circumstances and goals.

Goals Based Investing is detailed further on page 14 of this document.

With advice from your financial adviser you may choose from the following Goals Based Portfolios;

Cash Flow / Liquidity based portfolios

- Cash Plus Portfolio
- Short-Term Portfolio
- Mid-Term Portfolio

Risk / Return / Future Wealth based portfolios

- Long-Term Wealth Protector Portfolio
- Long-Term Wealth Builder Portfolio

Goals Based Portfolios can be blended appropriately to target the strategic outcomes you are seeking and as agreed with your financial adviser. For example, capital may be allocated to some of these portfolios seeking to meet cash flow or liquidity needs, such as having capital available or to cover expected lump sum expenses at a particular point in time.

Alternatively, if your focus is on building or protecting your wealth, or a combination of both, then the risk / return based portfolios may be considered by you and your financial adviser.

In addition to the Goals Based Portfolios, you may also open a Self-Directed Account. Self-Directed Accounts are accounts which allow you, as the client, or your financial adviser, as your representative, to instruct Mason Stevens to deal in investments on your behalf. These accounts are client directed and you determine the composition of your portfolio. A Self-Directed Account does not form part of the Goals Based Portfolios advised by Dynamic Asset Consulting as Program Adviser in this Investment Mandate. Self-Directed Accounts can be used to hold assets you specifically request or as a transitional portfolio before migrating into the Goals Based Portfolios.

The parameters for the Goals Based Portfolios are detailed further from page 15 of this document.

BENEFITS OF MANAGED DISCRETIONARY ACCOUNTS

The main benefit of Managed Accounts is that it 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.

In addition, 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 but will also be liable for any tax consequences.

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. An 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.

An SDA provide investors with the ability to hold securities across multiple asset classes and multiple international securities exchanges, which have been approved by Mason Stevens.

Mason Stevens will automatically open up an SDA for you on establishment of the Service. Further information about SDA Accounts are contained in the Investment Guide section.

Suitability of this Managed Account

Please note that the Dynamic Asset Consulting 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.



PARTIES TO THE INVESTMENT MANDATE

The Investment Mandate is between Mason Stevens Limited ACN 141 447 207, AFSL 351378 (Mason Stevens or MDA Provider) and the investor (you) for your investment in one or more of the Goals Based Portfolios set out in the document, which Mason Stevens administers subject to the terms of this Investment Mandate.

Program Adviser

Mason Stevens has appointed Dynamic Asset Consulting as the Program Adviser for the Goals Based Portfolios. Dynamic Asset Consulting's responsibilities include:

- to advise on and manage the Goals Based Portfolios in accordance with the defined investment goals and investment philosophies which are outlined in this document;
- to advise on the initial asset allocations for the Goals Based Portfolios and advise the MDA Provider of any changes of the asset allocations for the Goals Based Portfolios;
- to advise on the initial composition of investments for the Goals Based Portfolios and advise the MDA Provider of any changes in accordance with the investment parameters defined in the Goals Based Portfolios from pages 17 to 25.
- to advise the MDA Provider on corporate actions arising from investments in the Goals Based Portfolios;
- to have discretion within the parameters set out in this Investment Mandate to change the composition of the Goals Based Portfolios, including changing underlying fund managers and investments.

MDA Provider

Mason Stevens, an investment administration specialist, 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;
- implementing transactions in accordance with your instructions or delegated authority;
- changes to 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 and crediting income on investments held in your Model Portfolio(s);
- supervising compliance of the Program Adviser's portfolio parameters of the Model Portfolio(s)

Custodian

Mason Stevens is licensed by the Australian Securities and Investments Commission (ASIC) to provide custodial services to clients and has appointed a licensed sub-custodian to hold most client monies and financial products.

Our primary sub-custodian is:

National Australia Bank Level 12/500 Bourke Street
Melbourne VIC 3000

N B: 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.

ABOUT DYNAMIC ASSET CONSULTING

Dynamic Asset Consulting brings a strong background in providing investment advice and asset management to its role as Program Adviser in respect to the Goals Based Portfolios as detailed in this document. Dynamic Asset Consulting provides Program Adviser services in accordance with an agreement with the MDA Provider. Dynamic Asset Consulting is responsible for advising the MDA Provider on the management and performance of the Goals Based Portfolios available for investment through this Investment Mandate.

Dynamic Asset Consulting is responsible for advising the MDA Provider on the management and performance of the Goals Based Portfolios available for investment through this Investment Mandate.

The Investment Committee meets once every quarter and on an ad-hoc basis as needed, the purpose of which is to:

- assess performance and forecasts for domestic and global investment markets;
- assess political, economic and demographic influences on domestic and global investment markets;
- provide guidance on asset allocation and timing of changes to asset allocations in the Goals Based Portfolios; and
- provide guidance on perceived investment risks and actions seeking to address these investment risks.

The asset allocation guidance from the Investment Committee is then used by the Program Adviser to determine the composition of the Goals Based Portfolios. Investments are then selected based upon the following criteria:

- type(s) of security most appropriate for the relevant asset class;
- liquidity of the security (how easy is it to buy and sell);
- previous and forecasted investment performance;
- capital growth prospects for the security;
- income prospects for the security;
- management risk associated with the selected security;
- debt risk associated with the selected security; and
- any other factors deemed necessary to consider in the selection of securities.

THE INVESTMENT COMMITTEE

The Dynamic Asset Allocation investment committee comprises the following members:

DR JEROME LANDER

Portfolio Manager

As Portfolio Manager Dr Jerome Lander has responsibility for asset allocation, fund manager selection and portfolio construction of all the Goals Based Portfolios. His expertise in asset management and investment strategy provides strong capabilities in multi-asset class investment management.

Jerome is well known in the institutional investment community and has 20 years of investment experience. He worked for many years as a leading institutional investor in Australia including being Chief Investment Officer of the WorkCover insurance fund where he was responsible for managing \$12 billion institutional investment fund with a team of 12, reporting to the Investment Board. In that time, the investment fund ranked as the best institutional investment fund of its kind in Australia and the best performing of all Mercer's (nearly 100) institutional clients. He has also been a Director of Investment Consulting for Russell Investments - one of the world's largest asset consultants advising on over \$40 billion of institutional funds in Australia, a Diversified Assets Portfolio Manager at Credit Suisse managing over \$2 billion and Head of Manager Research for Van Eyk, a large retail multimanager, managing nearly \$2 billion, where he achieved no.1 of 17 funds in Australian Equity, and outperformed objectives in both International Equity and Alternatives funds.

Initially qualifying in both medicine and surgery with first class honours, Jerome has since received straight High Distinctions in a Masters of Business and Commerce with a Finance specialisation, a Certified Investment Management Analyst qualification, and since 2004 has held senior roles in research and asset management for Van Eyk Research, Credit Suisse and Russell Investments. He has also served as a Board member for the Investment Management Consultants Association (IMCA).

BROOK SWEENEY

Senior Investment Consultant,
Lonsec Investment Consulting

Brook has almost 20 years experience in the Australian and UK financial service industry, with the vast majority of his experience in asset consulting and research roles.

He started his career as a research analyst with Morningstar in 1999, before moving into Policy roles at IFSA (Investment and Financial Services Association - now the Financial Service Council). Brook was Morningstar Associates Europe's lead consultant for MetLife UK (the firm's largest client in Europe). He also consulted to Morningstar's largest Asian based clients, such as, DBS (Development Bank of Singapore) and was the daily trader of the white labeled Italian Banca Generalli Controlled Volatility managed fund. Brook returned to Australia in 2012 as the lead consultant to CBA's Wealth Management & Advice team for Morningstar. He then spend 3 years working for CFS before joining Lonsec in January 2018 as a Senior Investment Consultant.

In this role, Brook provides portfolio construction advice, including fund research, selection and asset allocation to Lonsec's investment consulting's clients including dealer groups, independent financial planning groups and industry super funds.

ANDREW VALLNER

Director, CPG Research & Advisory

Andrew has worked in investment management, research and consulting for 23 years and is currently Managing Director at CPG Research & Advisory, an independent asset consulting firm.

He previously managed institutional money for the CUNA Mutual Group and pioneered a multi-manager listed investment company (LIC) approach as an institutional investment strategy, which strongly outperformed. Andrew maintains an active interest in LIC research today.

At CPG, Andrew publicly flagged the risk from various fixed interest defaults in Australia in May 2007, before recommending credit securities in late November 2008 and a model portfolio of defensive assets in February 2009, which returned over 100% by the end of 2010. His clients have frequently topped national performance surveys.

Andrew has been an expert speaker at global events in Australia and Overseas on topics including Credit investing and Alternatives investing. Andrew contributes LIC, credit, alternatives and his broad multi-asset expertise to the DAC Investment Committee.

MATTHEW WALKER

Investment Committee Chairman

Matthew's role as Chairman of the Investment Committee is to provide oversight to the operations of the Investment Committee, implementation, administration, reporting and compliance within the governance framework.

Matthew is a founder and Director of WLM Financial Services Pty Limited (WLM). WLM is a privately owned financial services advisory firm with focus in the areas of accounting, financial planning and wealth management.

Matthew is a Certified Financial Planner® Professional and a Registered Tax Agent. Having worked as a specialist financial planner since 1991 Matthew has a host of experience working with individuals and family groups around what they want to achieve and developing practical strategies to help meet those goals. This includes building portfolios and wealth management solutions.

Matthew holds a Bachelor of Commerce with a double major in Economics and Finance from the University of NSW and a Diploma of Financial Planning from Deakin University.

Matthew is currently Chairman of the Association of Goals Based Advisers (AGBA) which is the peak 'adviser network' for all professional advisers and relevant industry associates in relation to goals based investments and strategies in order to deliver specific outcomes aimed at meeting investor goals.

Matthew is also a Justice of the Peace and a regular commentator in the financial media.

LAURA MENSCHIK

Director, WLM Financial Services

Laura is a founder and Director of WLM Financial Services Pty Limited, a privately owned advisory firm with focus in the areas of accounting, financial planning and wealth management.

Laura is a Certified Financial Planner® Professional, a Registered Tax Agent and a Fellow of the Financial Planning Association (FPA), where she helped establish the basis of their continuing education program in 1992.

Laura has worked as a specialist financial planner since 1987, was a lecturer for the Securities Institute of Australia, and has vast experience in working with clients in the construction and management of portfolios to meet their lifestyle needs and intergenerational transfer.

Laura is regularly featured in financial media, has been awarded the FPA's Distinguished Service Award, is a Justice of the Peace and is a Life Governor of the Benevolent Society of NSW.

SEAN MCGOWAN

Director, WLM Financial Services

Sean is a Director of WLM Financial Services Pty Limited and is a Certified Financial Planner® Professional, Accredited Estate Planning Strategist AEPs® and LRS® Life Risk Specialist. Sean holds a Bachelor of Economics with a double major in Economics and Finance from the University of NSW and a Diploma of Financial Planning (DFP) from Deakin University.

Sean has been working in the Financial Planning profession since 2001. Prior to working at WLM Financial Services, he worked in boutique, medium-sized and institutional financial planning firms.

Sean has a host of experience talking with investors and building practical portfolios and wealth management solutions to meet their needs.

Sean is a member of the Financial Planning Association of Australia and a Justice of the Peace.

