

Cutcher & Neale Managed Portfolios

Issue date: November 2019

About this Managed Portfolio Disclosure Document

ISSUER AND TRUSTEE

This Managed Portfolio Disclosure Document (Disclosure Document) is issued by Diversa Trustees Limited (Trustee) ABN 49 006 421 638, AFSL 235153, RSE Licence No L0000635, in its capacity as Trustee of Mason Stevens Super (Fund), an APRA-regulated fund ABN 34 422 545 198.

The Trustee is required to disclose certain Trustee, Fund information and documentation on a website. This includes, but is not limited to, the following: the trust deed, the Product Distribution Statement (PDS), the most recent annual report and the names of each material outsourced service provider to the Fund. Please see the Trustee's website (www.diversa.com.au/trustee).

SPONSOR AND PROMOTER

Mason Stevens Limited (Mason Stevens) ABN 91 141 447 207, AFSL 351578, is the Sponsor and Promoter of the Fund.

An investment in the Fund is neither a deposit nor liability of Mason Stevens Group of companies, Mason Stevens or the Trustee or any of their associated entities.

Fund members and their financial advisers can access account and investment information, as well as make transactions through the secure, online Mason Stevens investment service (Service).

INVESTMENT MANAGER

Mason Stevens Asset Management (MSAM) is the investment manager of the Fund. MSAM has sub contracted the activities of some of its investment functions to Cutcher & Neale Financial Services Pty Ltd (Cutcher & Neale) ABN 22 160 682 879, AFSL 433814, for specific financial products or strategies within Mason Stevens Super.

CUSTODIAN

Mason Stevens Limited is the custodian of all Fund assets and has appointed National Australia Bank Limited ABN 12 004 044 937, AFSL 230686 as primary sub-custodian.

ADMINISTRATOR

FNZ Australia Limited ABN 67 138 819 119 (Administrator) is the administrator of the Fund.

IMPORTANT INFORMATION

This Disclosure Document is a summary of significant information about the Cutcher & Neale Managed Portfolios. The information contained in this Disclosure Document is incorporated by reference into the Mason Stevens Super PDS, Mason Stevens Super Additional Information Guide and the Mason Stevens Super Investment Guide. It should be read in conjunction with these documents, and the disclosure documents of any insurance policies, managed funds or other Managed Portfolios. These documents are available from your financial adviser or www.masonstevens.com.au/super

This Disclosure Document, and other documents, is not intended to be, and should not be construed in any way as, investment, legal, taxation or financial advice.

As at the date of issue the information contained in this Disclosure Document and associated PDS is correct under superannuation laws and regulations. However, these laws and regulations may change. In the event of a material change to any information in this Disclosure Document and associated PDS, irrespective of whether it is adverse or not, the Trustee will notify existing members either via the website or in writing within the time frames required by law. Updated information is available online at www.masonstevens.com.au/super

The information contained in the Disclosure Document and associated PDS is general information only and has been prepared without taking into consideration your investment objectives, circumstances, or your personal financial situation or needs. Before acting on the information in this Disclosure Document you should consider seeking financial advice tailored to your own objectives, circumstances, financial situation and needs.

As permitted by the Trust Deed, we may change the terms and conditions of the Fund. The Trustee may also add, change or close any investment choice or insurance option and this may include making changes to asset allocations, benchmarks and investment strategies without prior notice to you.

All 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 Super is only available through licensed financial advisers. To invest, contact your financial adviser.

About the managed portfolios

CUTCHER & NEALE CONSERVATIVE MANAGED PORTFOLIO

Investment manager Cutcher & Neale

The investment manager is responsible for designing and managing the composition of this managed portfolio to meet the investment objectives and investment strategy detailed below.

Inception date March 2018

Holding limit Up to 100% of your portfolio (members are required to maintain their minimum cash balance as stated in the Mason Stevens Super Additional Information Guide).

Investment objective To invest in asset classes that provide a relatively low risk investment return with high levels of liquidity.

Investment strategy and approach Investment portfolio split is 60% defensive assets and 40% growth assets. High exposure to fixed interest securities, but also some exposure to equity and property markets.

