

# East Private Wealth 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 PDS, the most recent annual report and the names of each material outsourced service provider to the Fund. Please see the Trustee's website ([diversa.com.au/trustee](http://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 making transactions through the secure, online Mason Stevens investment service (Service).

### INVESTMENT MANAGER

Mason Stevens Asset Management (MSAM) ABN 92 141 447 654 is the investment manager of the Fund. MSAM has sub contracted the activities of some of its investment functions to Enhanced Asset Management Pty Ltd ACN 635 499 857, a Corporate Authorised Representative (CAR 1278093) of Oreana Financial Services Pty Ltd ABN 70 136 022 921, 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

East Private Wealth Pty Ltd ABN 91 607 515 122 AFSL 482 234 (a Corporate Authorised Representative CAR 341 510 of Oreana Financial Services) is the distributor of this service.

This Disclosure Document is a summary of significant information about the East Private Wealth managed portfolios. The information contained in this Disclosure Document is incorporated by reference into the Mason Stevens Super PDS 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 [masonstevens.com.au/super](http://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 [masonstevens.com.au/super](http://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

EAST PRIVATE WEALTH CONSERVATIVE MANAGED PORTFOLIO			
<b>Portfolio manager</b>	Enhanced Asset Management  The portfolio manager is responsible for designing and managing the composition of this managed portfolio to meet the investment objectives and investment strategy detailed below.		
<b>Inception date</b>	October 2019		
<b>Holding limit</b>	Up to 100% of your account (members are required to maintain their minimum cash balance as stated in the Mason Stevens Super Additional Information Guide).		
<b>Investment objective</b>	<p>The Managed Portfolio provides access to a range of ETFs and individually listed securities, offering broad diversification across multiple asset classes.</p> <p>The Conservative Portfolio is biased towards income assets and is designed for investors with a low tolerance for risk. The Portfolio targets a 70% allocation to income asset classes and a 30% allocation to growth asset classes.</p>		
<b>Investment strategy and approach</b>	A conservatively biased core portfolio of Strategically Asset Allocated ETFs, which aims to track the returns of various global indices, stepping outside of this framework (in small to midcap Australian equities) when potential value-adding investments are identified.		
<b>Designed for</b>	Investors with a short to medium term investment horizon, seeking a steady source of income with some capital growth potential.		
<b>Benchmark</b>	Morningstar Australia Multisector Conservative TR AUD Index		
<b>Indicative number of securities</b>	5-30		
<b>Asset Allocation<sup>1</sup></b>	<b>Asset class</b>	<b>Target weight %</b>	<b>Allocation range %</b>
	Australian equity	12	5-25
	International equity	18	10-30
	International fixed interest	40	30-55
	Australian fixed interest	18	10-30
	Cash <sup>2</sup>	12	2-25
<b>Portfolio income</b>	All income derived from this portfolio will be retained in the portfolio or distributed to your Self Directed Portfolio (SDP) at your discretion.		
<b>Investment universe</b>	Australian equities, Exchange Traded Funds (ETFs).		
<b>Maximum single ETF weight (%)</b>	45%		
<b>Maximum non-ETF portfolio holdings (%)</b>	25%		
<b>Maximum single equity weight at inception</b>	7.5%		
<b>Minimum suggested timeframe</b>	3-5 years		

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.

## EAST PRIVATE WEALTH CONSERVATIVE MANAGED PORTFOLIO (cont)

<b>Minimum initial investment</b>	\$100,000
<b>Minimum additional contribution</b>	\$20,000
<b>Minimum redemption amount</b>	\$20,000
<b>Derivative restrictions</b>	The investment manager does not use derivatives directly. Underlying managed funds may utilise derivatives.
<b>Investment manager fee</b>	0.407%* p.a. (inclusive of GST) of the balance in the Managed Portfolio.
<b>Indirect cost ratio</b>	The estimated ICR at the date of this Disclosure Document is 0.17% p.a., however changes to underlying investments will result in changes to the ICR. This fee may include a performance fee charged by the underlying investments.
<b>Performance fee</b>	22% of the outperformance of the portfolio above the Benchmark, being the Morningstar Australia Multisector Conservative TR AUD Index.
<b>Standard risk measure</b>	The estimated likelihood of a negative annual return is half to one year 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.

\*Of the total management fees, 0.077% pa of the fee will be retained by the Mason Stevens for services related to the investment management activities on each of the portfolios.

## EAST PRIVATE WEALTH BALANCED MANAGED PORTFOLIO

**Portfolio manager** Enhanced Asset Management  
The portfolio 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** October 2019

**Holding limit** Up to 100% of your account (members are required to maintain their minimum cash balance as stated in the Mason Stevens Super additional information guide).

**Investment objective** The Managed Portfolio provides access to a range of ETFs and individually listed securities, offering broad diversification across multiple asset classes.  
The Balanced Portfolio is designed for investors seeking a balance between income and capital growth. The Fund targets a 50% allocation to income asset classes and a 50% allocation to growth asset classes.

**Investment strategy and approach** A balanced biased core portfolio of Strategically Asset Allocated ETFs, which aims to track the returns of various global indices, stepping outside of this framework (in small to midcap Australian equities) when potential value-adding investments are identified.