MEMBERS BY INVITATION

Dynamic Asset Consulting may periodically invite qualified experts in various fields to have input into the committee or to be a temporary member of the Investment Committee on an invitational basis. These members may provide research and advisory services or to have input on specific issues being considered by Dynamic Asset Consulting. For example, these may include:

- Asset class specialists;
- Technical market analysts; and
- Independent research providers.



INVESTMENT PHILOSOPHY

The primary goal in managing the Goals Based Portfolios is to provide solutions to investors to assist in meeting their specific strategic investment goals.

This has been separated into two components;

1. Cash flow / liquidity; and
2. Risk / return.

The Goals Based Portfolios target **'real rates of return'**, i.e. over and above inflation.

As part of this goal an emphasis is placed on managing risk in order to preserve capital.

Dynamic Asset Consulting utilises a diversified asset allocation and investment manager approach, seeking to reduce volatility and lower the probability of capital loss over the timeframe associated with each Investment Option.

As the world is constantly changing and the future is uncertain, Dynamic Asset Consulting believes a dynamic asset allocation approach combined with astute selection of skilled managers in each asset class is the most appropriate way to properly manage investments and risk.

Academic research has indicated that the management of the allocation to asset classes, and not specific security or stock selection, accounts for the vast majority of variability in portfolio performance. In conjunction with this Dynamic Asset Consulting recognises that highly skilled selection of active managers can add value (alpha) and better manage specific asset class risks over time. The selection and management of portfolio weightings of skilled managers in this regard is an important contributor to goals based portfolios, particularly in the context of an environment where returns from traditional asset classes may be quite modest.

Dynamic Asset Consulting has observed that much of the investment industry adopts a stable asset allocation, perhaps with some small tactical tilts applied from time to time. Dynamic Asset Consulting's approach is to be responsive and flexible enough to cope with rapidly moving markets and to reduce the impact of short-term market volatility.

When used appropriately, the Goals Based Portfolios aim to meet the investor's goals over the appropriate timeframes.

INVESTMENT APPROACH & PROCESS

Dynamic Asset Consulting believes that the best way to achieve the investment goals is to:

- provide flexible and wide asset allocation ranges so as to be able to use a broad range of potential investments including cash, call deposits, term deposits, bank bills, deposits with Approved Deposit Institutions (ADI's), fixed interest securities, domestic and international equities, managed funds, and exchange traded funds;
- apply a robust and disciplined risk management framework to actively manage the risk and return profile of each investment in line with its goals;
- be medium to long-term focused, where relevant;
- adopt a value and contrarian style - one which does not simply follow the crowd or focus on tracking generally adopted portfolio benchmarks;
- endeavour to make sure that each investment is well understood, transparent and well managed; and
- be mindful of tax outcomes and transaction costs.

Dynamic Asset Consulting follows a disciplined 3-step investment process, which by necessity is an active one that aims to increase the likelihood that the investment goals of each portfolio are met.

1. Asset Allocation

Dynamic Asset Consulting believes that asset allocation, not singular asset selection, is the most significant contributor to achieving the appropriate risk-return outcomes. As such Dynamic Asset Consulting dedicates a significant amount of time and resources to determine the appropriate asset allocation to achieve the portfolios' stated goals.

The asset allocation of each portfolio is regularly modelled and reviewed using expected returns and potential risks. The results are considered alongside current asset allocations, valuations, outlooks for markets, sentiment and momentum to determine whether any adjustment to the asset allocation of each portfolio is appropriate.

2. Investment Selection

Once the appropriate asset allocation is decided, it is implemented by selecting those investments and managers which are considered best placed to achieve the targeted risk adjusted returns when combined together as an overall portfolio across the relevant timeframe.

During this stage, detailed investment and investment manager due diligence is conducted to ensure they meet the required goals and overall philosophy.

Favoured managers are those considered to be quality managers, with a sustainable competitive edge, be independent thinkers and can deliver strong returns relative to cost.

All investments and investment managers are monitored once they are selected to ensure they remain 'true to label'.

3. Portfolio Management

The final element involves implementation of the investment decisions and management of the ongoing compliance and operational requirements of each portfolio.

Each selected investment and investment manager has a target weighting which is determined by:

- the risk and return target of each portfolio;
- the way it interacts with other investments; and
- its impact on asset, sector and theme weightings.

There is no automatic rebalancing of investments to target weights at fixed points in time. Instead the entire portfolio is monitored and assessed on an ongoing basis, looking for opportune times to make appropriate changes.



GOALS BASED INVESTING

Goals based investing is an alternative approach to investing, other than using Risk Profiling and Strategic Asset Allocation (SAA).

The benefit of goals based investing is that it links a client's individual goals directly to the design of their investment portfolios. For example, targeting a certain level of income or having an amount of capital available at a particular point in time. Whatever the goals, the investment decision an investor makes today determines tomorrow's financial possibilities.

As each investor's situation is unique, there is no one size fits all approach. Investors' goals and risk profiles typically 'evolve' through their lifecycle or as circumstances change.

Dynamic Asset Consulting believes it is appropriate therefore that investors seek advice so that their overall investment portfolio is designed to meet their particular needs and goals, rather than take a more generalised approach as is usually the case under risk profiling and SAA.

Goals based investing considers more than simply holding an allocation to the traditional asset classes of cash, fixed interest, property and shares in a pre-determined amount. Goals based investing and dynamic asset allocation combine in an effort to enable investors to consistently meet specific goals with an appropriate level of risk.

For example, for most investors one of the most fundamental goals is to have access to cash as or when it is required. At a base level cash flow is crucial to ensuring quality of life, regardless of your stage of life or financial position.

Cash flow and liquidity requirements are therefore a useful starting point for building a goals based investment portfolio. It helps to meet living expenses or other planned expenses such as cars, homes, renovations, children's education and so forth. It can help provide peace of mind by seeking to match your investment portfolio to your cash flow and liquidity requirements.

Once cash flow and liquidity requirements have been considered then wealth building or protection goals can be considered.

GOALS BASED PORTFOLIOS

The Goals Based Portfolios contain three cash flow/liquidity based portfolios, which seek to target outcomes to provide access to capital in the targeted timeframe:

1. Cash Plus
(minimum 3 months *)
2. Short-Term
(minimum 1 year)
3. Mid-Term
(minimum 3 years)

* Note: For cash flow and liquidity requirements of less than 3 months duration it is assumed for the purposes of this document that you will use a range of other cash or cash-based alternatives to meet your needs, such as personal bank or loan accounts.

Your financial adviser can use these portfolios to target your cash flow and liquidity requirements on an ongoing basis as part of your regular reviews and discussions. For example, your financial adviser may recommend you change your allocations to portfolios as timeframes change, or portfolios may be topped-up or have profits taken depending upon the returns or circumstances at that time. Your financial adviser can make recommendations to help you ensure that your portfolio remains relevant and assist you to remain on track to meet your cash flow and liquidity goals.

After cash flow and liquidity requirements have been met a financial adviser may recommend 'surplus' capital, if any, be invested on a long-term basis to meet either investment return and/or risk management goals. Risk and return are conflicting goals but you should consider both at the same time and, with help from your financial adviser, seek to determine the right balance between your financial risk tolerance and the financial returns required to achieve your goals. Generally speaking, the lower the risk, the lower the return and vice versa.

Goals Based Portfolios therefore provide two additional risk / return based portfolios which your financial adviser can utilise with the aim to either help grow or protect your wealth;

4. Long-Term Wealth Builder
5. Long-Term Wealth Protector

For example, if you are looking to grow your wealth or target higher returns to meet your longer-term goals, your financial adviser may recommend the Wealth Builder Portfolio to help you achieve this.

Alternatively, if your objective is to preserve wealth over the longer-term your financial adviser may recommend the Wealth Protector Portfolio.

Your financial adviser may also blend the risk / return portfolios together to in a way that best suits you.

For further information on the Goals Based Portfolios detailed above please refer to page 16.

Depending on your circumstances, goals and risk tolerance your financial adviser may recommend one of the Goals Based Portfolios, blend them together or help you manage other specific investments through a Self-Directed Account – all reported within the one administration facility.

Bringing together cash flow based portfolios and risk / return portfolios result in an overall investment strategy that aims to meet the overall investment goals and risk appetite of an individual investor.

INVESTMENT GUIDE

You nominate the Goals Based Portfolios, as agreed with your financial adviser.

The Goals Based Portfolios are then managed according to the specific parameters set out in this document. Dynamic Asset Consulting, as Program Adviser, will advise the MDA Provider of the initial parameters at the time of investment and will advise the MDA Provider of any changes to the parameters.

Within the Goals Based Portfolios listed below, Dynamic Asset Consulting works towards and monitors the:

- **Goals** - summarises the outcomes Dynamic Asset Consulting aims to achieve.
- **Asset Allocation Ranges** - is the full breadth of the range Dynamic Asset Consulting may use for the nominated asset class.
- **Neutral Allocation** - is the asset allocation that is used as the baseline long-term asset allocation in each portfolio that Dynamic Asset Consulting may default to, unless they consider it appropriate to change the asset allocation within the specified ranges.
- **Portfolio Construction Parameters** - provides an indication of the type and number of investments that may be held in order to meet the goals.

Common to all Goals Based Portfolios is the aim to produce positive returns.

With the exception of the Cash Plus Portfolio all portfolios look to achieve a return over and above inflation.

For the Cash Plus Portfolio, Dynamic Asset Consulting looks to achieve a return over and above the Reserve Bank of Australia (RBA) 'special' term deposit rate, which the RBA defines as:

"The term deposit 'average 'special' rate (all terms)' is a simple average of the five largest banks' 'special' rates. From February 2009, the rate is based on the banks' advertised 'special' rates. Prior to this, the 'specials' were determined by the RBA.

Dynamic Asset Consulting uses the 'All Groups CPI' as its measure of inflation, which is determined by the average weight of Australia's eight capital cities in inflation terms.

The RBA publishes the All Groups CPI and 'special' rate data. It is available on their website: www.rba.gov.au

Dynamic Asset Consulting can use Alternative Investments. By 'Alternative Investments' Dynamic Asset Consulting means any non-traditional asset with potential economic value that may not be found in a standard investment portfolio. Due to the unconventional nature of alternative assets, more precise definition and valuation of some of these assets can be difficult.

It is important to note however that Dynamic Asset Consulting does not classify Hedge Funds as Alternative Investments. Hedge Funds, as defined by the Australian Securities and Investment Commission (ASIC) may be used by Dynamic Asset Consulting in other asset allocation areas if they consider them the most appropriate method of achieving the goals.

Dynamic Asset Consulting, as Program Adviser, will advise the MDA Provider of the initial portfolio weightings for each Goals Based Portfolio. Dynamic Asset Consulting will then advise the MDA Provider of any changes to the asset allocation, investments and portfolio weights within each Goals Based Portfolio.

The MDA Provider will execute the changes on your behalf.

Rebalancing

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

Rebalancing will occur at the discretion of the Program Adviser.

CASH PLUS PORTFOLIO

Profile

The Cash Plus Portfolio is a cash flow / liquidity orientated portfolio constructed with the aim of providing for capital or liquidity requirements between 3 months and 12 months. It uses a range of more defensively orientated, short-dated investments that aim to provide cash 'plus' levels of income with minimal volatility.

Goals

The Cash Plus Portfolio aims to achieve the following goals over the timeframe associated with the portfolio.