Designed for This managed portfolio may be suited to investors comfortable with a portfolio of diversified investments with an emphasis on fixed interest.

The investment manager will aim to achieve positive performance predominantly through income and a small amount of capital growth with low levels of volatility over a period of three years or more, net of fees and costs.

Benchmark Return Morningstar Aus Msec Conservative TR AUD Index

Indicative number of securities 5-25

Asset allocation ¹	Asset class	Target weight %	Allocation range %
	Australian equity	20	0-30
	International equity	15	0-25
	Australian fixed income	55	0-60
	Property	5	0-20
	Cash ²	5	2-40

Investment universe Investments are limited to cash, bonds, equities, managed funds or exchange traded funds (ETFs).

Maximum single security or fund weighting 20%

Minimum suggested timeframe 3-5 years

CUTCHER & NEALE CONSERVATIVE MANAGED PORTFOLIO (cont)

Minimum initial investment	\$25,000
Minimum additional investment	\$12,500
Derivative restrictions	The investment manager does not use derivatives directly. Underlying managed funds may utilise derivatives.
Investment manager fee	0.55% pa
Indirect cost ratio	The estimated ICR at the date of this Disclosure Document is 0.14% pa, however changes to underlying investments will result in changes to the ICR. This fee may include a performance fee charged by the underlying investments.
Performance fee	Nil
Standard risk measure	4 - Medium The estimated likelihood of a negative return is two to less than three years in 20 years. The standard risk measure is a way of describing the level of risk of different investment options and provides a guide on the expected number of negative annual returns over any 20-year period. It does not consider all forms of investment risk. Please refer to the Mason Stevens Investment Guide for more information about the standard risk measure.

- 1 Allocation of assets may be within the allocation range stated. The above target weight is indicative only. At any point in time the actual allocation may be very different to the target weights stated in this document.
- 2 A cash management rate will apply to the cash account portion you hold in the managed portfolio. Please refer to the Mason Stevens Super Investment Guide for further information.

CUTCHER & NEALE BALANCED MANAGED PORTFOLIO

Investment manager Cutcher & Neale
The investment manager is responsible for designing and managing the composition of this managed portfolio to meet the investment objectives and investment strategy detailed below.

Inception date March 2018

Holding limit Up to 100% of your portfolio (members are required to maintain their minimum cash balance as stated in the Mason Stevens Super Additional Information Guide).

Investment objective To provide the investor with exposure to fully franked, reliable dividend income from companies listed on the ASX, as well as long term growth opportunities from international equities via ETFs. The portfolio will also maintain exposure to low risk asset classes such as fixed interest that offer a lower level of volatility than growth oriented asset classes.

Investment strategy and approach Investment portfolio split is 40% defensive assets and 60% growth assets. Slightly higher exposure to equity and property markets, than to fixed interest securities.

Designed for This managed portfolio may be suited to investors comfortable with a balanced portfolio of investments across growth and defensive asset classes.
This managed portfolio will aim to achieve a satisfactory market related return over the longer term (at least five years) with potential for moderate capital volatility in the shorter term.

Benchmark return Morningstar Aus Msec Balanced TR AUD Index

Indicative number of securities 5-25

Asset allocation ¹	Asset class	Target weight %	Allocation range %
	Australian equity	25	0-40
	International equity	30	0-40
	Australia fixed income	35	0-50
	Property	5	0-20
	Cash ²	5	2-30

Investment universe Investments are limited to cash, equities, managed funds or ETFs.

Maximum single security or fund weighting 20%

Minimum suggested timeframe 4-6 years

CUTCHER & NEALE BALANCED MANAGED PORTFOLIO (cont)

Minimum initial investment	\$25,000
Minimum additional investment	\$12,500
Derivative restrictions	The investment manager does not use derivatives directly. Underlying managed funds may utilise derivatives.
Investment manager fee	0.55% pa
Indirect cost ratio	The estimated ICR at the date of this Disclosure Document is 0.14% pa, however changes to underlying investments will result in changes to the ICR. This fee may include a performance fee charged by the underlying investments.
Performance fee	Nil
Standard risk measure	<p>5 - Medium to High</p> <p>The estimated likelihood of a negative return is three to less than four years in 20 years. The standard risk measure is a way of describing the level of risk of different investment options and provides a guide on the expected number of negative annual returns over any 20-year period. It does not consider all forms of investment risk. Please refer to the Mason Stevens Investment Guide for more information about the standard risk measure.</p>

1 Allocation of assets may be within the allocation range stated. The above target weight is indicative only. At any point in time the actual allocation may be very different to the target weights stated in this document.