Target Return	RBA 'special' term deposit rate
Income / Growth	The objective is to generate income only and no growth
Timeframe	This portfolio should be held for a minimum of 3 months
Redemption Liquidity	Redemptions may take 1 - 2 weeks to process and settlement is subject to the underlying investment liquidity

Investment Strategy

The portfolio maintains a limited but flexible asset allocation range so that capital may be dynamically allocated to help achieve the targeted return within the risk tolerances, depending on market conditions at the time.

Once the appropriate asset allocation is decided, it is implemented by selecting investments and managers which are considered best placed to produce the targeted risk-adjusted returns, when combined together as an overall portfolio, across the relevant timeframe.

Asset Allocation Ranges

ASSET CLASS	BENCHMARK INDEX	NEUTRAL ALLOCATION %	ALLOCATION RANGE %
Cash	Bloomberg Ausbond Bank Bill (0+Yr)	0	0 - 100
Term Deposits / Money Market	RBA 'special' term deposit rate	100	0 - 100
Australian Fixed Interest	Bloomberg Ausbond Composite Bond	0	0 - 100
International Fixed Interest	Citi World Government Bonds	0	0 - 100
Total defensive Assets		100	0 - 100

Portfolio Construction Parameters

Investments	Investments are limited to cash, call deposits*, bank bills*, deposits with Approved Deposit Institutions (ADI's), managed funds or exchange traded funds *Note: exposure to these investments will be through selected managed funds only
Minimum number of investments	One. The portfolio may go entirely to cash if Dynamic Asset Consulting believe circumstances warrant it
Maximum number of investments	The portfolio would typically hold two or three investments but may use up to twenty-five if Dynamic Asset Consulting believe circumstances warrant it
Minimum investment	\$10,000
Minimum redemption	\$5,000

SHORT-TERM PORTFOLIO

Profile

The Short-Term Portfolio is a cash flow / liquidity orientated portfolio which aims to provide for capital or liquidity requirements between 12 months and 3 years. It uses a limited range of assets that aim to provide a higher than cash plus levels of income with low levels of growth and minimal volatility.

Goals

The Short-Term Portfolio aims to achieve the following goals over the timeframe associated with the portfolio.

Target Return	All Groups CPI + 2.0% p.a.
Income / Growth	The objective is to generate 80% income and 20% growth
Timeframe	This portfolio should be held for a minimum of 12 months
Redemption Liquidity	Redemptions may take 1 - 2 weeks to process and settlement is subject to the underlying investment liquidity

Investment Strategy

The portfolio maintains a flexible asset allocation range so that capital may be dynamically allocated to help achieve the targeted return within the risk tolerances, depending on market conditions at the time.

Once the appropriate asset allocation is decided, it is implemented by selecting those investments and managers which are considered best placed to produce the targeted risk-adjusted returns, when combined together as an overall portfolio, across the relevant timeframe.

Asset Allocation Ranges

	BENCHMARK INDEX	NEUTRAL ALLOCATION %	ALLOCATION RANGE %
Cash	Bloomberg Ausbond Bank Bill (0+Yr)	0	0 - 100
Term Deposits / Money Market	RBA 'special' term deposit rate	50	0 - 100
Australian Fixed Interest	Bloomberg Ausbond Composite Bond	25	0 - 100
International Fixed Interest	Citi World Government Bonds	25	0 - 100
International High Yield	Barclays World High Yield Bond Index	0	0 - 100
Total Defensive Assets		100	0 - 100

Portfolio Construction Parameters

Investments	Investments are limited to cash, call deposits*, bank bills*, deposits with Approved Deposit Institutions (ADI's), managed funds or exchange traded funds *Note: exposure to these investments will be through selected managed funds only
Minimum number of investments	One. The portfolio may go entirely to cash if Dynamic Asset Consulting believe circumstances warrant it
Maximum number of investments	The portfolio would typically hold two or three investments but may use up to twenty-five if Dynamic Asset Consulting believe circumstances warrant it
Minimum investment	\$10,000
Minimum redemption	\$5,000

MID-TERM PORTFOLIO

Profile

The Mid-Term Portfolio is a cash flow / liquidity based portfolio which aims to provide for capital or liquidity requirements between 3 to 5 years. It uses a broader mix of investments that aims to provide a moderate level of income and growth with moderate levels of volatility.

Goals

The Mid-Term Portfolio aims to achieve the following goals over the timeframe associated with the portfolio.

Target Return	All Groups CPI + 3.0% p.a.
Income / Growth	The objective is to generate 50% income and 50% growth
Timeframe	This portfolio should be held for a minimum of 3 years
Redemption Liquidity	Redemptions may take 1 – 2 weeks to process and settlement is subject to the underlying investment liquidity

Investment Strategy

The portfolio maintains a flexible asset allocation range so that capital may be dynamically allocated to help achieve the targeted return within the risk tolerances, depending on market conditions at the time.

Once the appropriate asset allocation is decided, it is implemented by selecting those investments and managers which are considered best placed to produce the targeted risk-adjusted returns, when combined together as an overall portfolio, across the relevant timeframe.

Asset Allocation Ranges

ASSET CLASS	BENCHMARK INDEX	NEUTRAL ALLOCATION %	ALLOCATION RANGE %
Cash	Bloomberg Ausbond Bank Bill (0+Yr)	0	0 - 100
Term Deposits/Money Market	RBA 'special' term deposit rate	15	0 - 100
Australian Fixed Interest	Bloomberg Ausbond Composite Bond	15	0 - 100
International Fixed Interest	Citi World Government Bonds	15	0 - 100
International High Yield	Barclays World High Yield Bond Index	0	0 - 100
Total Defensive Assets		45	0 - 100
Australian Shares (large cap.)	S&P/ASX 200	20	0 - 40
Australian Shares (small cap.)	S&P/ASX Small Ordinaries	0	0 - 40
International Shares (large cap.)	MSCI World ex Aust	15	0 - 40
International Shares (small cap.)	MSCI World ex Aust Small Cap	0	0 - 40
International Emerging Markets	MSCI Emerging Markets	0	0 - 40
Australian Property	S&P/ASX A-REIT	0	0 - 40
International Property	FTSE EPRA/NAREIT	0	0 - 40
Infrastructure & Utilities	S&P Global Infrastructure	5	0 - 40
Total Growth Assets		40	0 - 40
Alternative Investments	CFSB Tremont Hedge Fund Index	15	0 - 50
Gold	LBMA London PM Fixing	0	0 - 10
Commodities	Economist Commodity Index	0	0 - 10
Total Alternative Assets		15	0 - 50

Portfolio Construction Parameters

Investments	Investments may include; cash, call deposits*, bank bills*, deposits with Approved Deposit Institutions (ADI's), fixed interest securities, domestic and international equities, managed funds, exchange traded funds and derivatives* *Note: exposure to these investments will be through selected managed funds only. Dynamic Asset Consulting does not consider or advise on any directly held derivative investments under this Investment Mandate
Minimum number of investments	One. The portfolio may go entirely to cash if Dynamic Asset Consulting believe circumstances warrant it
Maximum number of investments	The portfolio would typically hold twelve to fifteen investments but may use up to twenty-five if Dynamic Asset Consulting believe circumstances warrant it
Minimum investment	\$25,000
Minimum redemption	\$5,000

LONG-TERM WEALTH PROTECTOR PORTFOLIO

Profile

The Long-Term Wealth Protector Portfolio is a risk / return based portfolio which aims to protect the value of your capital using a mix of predominately defensive and alternative investments, although it may hold growth assets if deemed appropriate. The aim is to provide a reasonable income stream with some capital growth and moderate levels of volatility.

Goals

The Long-Term Wealth Protector Portfolio aims to achieve the following goals over the timeframe associated with the portfolio.

Target Return	All Groups CPI + 4.0% p.a.
Income / Growth	The objective is to generate 60% income and 40% growth
Timeframe	This portfolio should be held for a minimum of 5 years
Redemption Liquidity	Redemptions may take 1 - 2 weeks to process and settlement is subject to the underlying investment liquidity

Investment Strategy

The portfolio maintains a flexible asset allocation range so that capital may be dynamically allocated to help achieve the targeted return within the risk tolerances, depending on market conditions at the time.

Once the appropriate asset allocation is decided, it is implemented by selecting those investments and managers which are considered best placed to produce the targeted risk-adjusted returns, when combined together as an overall portfolio, across the relevant timeframe.

Asset Allocation Ranges

	BENCHMARK INDEX	NEUTRAL ALLOCATION %	ALLOCATION RANGE %
Cash	Bloomberg Ausbond Bank Bill (0+Yr)	0	0 - 100
Term Deposits/Money Market	RBA 'special' term deposit rate	10	0 - 100
Australian Fixed Interest	Bloomberg Ausbond Composite Bond	20	0 - 100
International Fixed Interest	Citi World Government Bonds	20	0 - 100
International High Yield	Barclays World High Yield Bond Index	0	0 - 100
Total Defensive Assets		50	0 - 100
Australian Shares (large cap.)	S&P/ASX 200	0	0 - 40
Australian Shares (small cap.)	S&P/ASX Small Ordinaries	0	0 - 40
International Shares (large cap.)	MSCI World ex Aust	0	0 - 40
International Shares (small cap.)	MSCI World ex Aust Small Cap	0	0 - 40
International Emerging Markets	MSCI Emerging Markets	0	0 - 40
Australian Property	S&P/ASX A-REIT	0	0 - 40
International Property	FTSE EPRA/NAREIT	0	0 - 40
Infrastructure & Utilities	S&P Global Infrastructure	0	0 - 40
Total Growth Assets		0	0 - 40
Alternative Investments	CFSB Tremont Hedge Fund Index	50	0 - 75
Gold	LBMA London PM Fixing	0	0 - 10
Commodities	Economist Commodity Index	0	0 - 10
Total Alternative Assets		50	0 - 75

Portfolio Construction Parameters

Investments	Investments may include; cash, call deposits*, bank bills*, deposits with Approved Deposit Institutions (ADI's), fixed interest securities, domestic and international equities, managed funds, exchange traded funds and derivatives*; *Note: exposure to these investments will be through selected managed funds only. Dynamic Asset Consulting does not consider or advise on any directly held derivative investments under this Investment Mandate
Minimum number of investments	One. The portfolio may go entirely to cash if Dynamic Asset Consulting believe circumstances warrant it
Maximum number of investments	The portfolio would typically hold ten to twelve investments but may use up to twenty-five if Dynamic Asset Consulting believe circumstances warrant it
Minimum investment	\$25,000
Minimum redemption	\$5,000

LONG-TERM WEALTH BUILDER PORTFOLIO

Profile

The Long-Term Wealth Builder Portfolio is a risk / return based portfolio which aims to build the value of your capital using a mix of predominately growth and alternative investments. The aim is to provide mostly capital growth with some income and may experience high levels of volatility.

Goals

The Long-Term Wealth Builder Portfolio aims to achieve the following goals over the timeframe associated with the portfolio..

Target Return	All Groups CPI + 8.0% p.a.
Income / Growth	The objective is to generate 35% income and 65% growth
Timeframe	This portfolio should be held for a minimum of 7 years
Redemption Liquidity	Redemptions may take 1 - 2 weeks to process and settlement is subject to the underlying investment liquidity

Investment Strategy

The portfolio maintains a flexible asset allocation range so that capital may be dynamically allocated to help achieve the targeted return within the risk tolerances, depending on market conditions at the time.

Once the appropriate asset allocation is decided, it is implemented by selecting those investments and managers which are considered best placed to produce the targeted risk-adjusted returns, when combined together as an overall portfolio, across the relevant timeframe.

Asset Allocation Ranges

ASSET CLASS	BENCHMARK INDEX	NEUTRAL ALLOCATION %	ALLOCATION RANGE %
Cash	Bloomberg Ausbond Bank Bill (0+Yr)	0	0 - 100
Term Deposits/Money Market	RBA 'special' term deposit rate	0	0 - 100
Australian Fixed Interest	Bloomberg Ausbond Composite Bond	0	0 - 100
International Fixed Interest	Citi World Government Bonds	0	0 - 100
International High Yield	Barclays World High Yield Bond Index	0	0 - 100
Total Defensive Assets		0	0 - 100
Australian Shares (large cap.)	S&P/ASX 200	30	0 - 50
Australian Shares (small cap.)	S&P/ASX Small Ordinaries	0	0 - 50
International Shares (large cap.)	MSCI World ex Aust	15	0 - 50
International Shares (small cap.)	MSCI World ex Aust Small Cap	0	0 - 50
International Emerging Markets	MSCI Emerging Markets	10	0 - 50
Australian Property	S&P/ASX A-REIT	5	0 - 50
International Property	FTSE EPRA/NAREIT	5	0 - 50
Infrastructure & Utilities	S&P Global Infrastructure	15	0 - 50
Total Growth Assets		80	0 - 80
Alternative Investments	CFSB Tremont Hedge Fund Index	20	0 - 50
Gold	LBMA London PM Fixing	0	0 - 10
Commodities	Economist Commodity Index	0	0 - 10
Total Alternative Assets		20	0 - 50

Portfolio Construction Parameters

Investments	Investments may include; cash, call deposits*, bank bills*, deposits with Approved Deposit Institutions (ADI's), fixed interest securities, domestic and international equities, managed funds, exchange traded funds and derivatives*; *Note: exposure to these investments will be through selected managed funds only. Dynamic Asset Consulting does not consider or advise on any directly held derivative investments under this Investment Mandate
Minimum number of investments	One. The portfolio may go entirely to cash if Dynamic Asset Consulting believe circumstances warrant it
Maximum number of investments	The portfolio would typically hold twelve to fifteen investments but may use up to twenty-five if Dynamic Asset Consulting believe circumstances warrant it
Minimum investment	\$25,000
Minimum redemption	\$5,000

SELF-DIRECTED ACCOUNT

Self-Directed Accounts are accounts which allow you, as the client, or your financial adviser, as your representative, to instruct Mason Stevens to deal in investments on your behalf. These accounts are client directed and you determine the composition of your portfolio.

There is a different fee schedule that applies to a Self-Directed Account – refer to the fee section on page 30.

Dynamic Asset Consulting has no mandate to advise on, manage or monitor the returns or risks attributable to a Self-Directed Accounts. As such Dynamic Asset Consulting is not involved in any asset allocation or investment selection decisions relating to this portfolio.

Investments available through a Self-Directed Account may include: cash, term deposits, fixed interest securities, domestic and international equities, managed funds, exchange traded funds and derivatives. Please check with your financial adviser the investments that are approved by the MDA Provider and are able to be administered in the normal course of business.

As a Self-Directed Account is a bespoke portfolio there are no specific risk / return attributes that can be assigned. Generally speaking, it would be difficult to assess the overall level of risk or the return that could be expected from this type of portfolio.

The Self-Directed Account may be used as a 'transitional' account when moving existing assets into other Goals Based Portfolios over a period of time. Alternatively, it could also be used as a 'holding' account for assets that you do not want to actively trade. For example, assets you may wish to hold could include assets that you hold for personal reasons, assets with significant tax liabilities or executives with company share/option positions that may be under trading restrictions.

RISKS OF INVESTING

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 goals or you lose money on your investment.

It is important for you to obtain personal advice about your financial circumstances and needs as well as the suitability of the managed account service and the Portfolios before making your decision to invest.

Specific investment risks apply to all investments that may have an effect on your managed account. The risks to which your managed account may be exposed include, but are not limited to the following factors:

Investment Risk

All investments have an innate 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 some or even 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 (Dynamic Asset Allocation) to implement strategies designed to minimise potential losses, there can be no assurance that these strategies will be successful.

Individual Investment Risk

Investments held by a Portfolio can and do fall in value for many reasons, such as changes to the business operations, management, legislative or environmental factors that may affect the issuer of the investment.

The value of an individual company's shares or income securities may change as a result of factors such as changes in management, market sentiment or industry specific events. Each investment manager aims to reduce this risk through careful research and analysis, combined with a value bias investment approach and diversification.

Other Risks of Investment include:

Specific Portfolio Risk

The Program Adviser's investment approach may result in a Portfolio that differs substantially from an industry benchmark and hence the investment returns may also differ substantially from industry benchmark returns.

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 market 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.

Economic Risk

A downturn in the general economic conditions in Australia or globally may adversely affect the performance of the Portfolio.

Cyclical or Periodic Risk

Investments and markets can move in cycles and the changing conditions may mean that a Portfolio may underperform during specific market conditions for extended periods of time. Portfolios are constructed to achieve their goals over full market cycles and trending to long-term historical averages.

Dynamic Asset Consulting makes adjustments to the asset allocation and investment manager selection during such periods to help alleviate these risks, however the goals may not always be achievable.

Legislative Risk

A change in the government or in the government's policy can result in tax and other legislative conditions in Australia which may adversely affect the performance of the Portfolio. Specifically, changes to negative gearing, franking credits, capital gains tax, superannuation law and regulations, trusts, and other

tax deduction / legislation changes can all significantly impact on the returns and values held by the various portfolios and in turn the net returns to the investor.

Currency Risk

There is a risk that a Portfolio is exposed to risk as a result of any unhedged investments that are denominated in foreign currencies. Returns to investors in their base currency (i.e. Australian dollars) are affected by changes in foreign currency rates.

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.

Liquidity Risk

There is a risk that certain investments in a portfolio may be difficult to purchase or sell, preventing closing out of a position or rebalancing within a timely period and at a fair price. Managed funds are investments that have varying liquidity and at times managed funds may 'freeze' redemptions and redemptions are not able to be effected by the MDA Provider.

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 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.

Concentration Risk

If your Portfolio is concentrated in one investment or sector, a fall in that investment or sector may have a significant adverse effect on your total 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 Portfolio.

Capital Erosion Risk

There is the risk that payments under a regular withdrawal plan will result in erosion of the value of your Portfolio over time. This will occur if withdrawal amounts and fees exceed the income and capital growth of your Portfolio.

Interest Rate Risk

Changes in interest rates will affect the value of interest bearing securities and shares in some companies. Rises in interest rates may lead to loss in value and falls in interest rates may lead to rises in value.

Program Adviser Risk

The performance of portfolios managed by the Program Adviser depends on the expertise and investment decisions of their key staff.

Personnel Risk

There is the risk that key people who are significant to the management of the Portfolio become unable or unavailable to perform their role.

Performance Risk

While the managed account service is managed within a risk management framework, the strategies adopted for the Portfolio may not be successful and the value of the total Portfolio may decline.



Diversification Risk

Failure to adequately diversify between stocks and sectors may significantly increase risk.

Time Horizon Risk

There is no assurance that in any time period, particularly in the short term, the Portfolios will achieve the investment goals. Many of the underlying assets may be volatile particularly over the short term. Many Portfolios are more suitable for medium to long term investors and are not designed for short term investment.

Counterparty Risk

Underlying investments may be traded 'over the counter' and as such investors face risk in transacting with counterparties, including settlement and execution and the credit risk of the counterparty performing the transaction at maturity.

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 financial adviser (or both).

Systems and Technology Risk

The MDA Provider relies on the integrity and reliability of the 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 this list is not designed to be exhaustive. Investors who may have concerns regarding any of the above risk factors or any other applicable risks are encouraged to contact their financial adviser.

DYNAMIC ASSET CONSULTING’S EXPLANATION OF VOLATILITY

As can be seen from the previous section there are numerous risks to consider when choosing an investment. ‘Risk’ per se can mean many things to many people and can be communicated in many ways. As such, risk is relatively subjective to each person’s interpretation and understanding. One of the more common ways to consider market risk is through ‘volatility’, as is done in this document.

Volatility refers to the amount of variation in the value of an investment over time. A higher volatility means that an investment’s value can potentially be spread out over a larger range of values. This means that the price of the investment can change significantly over a short time period in either direction. A lower volatility means that an investment’s value does not fluctuate as much, with steadier changes in value over a period of time.

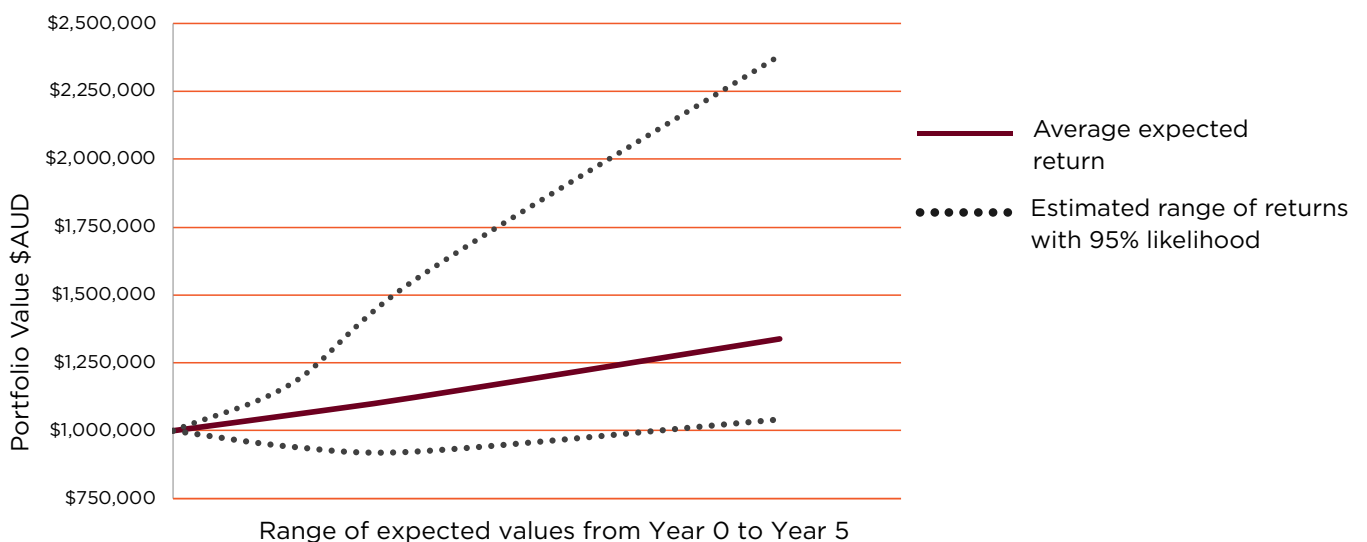
Dynamic Asset Consulting demonstrate what this means numerically through providing an example of a single scenario using a 2-standard deviation around the targeted portfolio returns and volatility. (Note: a 2-standard deviation event has a 95% probability of occurring in any one year).

In this example we use an All Groups inflation figure of 2.00% p.a. and volatility targets for each portfolio that may be considered indicative of a reasonable risk target for each portfolio.