2 A cash management rate will apply to the cash account portion you hold in the managed portfolio. Please refer to the Mason Stevens Super Investment Guide for further information.

CUTCHER & NEALE GROWTH MANAGED PORTFOLIO

Investment manager Cutcher & Neale
The investment manager is responsible for designing and managing the composition of this managed portfolio to meet the investment objectives and investment strategy detailed below.

Inception date March 2018

Holding limit Up to 100% of your portfolio (other than the minimum cash requirement).

Investment objective The portfolio will aim to provide reliable dividend yields and growth potential via investments in companies listed on the ASX, as well as exposure to long term capital growth opportunities from investment in international equities via ETFs. The portfolio will also maintain a relatively low exposure to low risk asset classes that provide liquidity.

Investment strategy and approach Investment portfolio split is 20% defensive assets and 80% growth assets. The portfolio has a high exposure to equities to provide long term capital growth. Small defensive exposure may slightly reduce the short term volatility.

Designed for This managed portfolio may be suited to investors comfortable with a balanced portfolio of investments with a moderate tilt towards the higher growth asset classes of Australian and international shares. The managed portfolio is designed with a long term time horizon of five years or more. It will exhibit some volatility in the short term.

Benchmark return Morningstar Aus Msec Growth TR AUD Index

Indicative number of securities 5-25

Asset allocation¹	Asset class	Target weight %	Allocation range %
	Australian equity	32	0-40
	International equity	43	0-55
	Australian fixed income	15	0-30
	Property	5	0-25
	Cash ²	5	2-30

Investment universe Investments are limited to cash, equities, managed funds or ETFs.

Maximum single security or fund weighting 20%

Minimum suggested timeframe 5-7 years

CUTCHER & NEALE GROWTH MANAGED PORTFOLIO (cont)

Minimum initial investment	\$25,000
Minimum additional investment	\$12,500
Derivative restrictions	The investment manager does not use derivatives directly. Underlying managed funds may utilise derivatives.
Investment manager fee	0.55% pa
Indirect cost ratio	The estimated ICR at the date of this Disclosure Document is 0.16% pa, however changes to underlying investments will result in changes to the ICR. This fee may include a performance fee charged by the underlying investments.
Performance fee	Nil
Standard risk measure	6 - High The estimated likelihood of a negative return is four to less than six years in 20 years. The standard risk measure is a way of describing the level of risk of different investment options and provides a guide on the expected number of negative annual returns over any 20-year period. It does not consider all forms of investment risk. Please refer to the Mason Stevens Investment Guide for more information about the standard risk measure.

- 1 Allocation of assets may be within the allocation range stated. The above target weight is indicative only. At any point in time the actual allocation may be very different to the target weights stated in this document.
- 2 A cash management rate will apply to the cash account portion you hold in the managed portfolio. Please refer to the Mason Stevens Super Investment Guide for further information.

CUTCHER & NEALE HIGH GROWTH MANAGED PORTFOLIO

Investment manager Cutcher & Neale
The investment manager is responsible for designing and managing the composition of this managed portfolio to meet the investment objectives and investment strategy detailed below.

Inception date March 2018

Holding limit Up to 100% of your portfolio (other than the minimum cash requirement)

Investment objective The portfolio will provide exposure to reliable, tax efficient dividend yields and growth potential via investment in companies listed on the ASX and exposure to long term capital growth opportunities from investment in international equities via ETFs.

Investment strategy and approach Investment portfolio split is 0% defensive assets and 100% growth assets. The portfolio has no exposure to defensive assets and is likely to produce minimal income.

Designed for This managed portfolio may be suited to investors comfortable with a portfolio of investments predominantly in Australian and international shares. Due to the inherently high levels of volatility associated with these asset classes, this managed portfolio is suited to people with an investment horizon of at least seven years. It is not suitable for investors requiring a high level of income, or those with a low tolerance to risk.

Benchmark return Morningstar Aus Msec Aggressive TR AUD Index

Indicative number of securities 5-25

Asset allocation¹	Asset class	Target weight %	Allocation range %
	Australian equity	38	0-70
	International equity	55	0-70
	Australian fixed income	0	0-20
	Property	5	0-30
	Cash ²	2	2-30

Investment universe Investments are limited to cash, equities, managed funds or ETFs.

Maximum single security or fund weighting 20%

Minimum suggested timeframe 7+ years

CUTCHER & NEALE HIGH GROWTH MANAGED PORTFOLIO (cont)

Minimum initial investment \$25,000

Minimum additional investment \$12,500

Derivative restrictions The investment manager does not use derivatives directly. Underlying managed funds may utilise derivatives.

Investment manager fee 0.55% pa

Indirect cost ratio The estimated ICR at the date of this Disclosure Document is 0.14% pa, however changes to underlying investments will result in changes to the ICR. This fee may include a performance fee charged by the underlying investments.

Performance fee Nil

Standard risk measure 6 - High

The estimated likelihood of a negative annual return is four to less than six years in 20 years. The standard risk measure is a way of describing the level of risk of different investment options and provides a guide on the expected number of negative annual returns over any 20-year period. It does not consider all forms of investment risk. Please refer to the Mason Stevens Investment Guide for more information about the standard risk measure.

- 1 Allocation of assets may be within the allocation range stated. The above target weight is indicative only. At any point in time the actual allocation may be very different to the target weights stated in this document.
- 2 A cash management rate will apply to the cash account portion you hold in the managed portfolio. Please refer to the Mason Stevens Super Investment Guide for further information.

CUTCHER & NEALE AUSTRALIAN SHARES MANAGED PORTFOLIO

Investment manager	Cutcher & Neale		
	The investment manager is responsible for designing and managing the composition of this managed portfolio to meet the investment objectives and investment strategy detailed below.		
Inception date	July 2019		
Holding limit	Up to 100% of your portfolio (other than the minimum cash requirement)		
Investment objective	The investment objective of the Cutcher & Neale Australian Shares Managed Portfolio is to provide clients with medium and long term investment returns via a concentrated exposure to investments predominantly listed within the S&P/ASX 200.		
Investment strategy and approach	<p>The portfolio strategy is to invest predominantly in companies that will enable it to generate consistent dividend income and associated franking credits, with some capital growth over time. The portfolio is not guided by or bound by the index weightings of the broader benchmark indices, and does take into consideration an appropriate balance of weightings between various investment sectors.</p> <p>The strategy of the portfolio will be active to the extent that investments will be reviewed regularly and the composition will be scrutinised to ensure that it is well placed to achieve its goal. The annual portfolio turnover will be dependent on market conditions and the performance of individual stocks within the portfolio. The investment methodology will be guided by a selection of available broker research, relevant technical analysis, and other stock-specific and macroeconomic news and data.</p>		
Designed for	Clients who value medium and long term investment returns via a concentrated exposure to investments predominantly listed within the S&P/ASX 200.		
Benchmark return	S&P/ASX 200 Accumulation Index		
Indicative number of securities	5-35		
Asset allocation¹	Asset class	Target weight %	Allocation range %
	Australian equity	98	2-98
	Cash ²	2	2-50
Investment universe	Investments are limited to cash, equities, managed funds or ETFs.		
Maximum single security or fund weighting	20%		
Minimum suggested timeframe	5+ years		

CUTCHER & NEALE AUSTRALIAN SHARES MANAGED PORTFOLIO (cont)

Minimum initial investment	\$50,000
Minimum additional investment	\$25,000
Derivative restrictions	The investment manager does not use derivatives directly. Underlying managed funds may utilise derivatives.
Investment manager fee	1.10% pa
Indirect cost ratio	The estimated ICR at the date of this Disclosure Document is nil, however changes to underlying investments will result in changes to the ICR. This fee may include a performance fee charged by the underlying investments.
Performance fee	Nil
Standard risk measure	6 - High The estimated likelihood of a negative annual return is four to less than six years in 20 years. The standard risk measure is a way of describing the level of risk of different investment options and provides a guide on the expected number of negative annual returns over any 20-year period. It does not consider all forms of investment risk. Please refer to the Mason Stevens Investment Guide for more information about the standard risk measure.