PORTFOLIO	TARGET RETURN	TARGET RETURN (GROSS%)	ILLUSTRATIVE VOLATILITY	LOWER BOUND	UPPER BOUND
Short-Term	CPI + 2%	4.00%	3.00%	-2.00%	10.00%
Mid-Term	CPI + 3%	5.00%	4.00%	-3.00%	13.00%
Wealth Protector	CPI + 4%	6.00%	6.00%	-6.00%	18.00%
Wealth Builder	CPI + 8%	10.00%	11.00%	-10.00%	30.00%

In this example, the Wealth Protector portfolio targets a total gross return of 6.00% over the appropriate time frame, with a 95% chance that the actual return would be between -6.00% and +18.00%. This is calculated by using the illustrative volatility target, being 6.00%, and multiplying that x 2 for the 2 standard deviations assumed, i.e. 12.00%. This is then subtracted from the expected return to give the lower bound or added to give the upper bound. This logic can be applied for each of the Portfolios.

Graphically this can be represented for the Wealth Protector portfolio as follows:



FEES AND COSTS

Fees and Cost 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. This is usually determined by the type of investment involved. You will be notified of any changes and given not less than 30 days' written notice for any increase.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

Fees and costs may vary depending on the Goals Based Portfolios you choose. Details of the fees and costs relevant to you are included in the Statement of Advice you will receive from your financial adviser if you are a retail client. The fees you authorise to be paid to your financial adviser will be additional to the fees set out below. All adviser fees must be disclosed to you.

If the Goals Based Portfolios 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\$.

Did You Know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

Find Out More

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options

DAC MANAGED ACCOUNT SERVICE

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID										
Fees when your money moves in or out of the goals based portfolios												
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 COSTS ² The fees and costs for managing your investment												
Management Fee³	0.055% to 0.792% p.a.	The Management Fee is calculated daily and paid monthly in arrears for each Goals Based Portfolio.										
Performance Fee⁴ Annual Performance Fees based on the previous financial year and reasonable estimates going forward.	0.009% to 0.052% p.a.	The Performance Fee is paid when a defined level of outperformance for a Goals Based Portfolio is met. This fee is calculated half yearly and charged directly to your account.										
Administration and Custody Fee⁵	<table border="1"> <thead> <tr> <th style="text-align: left;">Amount Balance</th> <th style="text-align: left;">Rate % p.a.</th> </tr> </thead> <tbody> <tr> <td>\$0 - \$200,000</td> <td>0.450</td> </tr> <tr> <td>\$200,001 - \$500,000</td> <td>0.275</td> </tr> <tr> <td>\$500,001 - \$1,000,000</td> <td>0.080</td> </tr> <tr> <td>\$1,000,001 plus</td> <td>0.010</td> </tr> </tbody> </table>	Amount Balance	Rate % p.a.	\$0 - \$200,000	0.450	\$200,001 - \$500,000	0.275	\$500,001 - \$1,000,000	0.080	\$1,000,001 plus	0.010	The Administration and Custody Fee is calculated daily and paid monthly in arrears. The Fee is calculated on a tiered basis.
Amount Balance	Rate % p.a.											
\$0 - \$200,000	0.450											
\$200,001 - \$500,000	0.275											
\$500,001 - \$1,000,000	0.080											
\$1,000,001 plus	0.010											
Account Keeping Fee	Nil	Not applicable										
Indirect Cost Ratio⁶	0.64% to 1.66% p.a.	The costs incurred indirectly via investment in products such as managed funds. Not all Goals Based Portfolios will necessarily have an ICR.										
SERVICE FEES												
Switching Fee The fee to recover the costs of switching all or part of your investment from one Goals Based Portfolio to another.	Nil	Not applicable.										

- 1 There are no specific establishment or exit fees for the Goals Based Portfolio however you will 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 on costs.
- 2 This fee does not include any amounts payable to your financial adviser. Please refer to the Financial Adviser Fees section for further information.
- 3 Please refer to the Additional Explanation of Fees and Costs section for the list of Management Fees per Goals Based Portfolio.
- 4 The estimated performance fees for the Model Portfolios are based on reasonable estimates and previous financial years. The Performance Fee for the Model Portfolios is 11% of the Outperformance, calculated on an individual account basis.
- 5 The Administration and Custody Fee is subject to a minimum of \$396 p.a.
- 6 Please refer to the Additional Explanation of Fees and Costs section for the list of Indirect Cost Ratios per Goals Based Portfolio.

EXAMPLE OF ANNUAL FEES AND COSTS

Short-Term Goals Based Portfolio

This table gives an example of how the fees and costs for the DAC Short-Term Goals Based Portfolio can affect your investment over a one-year period. You should use the table to compare this investment product with other similar investment products.

EXAMPLE: SHORT-TERM PORTFOLIO		HOW AND WHEN PAID
Contribution Fee	Nil	For every additional \$5,000 you invest, you will be charged \$0.
Management Costs		
Management Fee	0.198% p.a.	For advising and managing the Goals Based Portfolio you will be charged \$99.00 each year.
and Performance Fee	0.011% p.a.	You will pay approximately \$5.50 in estimated performance fees each year
and Administration and Custody Fee*	0.45% p.a.	To allow for administration costs and expenses, and the costs of custody of your investments, you will be charged \$396 each year.
and Indirect Cost Ratio	0.71% p.a.	Indirect costs associated with investing in the underlying assets of the Goals Based Portfolio will be approximately \$355 each year.
EQUALS total cost of product		If you had an investment of \$50,000 at the beginning of the year and you invest an additional \$5,000 during that year, you would be charged total fees of \$855.50

*The Administration and Custody Fee is subject to a minimum of \$396 p.a.

This example assumes \$50,000 is invested for the entire year and \$5,000 is invested during the year and that the value of the investment is constant over the year.

You should note that this material relating to fees and costs may change between the time when you read this investment mandate and the time you acquire the product.

Transactional and Operational Costs

Transactional and operational costs are incurred in the buying or selling of the assets held by the Investment Option or Goals Based 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 Goals Based Portfolios.

The amount of transactional and operational costs will generally reflect the extent to which the assets of a Goals Based Portfolio are managed. Goals Based 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 Goals Based Portfolio or returns paid to an investor. In some cases, Goals Based Portfolios with higher transactional and operational costs may have higher returns when compared to the returns of Goals Based Portfolios that have lower transactional and operational costs.

Transactional and Operational Costs Table

You will be charged transaction costs when the Program Adviser buys or sells securities within your selected Goals Based Portfolios. Please refer to “Transaction Costs (Goals Based 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 slips 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
Transaction Costs (Goals Based Portfolios)	Managed Funds*: 0.88% of the value of each transaction, maximum \$27.50 per transaction Domestic Equities: Up to 0.33% of the value of each transaction International Equities: Up to 0.55% of the value of each transaction	Deducted from your cash balance at the time of the transaction.
Transaction Costs (Self-Directed Accounts)	Managed Funds*: \$33.00 per transaction Fixed Income: 0.55%, minimum \$55.00 per transaction Domestic Equities: 0.55%, minimum \$33.00 per transaction International Equities: 0.825%, minimum \$75.00 per transaction	Deducted from your cash balance at the time of the transaction.
In-specie Transfer Fee	The fee charged should you request a transfer of direct securities in or out of your Goals Based Portfolio or Self-Directed Account. 0.55% of the value of each investment, maximum \$33.00 per investment or \$550 per in-specie transfer request by account	Deducted from your cash balance at the time of the transfer.

*Managed Funds into which Goals Based Portfolios may or Self-Directed Accounts invest may charge a buy/sell spread on a buy or sell of units in those funds. You should refer to the relevant managed fund disclosure statement for full details of their fees and charges.

ADDITIONAL EXPLANATION OF FEES AND COSTS

Management Costs

The management costs for the Goals Based Portfolios comprise:

- a management fee payable by the MDA Provider to Dynamic Asset Consulting as Program Adviser for advising and managing the Goals Based Portfolios; and
- a performance fee payable by the MDA Provider to Dynamic Asset Consulting as the Program Adviser when they meet a defined level of outperformance for the Model Portfolio. This fee is a direct charge from your Model Portfolio; and
- an administration fee to cover the costs of administering the Goals Based Portfolios; 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 keeping fee for the cost of maintaining and operating your Managed Account (please note this is at the account level and not charged per Goals Based Portfolio; and
- indirect costs (Indirect Cost Ratio), if any, based upon information available from the underlying product issuer and reasonable estimates as at the date of this Investment Mandate.

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.

MANDATE	MANAGEMENT FEE % P.A.
Cash Plus	0.055
Short-Term	0.198
Mid-Term	0.396
Long-Term Wealth Protector	0.495
Long-Term Wealth Builder	0.792

Performance Fee

The Performance Fee is a percentage fee of the amount of Outperformance over and above the Target Return set for each Goals Based Portfolio, calculated and paid semi-annually in arrears.

MANDATE	PERFORMANCE FEE METHODOLOGY	EST. PERFORMANCE FEE % P.A.*
Cash Plus	11% of the Outperformance	0.045%
Short-Term	11% of the Outperformance	0.011%
Mid-Term	11% of the Outperformance	0.037%
Long-Term Wealth Protector	11% of the Outperformance	0.009%
Long-Term Wealth Builder	11% of the Outperformance	0.052%

*Estimated Performance Fees are based on previous financial years and reasonable estimates going forward. Fees indicated are subject to change from year to year.

The Outperformance is the portfolio value at the end of the performance period (after all fees but before performance fees) less the notional value had the investor funds accumulated at the Benchmark return. The Benchmark is the Target Returns shown in the Goals of each Investment Option. Returns exclude franking credits.

The Outperformance must be positive for a Performance Fee to be paid.

The Performance Fee is subject to a high-water mark.

Any underperformance (or negative Outperformance) is carried forward to the next or subsequent performance periods where, after indexing by the Benchmark returns, it is offset against future portfolio performance.

Performance periods are half yearly ending on 31 December and 30 June.

For a more detailed explanation of the Performance Fee please contact the Program Adviser.

INDIRECT COST RATIO (ICR)

Where a Goals Based Portfolio's investment universe includes securities such as managed funds, Exchange Traded Funds (ETFs), Real Estate Investment Trusts (REITs) and Listed Investment Companies (LICs), the issuers of these financial products may charge management costs (including performance fees) and transactional or operational costs. These indirect costs are deducted from the assets of the Goals Based Portfolio (they are not charged to your account directly). You should refer to the relevant product disclosure document for full details on the fees and costs charged. The indirect costs associated with investing in these underlying securities is the ICR and is a percentage of the net asset value of the Goals Based Portfolio. The ICR is a reasonable estimate based on the previous financial year and forward- looking portfolio allocations.

MANDATE	INDIRECT COST RATIO % P.A.
Cash Plus	0.64
Short-Term	0.71
Mid-Term	1.39
Long-Term Wealth Protector	1.66
Long-Term Wealth Builder	1.61

Differential Fees

We may negotiate differential fees with 'wholesale clients' (as defined in the Corporations Act).

Accordingly, a separate investment mandate agreement, fee or rebate agreement may be entered into with each investor. This agreement may also contain arrangements for recovery of expenses, payment of an agreed fee and/or rebate of the fee, independent of any fee provision contained in the MDA contract.

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 Form, 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.

Foreign Exchange Services

As part of the Service, Mason Stevens provides you (via your Self Directed Account), or the Program Adviser, with the capability (if required) to instruct and execute on foreign exchange transactions.

In the provision of such activities, Mason Stevens incurs specific expenses which enables us to provide the most efficient and cost effective service. Whilst no specific fee is charged, Mason Stevens may recover some of these costs through the foreign exchange rate we provide you on each transaction settled to your account.

OPERATING YOUR MANAGED ACCOUNT

To invest through the Service as a retail client you need to consult with your financial adviser and receive personal financial advice. As a retail client, you must receive a Statement of Advice (SOA) from your financial adviser that communicates to you that a managed account and the relevant Investment Option(s) you have chosen are suitable for your circumstances. Your financial adviser must conduct an annual review for the managed accounts that you hold and determine the ongoing appropriateness of the respective managed discretionary account and Investment Mandate.

If you are a 'Sophisticated Investor' as defined by the Corporations Act, you are not required to be given a Statement of Advice or Record of Advice, even if personal advice is provided.

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

- Mason Stevens Account Application;
- Mason Stevens Terms (wholesale or retail);
- Mason Stevens Financial Services Guide; and
- this document, which details the various Investment Options and allows you to choose and confirm the Portfolio/s you wish to invest in.

Application Amounts

MINIMUM INITIAL INVESTMENT

The Model Portfolios have varying minimum initial investment amounts – please refer to the “Portfolio Parameters” in the Investment Guide section.

INVESTING IN THE MODEL PORTFOLIO(S)

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.

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.

Withdrawal Amounts

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 withdraw or 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”.

ESTABLISHING YOUR MANAGED ACCOUNT

If you are a retail client and you would like to establish a Managed Account to invest in the Model Portfolio(s) you need to consult with your financial adviser and receive personal financial advice. Your financial adviser will issue you with an SOA that communicates to you that a Managed Account is suitable for your circumstances.

Your financial adviser must 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.

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

- Account Application;
- MDA Service Terms;
- Mason Stevens Financial Services Guide (if you are a retail client); and
- this document, known as the Investment Mandate, which details the Investment Guide of the Model Portfolio(s) you wish to invest in.

The Investment Mandate

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

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.

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: 165997734

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 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.

IMPLEMENTING AND MANAGING YOUR MODEL PORTFOLIO

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(s) 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.

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.

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 the Program Adviser 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.

OPERATING YOUR MANAGED ACCOUNT

Instructions from your Authorised Person Additional Investment

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.

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.

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.

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.

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.

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.

TAXATION

As the beneficial owner of the assets held in the Portfolios 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.

Tax File Number or Australian Business Number

If you are an Australian resident and a Tax File Number (TFN) or 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.

Tax Accounting Method

The Service allows you to view your capital gains tax position. 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.

Annual Report

You will receive an annual report for your Portfolio/s that includes (where available):

- realised gains and losses from the sale of investments;
- income received from investment;
- franking credit 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. As taxation depends on your own circumstances, you should consult your tax agent or accountant when completing your return. Mason Stevens and the members of Dynamic Asset Consulting 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.

ADDITIONAL INFORMATION

Your Managed Discretionary Account Agreement

Your Managed Discretionary Account Contract (MDA Contract) comprises:

1. a signed Application Form and confirmation you have read the Terms;
2. the Mason Stevens Financial Services Guide;
3. this Investment Mandate
4. your Statement of Advice (if you are a considered to be a retail client).

If there is any inconsistency between the terms of this Investment Mandate and the other terms of your MDA Agreement, the terms of this Investment Mandate will prevail.

Your Managed Account

References to your “managed account” in this mandate includes all the investments in your designated holdings in the Portfolio (unless otherwise specified).

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.

Period of Operation of the Investment Mandate

This agreement remains in force until either party gives a notice of termination to the other of this Investment Mandate, or the managed account.

If you instruct us to vary any Goals Based Portfolio away from the Investment Mandate outlined in this document, we may treat that as your notice of termination of that Investment Mandate unless we tell you otherwise.

Please note that if we give you notice of changes to the Investment Mandate, your Managed Discretionary Account Agreement continues until you give notice of termination of your managed account. Even if you terminate your managed account you are not required to close your Mason Stevens account.

Subject to your agreement, your managed account will be managed in accordance with the terms of this Investment Mandate.

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

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.

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 Australian Financial Complaints Authority (‘AFCA’). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Mason Stevens is a member of AFCA (our membership number is 15155). The contact details for AFCA are:

Australian Financial Complaints Authority
GPO Box 3 Melbourne VIC 3001
W: www.afca.org.au
E: info@afca.org.au
T: 1800 931 678 (free call)

Conflicts

Mason Stevens pays Dynamic Asset Consulting a fee for its role as Program Adviser. Mason Stevens also charges its investors fees for the services Mason Stevens provides.

Companies and personnel within the Mason Stevens group undertake asset management activities which may provide the Program Adviser the access to participate in transactions for various securities and financial products across different asset classes. These securities or financial products may be held in the Model Portfolios offered as part of the Service. In these transactions Mason Stevens may introduce such investment opportunities to be considered by the Program Adviser for investment. In addition, Mason Stevens will also provide the execution capabilities for such transactions as detailed previously in this Investment Mandate.

Outside of this arrangement, Mason Stevens does not have any relationships or associations which could be expected to influence the provision of this Service.

Mason Stevens may from time to time offer financial products and other services outside this Service 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, prioritises its clients' interests and not use any information obtained to its own advantage or to cause detriment to the client.

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

Dynamic Asset Consulting contact details are:

GPO Box 5025
Sydney NSW 2001
T: 1300 000 322
E: info@dynamicasset.com.au
W: www.dynamicasset.com.au

Mason Stevens contact details are:

Level 21, 9 Castlereagh Street
Sydney NSW 2000
GPO Box 5003
Sydney NSW 2001
T: 1300 98 88 78
E: info@masonstevens.com.au
W: www.masonstevens.com.au

MDA SERVICE TERMS

This document sets out the MDA Service Terms for the MDA Contract between the person named as the applicant in the Application Form (Client) for this

MDA Contract and Mason Stevens Limited ABN 91 141 447 207 AFSL 351576 (us/we).

1 MDA Contract

1.1 An agreement between Client and us for the MDA Contract is formed when we accept Client's application in an Application Form, as recorded in our records without express notice of that acceptance given to Client (and without requiring any signature or other execution by or on behalf of us or Client).

Client accepts that the agreement is made in this manner and that we rely on Client's acceptance of this.

1.2 Acceptance of Client's Application Form is in our sole discretion.

1.3 The MDA Contract is comprised of the following:

- (a)** the Application Form;
- (b)** these MDA Service Terms; and
- (c)** each Investment Program which is made by or agreed to by Client and us from time to time.

1.4 For the purpose of resolving any inconsistency between the documents specified in clause 1.3, the order of precedence (with highest priority first) is:

- (a)** Investment Program;
- (b)** these MDA Service Terms; and
- (c)** the Application Form.

2 Investment Program

2.1 The Investment Program is comprised of the following:

- (a)** the Investment Mandate selected by Client in the Application Form;
- (b)** all of that part of the Statement of Advice (if any) provided to Client under the heading "Investment Program" which refers to that Investment Mandate, including any documents or other material incorporated by reference in that section of the Statement of Advice. By Client's Application Form, Client authorises the provider of the Statement of Advice to disclose a copy of all or part of the Statement of Advice to us before and after the MDA Contract is established so we may review it, store a copy of it and use that for any and all purposes of establishing, managing and terminating the MDA Contract as set out in these MDA Service Terms and for our compliance with the ASIC MDA Instrument.

(For clarity, this clause incorporates those documents or parts of documents into the MDA Contract as initially provided or otherwise disclosed to us. No later amendments to them are effective unless they are in writing and we expressly agree to them. If no part of any Statement of Advice is provided to us, then paragraph (b) does not apply.)

3 MDA Service

3.1 By the MDA Contract, Client appoints us to provide Client with the following services:

- (a)** a managed discretionary account service, which includes providing one or more managed discretionary accounts (however they are described or named from time to time, including "Managed Account") using the account service provided by us to Client as agreed from time to time;
- (b)** advisory services in relation to the MDA Contract and to our MDA Services;
- (c)** management of Client's Property, including with discretionary authority to manage Client's Property, as agreed from time to time by way of an Investment Mandate;
- (d)** dealing, advisory and management services in relation to other products or services which are not Financial Products or financial services, as agreed from time to time;
- (e)** all ancillary or related dealing, advisory, management and other services, as amended or varied from time to time, collectively referred to in these MDA Service Terms as the MDA Service.

WARNING:

The key areas of difference between acquiring a financial product directly and through the MDA Service are:

DIRECT ACQUISITION BY YOU	ACQUISITION BY YOU THROUGH MDA SERVICE
You choose if to buy.	You do not choose each time. Instead, you give us the discretion to choose if and when to buy within the Investment Strategy agreed with you
You choose when to buy, how to place and manage the order for your purchase including the price and limits and you can cancel the order.	We choose when to buy, how much, the price and any other order limits, so long as those features are within your authority given to us.
You can choose where to place your orders.	We place the orders for your account.
Your order is separate from any other order.	We generally make one or more orders for all clients whose Investment Mandate covers the same Financial Products. This may mean that larger aggregate orders might take longer to fill than your own direct order and there might be price averaging across all client orders, which can lead to price benefits or disadvantages on any transaction, though overall these arrangements are expected to benefit you.
You control your own decisions whether to follow an investment strategy or to change it.	We must follow the Investment Mandate agreed with you, which includes the Investment Program and the Investment Strategy for the Investment Mandate. You rely on us to manage your portfolio within the terms of each Investment Mandate.
You decide if and how to respond to corporate actions on your investments.	We will exercise our discretion when managing corporate actions within the Investment Mandate agreed with you.
You control where and how your property is held, which may be in your name.	Our MDA Service includes custody and we appoint sub-custodians. You still have the beneficial interest in your property. The registered legal title will be in the name of the sub-custodian or our name. This may lead to some shareholder benefits not being available and there are risks with holding your property in custody.

4 Our Obligations

4.1 The following obligations are subject to any specific obligation expressly set out in the MDA Service Terms and to any statutory obligation which may not be affected by the MDA Service Terms. We will:

- (a)** perform our obligations under the MDA Contract and Corporations Act section 912AEB as applicable to us honestly and with the degree of care and diligence that a reasonable person would exercise if they were in our position in providing the MDA Service to Client;
- (b)** act in Client's best interests in performing our duties in relation to the MDA Services and, if there is a conflict between Client's interests and our interests in performing those duties, give priority to Client's interests;
- (c)** not use information which we have obtained by providing MDA Services for the purposes of gaining an improper advantage for us or to cause detriment to Client;
- (d)** comply with:
 - (i)** each Investment Mandate including the investment strategy in it unless otherwise agreed in writing by Client;
 - (ii)** any representations we make to Client in a financial services guide given to Client about how we will provide the MDA Service unless otherwise agreed in writing by Client;
- (e)** except to the extent stated differently in an Investment Mandate, we must consider exercising any right that relates to Client's Property and we may act in our discretion, subject to the Investment Mandate and to our other duties set out in these MDA Service Terms; and

- (f)** compensate Client for any loss due to any act or omission of any agent or other person engaged in connection with the MDA Service, other than that act or omission of an external MDA custodian or external MDA adviser or a person acting on behalf of either, as if the acts or omissions were our acts or omissions.