- 1 Allocation of assets may be within the allocation range stated. The above target weight is indicative only. At any point in time the actual allocation may be very different to the target weights stated in this document.
- 2 A cash management rate will apply to the cash account portion you hold in the managed portfolio. Please refer to the Mason Stevens Super Investment Guide for further information.

CUTCHER & NEALE INTERNATIONAL SHARES MANAGED PORTFOLIO

Investment manager Cutcher & Neale
The investment manager is responsible for designing and managing the composition of this managed portfolio to meet the investment objectives and investment strategy detailed below.

Inception date July 2019

Holding limit Up to 100% of your portfolio (other than the minimum cash requirement)

Investment objective The investment objective of the Cutcher & Neale International Shares Managed Portfolio is to provide clients with exposure to international equities.

Investment strategy and approach The portfolio strategy is to invest primarily in a mix of international shares, and to a lesser extent, indices (via ETFs listed on the ASX or other major stock exchanges). The portfolio may also include managed funds in exceptional circumstances. The portfolio will seek to provide a concentrated geographic or thematic exposure, as well as obtain direct exposure to a number of listed international shares that either have a compelling longer term growth story, or provide shorter term strategic opportunities.

Designed for Clients who want exposure to international equities.

Benchmark return MSCI World Ex Australia NR AUD Index

Indicative number of securities 5-35

Asset allocation¹	Asset class	Target weight %	Allocation range %
	Australian equity	0	0-20
	International equity	98	0-98
	Cash ²	2	2-50

Investment universe Predominantly internationally listed shares on approved exchanges globally.
The portfolio may, to a lesser extent, utilise exchange traded funds (ETFs), listed and unlisted managed funds and cash.

Maximum single security or fund weighting 20%

Minimum suggested timeframe 5+ years

CUTCHER & NEALE INTERNATIONAL SHARES MANAGED PORTFOLIO (cont)

Minimum initial investment \$50,000

Minimum additional investment \$25,000

Derivative restrictions The investment manager does not use derivatives directly. Underlying managed funds may utilise derivatives.

Investment manager fee 1.10% pa

Indirect cost ratio The estimated ICR at the date of this Disclosure Document is 0.01%, however changes to underlying investments will result in changes to the ICR. This fee may include a performance fee charged by the underlying investments.

Performance fee Nil

Standard risk measure 6 - High

The estimated likelihood of a negative annual return is four to less than six years in 20 years. The standard risk measure is a way of describing the level of risk of different investment options and provides a guide on the expected number of negative annual returns over any 20-year period. It does not consider all forms of investment risk. Please refer to the Mason Stevens Investment Guide for more information about the standard risk measure.

- 1 Allocation of assets may be within the allocation range stated. The above target weight is indicative only. At any point in time the actual allocation may be very different to the target weights stated in this document.
- 2 A cash management rate will apply to the cash account portion you hold in the managed portfolio. Please refer to the Mason Stevens Super Investment Guide for further information.

CUTCHER & NEALE FIXED INCOME MANAGED PORTFOLIO

Investment manager Cutcher & Neale

The investment manager is responsible for designing and managing the composition of this managed portfolio to meet the investment objectives and investment strategy detailed below.

Inception date March 2019

Holding limit Up to 100% of your portfolio (other than the minimum cash requirement)

Investment objective The Cutcher & Neale Fixed Income Managed Portfolio will invest predominantly in direct fixed income securities and cash. The portfolio has the ability to invest in managed funds, however this would be considered only by exception given the investment philosophy of holding securities directly wherever possible.

The portfolio will seek to generate returns primarily from interest and coupon payments. The portfolio is designed to exhibit low levels of volatility over time.

Investment strategy and approach The strategy of the portfolio is to extract enhanced income or distribution returns by investing in high quality and mostly liquid fixed income investments.

Designed for Clients who want returns from income generating investments with lower levels of volatility over time compared to that of equities.

Benchmark return RBA cash rate

Indicative number of securities 5-35

Asset allocation ¹	Asset class	Target weight %	Allocation range %
	Australian fixed income	75	2-98
	International fixed income	23	2-98
	Cash ²	2	2-50

Investment universe Direct investments in Australian and international fixed income securities, asset backed securities, corporate bonds, and hybrid securities. The portfolio may, to a lesser extent, utilise exchange traded funds (ETFs), listed and unlisted managed funds and cash.

Maximum single security or fund weighting 20%

Minimum suggested timeframe 3+ years

CUTCHER & NEALE FIXED INCOME MANAGED PORTFOLIO (cont)

Minimum initial investment	\$50,000
Minimum additional investment	\$25,000
Derivative restrictions	The investment manager does not use derivatives directly. Underlying managed funds may utilise derivatives.
Investment manager fee	1.10% pa
Indirect cost ratio	The estimated ICR at the date of this Disclosure Document is nil, however changes to underlying investments will result in changes to the ICR. This fee may include a performance fee charged by the underlying investments.
Performance fee	Nil
Standard risk measure	<p>3 – Low to Medium</p> <p>The estimated likelihood of a negative annual return is one to less than two years in 20 years. The standard risk measure is a way of describing the level of risk of different investment options and provides a guide on the expected number of negative annual returns over any 20-year period. It does not consider all forms of investment risk. Please refer to the Mason Stevens Investment Guide for more information about the standard risk measure.</p>

- 1 Allocation of assets may be within the allocation range stated. The above target weight is indicative only. At any point in time the actual allocation may be very different to the target weights stated in this document.
- 2 A cash management rate will apply to the cash account portion you hold in the managed portfolio. Please refer to the Mason Stevens Super Investment Guide for further information.

CUTCHER & NEALE OPPORTUNITIES MANAGED PORTFOLIO

Investment manager	Cutcher & Neale		
	The investment manager is responsible for designing and managing the composition of this managed portfolio to meet the investment objectives and investment strategy detailed below.		
Inception date	March 2019		
Holding limit	Up to 100% of your portfolio (other than the minimum cash requirement)		
Investment objective	The Cutcher & Neale Opportunities Managed Portfolio will invest primarily in a range of growth assets, with limited exposure to income assets. The primary exposure will be to growth assets, and as such is designed with the aim of delivering long term capital growth over time, with a relatively small amount of income. The portfolio will exhibit medium to high levels of volatility over time.		
Investment strategy and approach	<p>The strategy of the portfolio is to invest in listed equities, ETFs and managed funds that provide broad exposure to a range of alternative investment strategies. The strategy of the portfolio is to produce returns for investors which are uncorrelated to other asset classes. The portfolio is designed to capture opportunities locally and across the globe in a cost efficient and timely manner.</p> <p>The portfolio may invest across global futures markets, and across categories such as share indices, bonds, interest rates, currencies and commodities.</p>		
Designed for	Clients who want to invest in a range of growth assets, and as such is designed with the aim of delivering capital growth over time, with a relatively small amount of income.		
Benchmark return	RBA Cash Rate + 3%		
Indicative number of securities	1-35		
Asset allocation¹	Asset class	Target weight %	Allocation range %
	Australian equity	10	0-98
	International equity	85	0-98
	Cash ²	5	2-100
Investment universe	Securities listed on the ASX, listed and unlisted managed funds, exchange traded funds (ETFs), internationally listed shares, and cash. Derivatives (such as options) may be purchased for risk management purposes.		
Maximum single security or fund weighting	20%		
Minimum suggested timeframe	5+ years		

CUTCHER & NEALE OPPORTUNITIES MANAGED PORTFOLIO (cont)