5 Client's General Obligations

5.1 Client must ensure that:

- (a)** the information provided by Client in the Application Form is complete, true and correct as at the time it is supplied; and
- (b)** we are promptly notified in writing of any changes to the information in the Application Form;
- (c)** we are promptly notified in writing of any changes to Client's authorised representative because we may rely on Client's written notification until Client tells us otherwise despite any other information we might receive from other sources; and
- (d)** Client provides us with any information which we require if we decide that we need that information to perform the MDA Service or to comply with law or our internal compliance policies and procedures even if we choose not to tell Client, or we are not allowed to tell Client, the reason for using the information.

5.2 If Client makes the agreement as a body corporate, Client acknowledges that we may at any time request a guarantee or an indemnity (or both) from any or all of Client's directors to secure Client's obligations under the agreement.

6 Account

6.1 A reference in these MDA Service Terms to Account is to the account relationship between Client and us which is separately documented and agreed. We will only provide MDA Services by using Client's Account.

6.2 A reference in these MDA Service Terms to a Managed Account is a reference to an account provided by us within the entire Account for which we have Client's authority to manage at our discretion on these MDA Service Terms.

7 Client Acknowledgments

7.1 Client acknowledges and agrees that, in respect of any Managed Account and any MDA Services provided to Client:

- (a)** We do not assure, guarantee or represent to Client that any particular investment performance will be achieved, that the capital invested by Client will be maintained or that any particular investment or trading strategy will obtain assured outcomes or meet any performance criteria.
- (b)** The discretionary trading of Financial Products is speculative and carries with it the risk of loss of some or the entire amount traded and that Client's liability is not necessarily limited to the balance of the account (or of the entire Account) but may include Client's full liability arising from trading in Financial Products on terms authorised by Client.
- (c)** We are authorised, in operating the account, to deal in Financial Products on Client's behalf, without any prior approval from, or consultation with, Client in respect of the purchase, sale and other management of Financial Products, including their exercise or roll-over (subject to the MDA Contract).
- (d)** Past performance of any mandate, strategy or investment approach is not a guarantee, assurance or representation of future success, whether regarding accounts of any kind, any investment or trading strategy or mandate or any service or investment.
- (e)** Dealing in Financial Products involves the risk of substantial loss as well as the prospect of profit.
- (f)** Income (if any) earned for the account may be irregular and the timing of that income might not suit Client's requirements. Income earned outside of Australia may be subject to tax laws applying in those other jurisdictions, including obligations on the payer to make withholdings or to disclose information to tax or other authorities. Income earned in other currencies may fluctuate in unrealised value until converted into Australian currency, and any exchange in currencies may incur losses, charges (including by way of spreads) or fees, reducing the amount available to Client.
- (g)** We will not be responsible for any loss or liability incurred by Client if we act or refrain from acting within the discretionary terms authorised by Client, or if any dealing or proposed dealing is interrupted, unable to be completed or unable to take place due to the failure of any telephone, computer or other electronic service or any other third party act or omission.

(h) We are not obliged to exercise any right or other benefit attached to or granted to a holder of any Financial Products held for Client in the Account (including, but not limited to, voting rights, participation in rights issues, share purchase plans, buy backs, takeover offers or schemes of arrangement) and will not be liable for failure or delay in exercising any of those rights on Client's behalf.

(i) We have complete discretion to manage Client's Property (subject to the MDA Contract and to our duties and other obligations which by law cannot be excluded by the agreement). In exercising this discretion, we might expose Client to a range of risks including risk associated with changes in economic cycles, interest rates, investor sentiment and political, social, technological and legal factors as well as changes in a company's management or its business environment as described. These risks may affect the value of Client's Property and the return which Client receives from that Property.

7.2 Client is and remains solely liable and responsible for all acts and omissions of its authorised representative even if the act or omissions of the authorised representative were outside their actual or ostensible authority or were in error, or were fraudulent, negligent, in breach of fiduciary duties or criminal.

7.3 Client agrees not to make, and waives any right Client may have to make, any claim against us for any loss incurred or suffered by Client which may arise in connection with any act or omission by Client's authorised representative of whatever kind. This clause may be pleaded as a bar to any claim made by Client in respect of asserted liability for us to pay or otherwise compensate Client or restore Client's account.

7.4 We may store copies of documents disclosed to us by or on behalf of Client (including any part of any Statement of Advice) and use or rely on those records to perform our obligations under or in respect of the MDA Contract or in relation to actual or reasonably potential or threatened litigation, administration, enforcement or regulatory proceedings, including to enforce our rights and to defend our interests; for arranging and maintaining insurance and otherwise in accordance with our privacy policy from time to time.

8 Authorities

8.1 If Client has applied for an MDA Contract, Client authorises us to establish a Managed Account for each Investment Program and to operate and to manage at our discretion Client's Managed Account in accordance with the Investment Program for the respective Managed Account, subject to any instructions issued by Client to us in writing, including in the Application Form. This includes (and is not limited to):

- (a)** selection of investments within the limits described in the Investment Mandate;
- (b)** selection of timing of acquisitions and disposals of the investments, including delaying or deferring decisions to transact, whether for the purposes of implementing the Investment Mandate's investment strategy or for general reasons of acting in the best interests of our clients generally;
- (c)** adjusting, delaying or declining investment allocations within the Investment Mandate;

- (d) interpreting the Investment Mandate;
- (e) arranging orders, including allowing accumulation, aggregation and price averaging with orders for other clients;
- (f) decisions in relation to corporate actions on investments in the Managed Account;
- (g) managing margined Financial Products, limited recourse and non-limited recourse Financial products and any other complex Financial Products; establishing, operating and terminating accounts and other services or Financial Products provided by other persons, including sub-custodians, brokers, settlement agents, clearing agents, deposit product providers, and outsourced service providers. We do not assure or guarantee the performance of any particular investment, return profits or maintenance of Client's investment arising from any transactions or decisions made under this authority.

9 Fees, Charges and Expenses

- 9.1** Client owes and must pay the fees and charges, including our account fees and brokerage fees, in relation to the MDA Service provided to Client. Our fees and charges applying at the commencement of the Agreement will be disclosed to Client prior to the commencement of the MDA Service to Client.
- 9.2** Client owes and must pay the expenses and reimburse us for any costs, charges and expenses (including stamp duty and GST less any input tax credits or reduced input tax credits or both, on transactions made on Client's behalf) and any fees imposed by a Facility and charges, in all of those cases directly or indirectly arising in relation to transactions for Client or arising from Client's defaults including Client's failure to pay for or settle Client's transactions or in relation to services provided by other persons which are obtained for the benefit of Client. The amounts of expenses or reimbursements cannot be notified in advance but in any case, will be as determined by us as being reasonably based having regard to the actual costs or, if that cannot be reasonably ascertained, as we reasonably determine should be allocated to Client. For clarity, this clause does not require Client to reimburse or otherwise pay us for taxes imposed on us for our taxable income.
- 9.3** We may change our fees and charges from time to time by written notice to Client. The notice may be given by email, letter, message posted to Client's Account or our website service, oral notice or any other effective means of giving notice and the notice will be effective whether or not Client actually read or accessed the notice. We will give not less than seven (7) days' notice of a change taking effect. Client's continued use of the MDA Service after the change takes effect is confirmation of Client's acceptance of the change in fees or charges. If Client does not agree with the change, Client must give us written notice to close Client's Account.
- 9.4** Client authorises us to withdraw from Client's Account such amount as is necessary to pay Client's fees, charges, and reimbursement for expenses and other amounts owing by Client to us under this agreement:
- (a) at such times, as is agreed with Client including by way of notification to Client or by a provision in an investment mandate accepted by Client; and

- (b) if not expressly agreed as provided for above, for transaction fees or charges, as they are incurred and otherwise monthly in arrears.

9.5 GST is payable on most fees, charges and payment for expenses and other amounts owing under the agreement. Unless otherwise specified, the fees and charges quoted or notified to Client are stated exclusive of GST. If GST is payable on any supply made by us under the agreement, Client must pay an additional amount equivalent to the GST at the time that payment to us is due. These rates are inclusive of the estimated net effect of GST (i.e. inclusive of GST, less any input tax credits or reduced input tax credits, or both).

10. Client's Warranties and Undertakings

- 10.1** Client warrants and, if applicable to the obligation below, undertakes that:
- (a) Client has the power to enter into and to perform this agreement.
 - (b) Client is not under any legal impediment or other impairment which makes, or could make, the terms of this agreement void, voidable or unenforceable.
 - (c) Client is not insolvent, under any form of external administration nor has Client agreed to make a settlement with, assignment to, or compromise with, its creditors.
 - (d) Client has disclosed all relevant information to us to allow us to perform to the best of our ability our duties to Client.
 - (e) All of the statements made by Client in the Application Form, or otherwise for the purposes of applying for this Agreement to be made or for establishing the Account, are true and correct and not misleading or deceptive.
 - (f) Client has had a reasonable opportunity to obtain all advisable or necessary independent advice for the purpose of deciding whether to enter into this agreement.
- 10.2** If Client enters into the agreement as a trustee, Client warrants in Client's personal capacity:
- (a) the trust has been duly constituted and is validly existing in compliance with all applicable laws and its trust deed has been duly executed and duly stamped, in each case in accordance with the laws of each State and Territory of Australia unless otherwise expressly notified to us;
 - (b) the trust deed and its constituent documents give the trustee power to carry on all of the business activities now conducted by it in any capacity and to enter into and to comply with its obligations under, and to carry on the transactions contemplated by, this agreement;
 - (c) all necessary resolutions have been duly passed and all consents have been obtained and all other procedural matters have been attended to as required by the trust deed, any other document or any law for the entry into, observance and performance by the trustee of its obligations under this agreement;
 - (d) each of Client's obligations under, and the transactions contemplated by, this agreement constitutes binding obligations and is completely and lawfully enforceable against the trustee and in respect of the trust's property in accordance with their terms;
 - (e) nothing done under this agreement or any instructions given by Client is or will be a breach of any trust;

- (f) the assets of the relevant trust are, and at all relevant times will be, sufficient and available to the trustee in that capacity to discharge Client's obligations and liabilities under this agreement;
- (g) Client is the only trustee of the trust unless all trustees are described in the Application Form and any later change is promptly notified to us;
- (h) no property of the trust has been re-settled, set aside or transferred to any other trust or settlement;
- (i) the trust has not been terminated, nor has the date or any event for the vesting of the trust's property in its beneficiaries occurred;
- (j) no determination has been made to distribute the trust's property on a date which is earlier than the latest date under the trust deed by which the trust's property must be distributed;
- (k) there is no conflict of interest on the trustee's part in entering into this agreement and performing its obligations under it;
- (l) it has an unrestricted right to be fully indemnified, reimbursed or exonerated out of the trust's property in respect of any losses or liabilities incurred by it as trustee and the trust's property is sufficient to satisfy that right of indemnity, reimbursement or exoneration; and
- (m) it has complied with its obligations in connection with the trust.

10.3 Each warranty by Client in this clause or elsewhere in this agreement is deemed to be repeated on each day that this agreement subsists.

11. Limitation of Liability

11.1 Preserved Liability means:

- (a) any liability which by law may not be excluded, limited or qualified; and
- (b) any liability, or duty for which we are liable, specified in the agreement which we have expressly agreed may not be excluded, limited or qualified.