Minimum initial investment	\$50,000
Minimum additional investment	\$25,000
Derivative restrictions	The investment manager does not use derivatives directly. Underlying managed funds may utilise derivatives.
Investment manager fee	1.10% pa
Indirect cost ratio	The estimated ICR at the date of this Disclosure Document is nil, however changes to underlying investments will result in changes to the ICR. This fee may include a performance fee charged by the underlying investments.
Performance fee	Nil
Standard risk measure	<p>6 - High</p> <p>The estimated likelihood of a negative annual return is four to less than six years in 20 years. The standard risk measure is a way of describing the level of risk of different investment options and provides a guide on the expected number of negative annual returns over any 20-year period. It does not consider all forms of investment risk. Please refer to the Mason Stevens Investment Guide for more information about the standard risk measure.</p>

- 1 Allocation of assets may be within the allocation range stated. The above target weight is indicative only. At any point in time the actual allocation may be very different to the target weights stated in this document.
- 2 A cash management rate will apply to the cash account portion you hold in the managed portfolio. Please refer to the Mason Stevens Super Investment Guide for further information.

CUTCHER & NEALE PROPERTY MANAGED PORTFOLIO

Investment manager Cutcher & Neale
The investment manager is responsible for designing and managing the composition of this managed portfolio to meet the investment objectives and investment strategy detailed below.

Inception date July 2019

Holding limit Up to 25% of your portfolio (other than the minimum cash requirement)

Investment objective The investment objective of the Cutcher & Neale Property Managed Portfolio is to obtain a positive rate of return by investing primarily in listed Australian and international real estate related securities.

Investment strategy and approach The strategy of the portfolio is to extract income or distribution returns, along with moderate growth over time by investing in high quality and mostly liquid real estate related securities.

Designed for Clients who want exposure to real estate related securities.

Benchmark return S&P/ASX 300 A-REIT Accumulation Index

Indicative number of securities 5-35

Asset allocation¹	Asset class	Target weight %	Allocation range %
	Australian equity	10	0-20
	International equity	10	0-20
	Property	78	0-98
	Cash ²	2	2-50

Investment universe Australian and international listed real estate securities, including REITs, ETFs, listed and unlisted managed funds and cash.

Maximum single security or fund weighting 20%

Minimum suggested timeframe 5+ years

CUTCHER & NEALE PROPERTY MANAGED PORTFOLIO (cont)

Minimum initial investment \$50,000

Minimum additional investment \$25,000

Derivative restrictions The investment manager does not use derivatives directly. Underlying managed funds may utilise derivatives.

Investment manager fee 1.10% pa

Indirect cost ratio The estimated ICR at the date of this Disclosure Document is 0.04% pa, however changes to underlying investments will result in changes to the ICR. This fee may include a performance fee charged by the underlying investments.

Performance fee Nil

Standard risk measure 5 – Medium to High

The estimated likelihood of a negative annual return is four to less than six years in 20 years. The standard risk measure is a way of describing the level of risk of different investment options and provides a guide on the expected number of negative annual returns over any 20-year period. It does not consider all forms of investment risk. Please refer to the Mason Stevens Investment Guide for more information about the standard risk measure.

- 1 Allocation of assets may be within the allocation range stated. The above target weight is indicative only. At any point in time the actual allocation may be very different to the target weights stated in this document.
- 2 A cash management rate will apply to the cash account portion you hold in the managed portfolio. Please refer to the Mason Stevens Super Investment Guide for further information.

About the investment manager

CUTCHER & NEALE

Cutcher & Neale is an accounting and financial advisory firm established in 1953.

In 1994, Cutcher & Neale expanded into investment services including wealth management, and financial planning. This division is known as Cutcher & Neale Investment Services.

Since 1994, the Investment Services division has been operating direct investment portfolios for clients using a similar investment philosophy and style to the portfolios offered under this service.

INVESTMENT PHILOSOPHY

Investment strategy and robust asset allocation can assist with maximising the benefits and minimising the risk across client portfolios. This is a key part of achieving clients' individual goals and objectives.

Cutcher & Neale has a structured approach to portfolio construction and security selection, which has been the basis of their investment management service for over 20 years. This approach is built on the following principles:

- Strategic asset allocation is a key driver of portfolio performance and is subject to regular review
- Long term, low turnover portfolios are preferred
- Investments are made within the context of a structured investment committee and thematic based investment methodology to identify key technology, demographic and economic trends and position portfolios to capture opportunities that may arise from these themes.

Individual securities are assessed for intrinsic value, liquidity, ratio analysis including price to earnings ratio, plus current and future dividend potential. Analysis is conducted in-house and is supported by broker research and a network of third party relationships the group accesses. Securities are predominantly large-cap stocks with small caps accessed as economic circumstances dictate.

Cutcher & Neale draws on research, opinions and data from a broad array of domestic and global providers. This flexibility and rigour behind the investment approach enhances the value in their client solution.

INVESTMENT PROCESS

The Cutcher & Neale's investment process incorporates a multi-step process in constructing and managing its investment portfolios. All decisions are taken within an investment committee where ideas are debated, discussed and documented.

Asset allocation

Cutcher & Neale's initial focus is on the delivery of high quality asset allocation within which investment decisions are taken. Cutcher & Neale believe that this is a key determinant of portfolio performance over time.

Macroeconomic trends and analysis

Cutcher & Neale starts by identifying regions, sectors, and themes that appear attractive and offer compelling value or momentum. These may be driven by economic, demographic, political or strategic factors (among others), and are derived from a broad selection of research, data, and critical analysis on diverse and nuanced insight.

Stock identification

An intensive process that draws on available research and market opinions to identify the companies that are best placed to exploit these opportunities. Factors such as intrinsic valuation, dividend potential, financial metrics such as price to earnings ratios, and fit with a preferred thematic are taken into consideration.

Risk management

An overarching focus on protecting client capital remains at the heart of the Cutcher & Neale investment process. This involves actively managing exposures across sectors, themes and geographic regions, and the use of cash as a strategic tool. Whilst Cutcher & Neale actively track and measure index correlations and benchmarks, they are not bound by them.

How the investment manager manages risk

The investment manager is unable to eliminate all investment risk, but does analyse, manage and aim to reduce the impact of risks by actively monitoring investment markets and portfolios and through the use of carefully considered investment guidelines.

Labour standards and environmental, social and ethical considerations

The Trustee does not take into account labour standards, environmental, social or ethical considerations when making the investments available. The approach in relation to any consideration of labour, environmental, social or ethical standards as part of the investment decision making process for the portfolio is left by the Trustee to the individual discretion of the investment manager. This investment strategy does not directly measure or incorporate labour, environmental, social or ethical standards as part of the investment decision-making process.

The investment manager is aware that these issues can influence social, business and investor outcomes. In certain circumstances they may consider these issues when making an investment decision. The investment manager's consideration of labour, environmental, social or ethical considerations are in its own right and not on behalf of the Trustee.

Execution of strategy

Mason Stevens Limited and its associated entities have been appointed by the Trustee to provide various services in relation to the Fund, including promoter, investment management and custody services. Mason Stevens and the Administrator are responsible for implementing the investment instructions of the investment manager by buying and selling assets, taking into consideration timing, trading costs (such as transaction fees and currency costs, if applicable) and the mandate of the portfolio. In certain circumstances Mason Stevens has the right to vary the managed portfolio. By investing in this managed portfolio, you instruct Mason Stevens and the Administrator to buy and sell assets on your behalf through the managed portfolio as advised by the investment manager.

Risks

Before you consider investing in this portfolio, it's important you understand the risks that can affect your investments. A summary of key risks is in the PDS.

See the 'Risks' section in the PDS. Please note this is not an exhaustive list of all the risks. The risks relevant to this portfolio reflect the underlying investments. For information about risks regarding your personal situation, please speak to your adviser.

Trade notifications

When the investment manager trades, or rebalances the portfolios, Mason Stevens (through the Service) may send you an advice notifying you of the trades being undertaken. This is called a 'trade notification'. The rebalance and reallocation of managed portfolios may occur regularly and you may receive a trade notification each time a rebalance or reallocation occurs.

Cutcher & Neale

PO Box 749
Newcastle NSW 2300

T: +61 4928 8500

F: +61 4927 8833

E: cnismail@cutcher.com.au

W: www.cutcher.com.au