11.2 Subject to a Preserved Liability and except if directly due to our breach of law, negligence, wilful default of the agreement or our dishonesty, to the extent permitted by law, we are not liable to Client for the following:

- (a) our acts or omissions in reliance on Client's obligations under the agreement, Client's instructions or any other information we have relied upon provided by Client including by Client's authorised representative, agent or other representative;
- (b) events or circumstances beyond our reasonable control, including (without limitation) acts of agents and other service providers used by us to perform the MDA Service, currency restrictions, disruption of the normal services by others, liquidation or insolvency by persons who are not related bodies corporate, acts of war or terrorism, riots, revolution or other similar events or acts;
- (c) an act or omission required by law or by a court of competent jurisdiction;
- (d) any actual or asserted fiduciary duty which is not expressly stated in this agreement;
- (e) any payment having been made to a fiscal authority, including but not limited to any taxes, stamp duty or government charges;

(f) any act or omission of an operator of a securities title, transfer or holding system; and

(g) economic, indirect or consequential loss, whether or not those losses overlap (including, in any case, but not limited to loss of anticipated profits or savings), whether or not reasonably foreseeable.

11.3 Subject to a Preserved Liability, we are not responsible for any loss or liability incurred by Client to the extent arising from us acting or refraining to act within the discretionary limits authorised by Client, or if any dealing or proposed dealing is interrupted, fails to complete or take place due to the failure of any telephone, computer or other electronic service or third-party act or omission.

11.4 To the extent permitted by law, our aggregate liability to Client under the agreement is limited to the fees Client has paid us in the two years preceding the breach or to the supply of the MDA Service again, as we choose. If it is determined by a court that by law we are not permitted to disclaim or to limit our liability to Client or we are not permitted to limit the amount of compensation we may be liable for, or any of those limitations are unenforceable, then those limits are severed from this agreement as though they were not in it from the beginning of this agreement.

12. Indemnities

12.1 Subject to a Preserved Liability, Client indemnifies us against all losses, claims, damages, costs and expenses (including all reasonable legal expenses actually incurred) or any other remedies arising directly or indirectly as a result of:

- (a) taxes and other government levies or charges imposed on Client's Property or transactions made for Client;
- (b) Client's breach of this agreement;
- (c) Client's breach of any law or regulation;
- (d) us acting in accordance with Client's instructions or relying on information given by Client or Client's behalf; and
- (e) claims of any kind by any third parties in relation to the MDA Service or Client's Account, except to the extent the claims, damages, costs and expenses were a result of our negligence, wilful misconduct or fraud or our breach of this agreement (including breach of any duties however they arise). This provision survives termination of the agreement.

13. Termination

13.1 You or we may terminate the MDA Contract by giving written notice to the other which is not more than 2 business days. The means of giving the written notice includes but not limited to the means set out in the Account Terms.

13.2 The MDA Contract will be terminated if ASIC notifies us that we may not rely on an exemption relating to the MDA Service. We will tell you that as soon as practicable.

13.3 Upon termination:

- (a) we must not exercise any discretion in relation to Client's Property but must comply with these MDA Service Terms as to how to deal with any Client's Property;

- (b) Client is responsible for giving express instructions to us to unwind Client's positions to transfer them to the control of Client or another person nominated by Client;
 - (c) we will use all reasonable endeavours to transfer to Client or Client's nominee (acceptable to us) all of Client's Property and rights in relation to Client's Account, subject to Client providing sufficient details and instructions for this to occur;
 - (d) if Client does not provide appropriate instructions regarding the closure of Client's Account, we will close Client's Account (including closing at a time of our choosing Client's open positions and selling Client's other Financial Products at Client's cost and risk) and send (or attempt to send) Client payment for any surplus after deducting all fees, charges and expenses or indemnified amounts;
 - (e) Client acknowledges that it may take some time to unwind Client's positions depending on factors such as the relevant markets and liquidity and that will be at Client's cost and risk;
 - (f) Client owes and must pay us all our accrued fees, charges and expenses and other costs for reimbursement or indemnification;
 - (g) we may deal with Property in Client's Account to settle or to set-off any existing obligations under the Account Terms; and
 - (h) unless otherwise specified, we will promptly deliver to Client all final accounts and reports in relation to Client's Account after we transfer to Client's control Client's Property except for tax reporting which will not occur until in the ordinary course following the end of the financial year in which termination occurs;
 - (i) our rights and duties in respect of any documents disclosed to us by or on behalf of Client (including any part of any Statement of Advice) survive termination; and
 - (j) termination will not affect any transaction properly commenced prior to termination, nor any other claim which either party may have against the other.
- 13.4** We must have and maintain written policies:
- (a) setting out the steps we will take to ensure that if the MDA Contract is terminated, the Client's Property will be dealt with in accordance with the requirements referred to in clause 13.3; and
 - (b) that are available to you free of charge on request.
- 13.5** Termination of the authority to manage does not terminate obligations which accrue up to the time of termination, including any fees for management. Such obligations (including payment obligations) survive termination of this agreement.
- 14. Laws and Regulations**
- 14.1** All dealings between Client and us are subject to the following (without limiting other applicable laws):
- (a) Corporations Act 2001 (Commonwealth) (including the relevant regulations, ASIC instruments and other legislative instruments);
 - (b) Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Commonwealth); and
 - (c) rules, customs, usages, practices and regulations of any Facility which is relevant to Client's transactions.
- 14.2** To the extent any of the laws and regulations referred to in clause 14.1 or otherwise applying is inconsistent with the agreement, the laws and regulations prevail.
- 15. Complaint Handling**
- 15.1** If Client has any complaint about the MDA Service, we will follow our dispute resolution policy.
- 16. General**
- 16.1** Time is of the essence of performance of a party's obligations under this agreement. If this agreement specifies when the party must perform an obligation or the last time to perform the obligation, the party must perform it by the time specified. Each party must perform all other obligations promptly.
- 16.2** Client must pay us any sum due under this agreement, including those described in clause 12, fully without deduction or set-off (and irrespective of any counterclaim) whatsoever.
- 16.3** A reference to interest in the agreement or to a charge or expense which could include interest will be interest at a rate determined by us as being a reasonable estimate of our direct and indirect costs which give rise to that interest and related or ancillary Services. Those costs need not be interest themselves. We do not need to give reasons or evidence supporting our determinations of the rate of interest.
- 16.4** A party to the agreement may exercise a right or remedy or give or refuse its consent in any way it considers appropriate (including by imposing conditions), unless this agreement expressly states otherwise.
- 16.5** If a party to the agreement does not exercise a right or remedy fully or at a given time, the party may still exercise it later.
- 16.6** A party is not liable for loss caused by the exercise or attempted exercise of, failure to exercise, or delay in exercising, a right or remedy under this agreement.
- 16.7** By giving its approval or consent, a party does not make or give any warranty or representation as to any circumstance relating to the subject matter of the consent or approval.
- 16.8** The rights and remedies provided in this agreement are in addition to other rights and remedies given by law independently of this agreement.
- 16.9** The indemnities and rights to be reimbursed in this agreement are continuing obligations, independent from the other obligations of the parties under this agreement and continue after this agreement ends. It is not necessary for a party to incur expense or make payment before enforcing a right of indemnity or reimbursement under this agreement.
- 16.10** All notices must be in English. Unless otherwise specified or agreed, all notices may be given by a person to the other in writing by hand delivery, email, other electronic communication service (including by our website service) or post.
- 16.11** Nothing in the agreement may be taken as giving rise to a relationship of employment, joint venture or partnership nor as to any agency except as specified in the agreement.

- 16.12** Failure or neglect by a party to this agreement to enforce any of the provisions of this agreement must not be construed as, nor may be deemed to be, a waiver of their rights under this agreement nor in any way affect the validity of the whole or any part of this agreement nor prejudice our rights to take subsequent action.
- 16.13** If Client is comprised of two or more persons, each person constituting Client is jointly and severally liable for the obligations under these MDA Service Terms. We may discharge our duties to all of the persons who comprise Client by sending notices or payments to any one of the persons. We may act on the instructions of any one of those persons.
- 16.14** An agreement, representation or warranty by two or more persons binds them jointly and each of them individually.
- 16.15** Client may not assign this agreement, because it is personal to Client. We may assign this agreement (including the benefit and the burden of it) by giving not less than twenty (20) business days' notice of that to Client.
- 16.16** Except as specified otherwise, the agreement cannot be amended or varied except in writing and either:
- (a)** agreed by or on behalf of the parties; or
 - (b)** by us giving not less than ten (10) business days' prior notice to Client.
- 16.17** If any term or other provision of the agreement is held by a court to be illegal, invalid or unenforceable under the applicable law, then that term or provision is to be interpreted as being severed from the agreement and the remaining MDA Service Terms will be unaffected by that.
- 16.18** The agreement is governed by and must be construed in accordance with the laws in force in New South Wales. The parties submit to the non-exclusive jurisdiction of the courts operating in New South Wales.

17. Interpretation

- 17.1** In the agreement:
Account has the meaning given in clause 6.1.

Account Terms means the prevailing terms applicable to the Account (other than the MDA Service terms).

Application Form means the application form, completed by or on behalf of Client, which refers to these MDA Service Terms or to the agreement to be made on these MDA Service Terms upon acceptance of the application in the form. The form may be in hardcopy or electronic form and need not be signed by or on behalf of Client in order for it to be effective and binding on Client.

MDA Service Terms or to the agreement to be made on these MDA Service Terms upon acceptance of the application in the form. The form may be in hardcopy or electronic form and need not be signed by or on behalf of Client in order for it to be effective and binding on Client.

ASIC MDA Instrument means ASIC Corporations (Managed Discretionary Accounts) Instrument 2016/968 made by ASIC, as amended or superseded from time to time. A reference to this instrument includes a reference to any later instrument made by ASIC which substantially replaces or supersedes this instrument.

Business day means a week-day in Sydney, New South Wales, other than a public holiday in Sydney.

Facility means a facility for a market or exchange in Financial Products, or for clearing and settlement of transactions in Financial Products, or for making payments for those services.

Financial Product means any financial product as defined for the purposes of the Corporations Act 2001 (Commonwealth).

GST means the tax imposed by A New Tax System (Goods and Services Tax) Act 1999 and A New

Tax System (Goods and Services Tax) Transition Act 1999 and related tax imposition Acts of the Commonwealth of Australia.

Investment Mandate means a document of that name or description which is referred to in, and incorporated by reference to, an Investment Program.

Investment Program means a program for investing Client's Property through an MDA Service.

Managed Account has the meaning given in clause 6.2.

MDA Service has the meaning given to it in clause 3.1. MDA Service Terms means the terms set out in this document, as amended from time to time.

Preserved Liability has the meaning given in clause 11.1.

Property means all Financial Products, cash or cash equivalent, choses in action and ancillary rights held on behalf of Client (whether by us or otherwise for or in the name of, Client) or accruing to Client as a result of the MDA Contract.

Statement of Advice means any document of that name or substance which provides personal advice to Client about the MDA Contract and the Investment Program.

- 17.2** Words in the agreement expressed in the singular include the plural and vice versa.
- 17.3** A reference in the agreement to a document or agreement includes any variation or replacement of it.
- 17.4** Headings in the MDA Service Terms are for reference only and do not in any way affect the meaning of this agreement.
- 17.5** Unless the context requires, a reference in the MDA Service Terms to any legislation includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinate legislation issued under that legislation or legislative provision.
- 17.6** A provision of the agreement must not be interpreted against our interests merely because these are standard MDA Service Terms provided by us.

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 you 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.

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).

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.

Dynamic Asset Consulting

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