**Designed for** Investors with a medium-term investment horizon, seeking a balance between income and capital growth potential.

**Benchmark** Morningstar Australia Multisector Balanced Investor TR AUD

**Indicative number of securities** 5-30

Asset Allocation <sup>1</sup>	Asset class	Target weight %	Allocation range %
	Australian Equity	20	10-35
	International Equity	29	15-45
	International fixed interest	34	20-45
	Australian fixed interest	15	5-25
	Cash <sup>2</sup>	2	2-5

**Portfolio income** All income derived from this portfolio will be retained in the portfolio or distributed to your Self Directed Portfolio (SDP) at your discretion.

**Investment universe** Australian Equities, Exchange Traded Funds (ETFs).

**Maximum single ETF weight (%)** 40%

**Maximum non-ETF portfolio holdings (%)** 30%

**Maximum single security weight at inception (%)** 7.5%

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.

## EAST PRIVATE WEALTH BALANCED MANAGED PORTFOLIO (cont)

<b>Minimum suggested timeframe</b>	5-7 years
<b>Minimum initial investment</b>	\$100,000
<b>Minimum additional contribution</b>	\$20,000
<b>Minimum redemption amount</b>	\$20,000
<b>Derivative restrictions</b>	The investment manager does not use derivatives directly. Underlying managed funds may utilise derivatives.
<b>Investment manager fee</b>	0.407%* p.a. (inclusive of GST) of the balance in the Managed Portfolio.
<b>Indirect cost ratio</b>	The estimated ICR at the date of this Disclosure Document is 0.16% p.a., however changes to underlying investments will result in changes to the ICR. This fee may include a performance fee charged by the underlying investments.
<b>Performance fee</b>	22% of the outperformance of the portfolio above the Benchmark, being the Morningstar Australia Multisector Balanced Investor TR AUD.
<b>Standard risk measure</b>	4 - Medium  The estimated likelihood of a negative annual return is two to 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.

\* Of the total management fees, 0.077% pa of the fee will be retained by Mason Stevens for services related to the investment management activities on each of the portfolios.

## EAST PRIVATE WEALTH GROWTH MANAGED PORTFOLIO

**Portfolio manager** Enhanced Asset Management  
The portfolio 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** October 2019

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

**Investment objective** The Managed Portfolio provides access to a range of ETFs and individually listed securities, offering broad diversification across multiple asset classes.  
The Growth Portfolio is biased towards growth assets and is designed for investors seeking long-term capital growth. The ETF targets a 30% allocation to income asset classes and a 70% allocation to growth asset classes.

**Investment strategy and approach** A growth biased core portfolio of Strategically Asset Allocated ETFs, which aims to track the returns of various global indices, stepping outside of this framework (in small to midcap Australian equities) when potential value-adding investments are identified.

**Designed for** Buy and hold investors seeking long term capital growth but requiring some diversification benefits of fixed income to reduce volatility.

**Benchmark** Morningstar Australia Multisector Growth TR AUD

**Indicative number of securities** 5-30

Asset Allocation <sup>1</sup>	Asset class	Target weight %	Allocation range %
	Australian Equities	27	15-45
	International equities	41	30-55
	International fixed interest	21	10-35
	Australian fixed interest	9	5-20
	Cash <sup>2</sup>	2	2-5

**Portfolio income** All income derived from this portfolio will be retained in the portfolio or distributed to your Self Directed Portfolio (SDP) at your discretion.

**Investment universe** Australian Equities, Exchange Traded Funds (ETFs).

**Maximum single equity weighting at inception (%)** 7.5%

**Maximum single ETF weighting (%)** 35%

**Maximum non-ETF portfolio holdings (%)** 35%

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.

## EAST PRIVATE WEALTH GROWTH MANAGED PORTFOLIO (cont)

<b>Minimum suggested timeframe</b>	7+ years
<b>Minimum initial investment</b>	\$100,000
<b>Minimum additional contribution</b>	\$20,000
<b>Minimum redemption amount</b>	\$20,000
<b>Derivative restrictions</b>	The investment manager does not use derivatives directly. Underlying managed funds may utilise derivatives.
<b>Investment manager fee</b>	0.407%* p.a. (inclusive of GST) of the balance in the Managed Portfolio.
<b>Indirect cost ratio</b>	The estimated ICR at the date of this Disclosure Document is 0.14% p.a., however changes to underlying investments will result in changes to the ICR. This fee may include a performance fee charged by the underlying investments.
<b>Performance fee</b>	22% of the outperformance of the portfolio above the Benchmark, being the Morningstar Australia Multisector Growth TR AUD.
<b>Standard risk measure</b>	5 - Medium to High  The estimated likelihood of a negative annual return is three to 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.

\* Of the total management fees, 0.077% pa of the fee will be retained by Mason Stevens for services related to the investment management activities on each of the portfolios.

## EAST PRIVATE WEALTH HIGH GROWTH MANAGED PORTFOLIO

**Portfolio manager** Enhanced Asset Management  
The portfolio 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** October 2019

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

**Investment objective** The Managed Portfolio provides access to a range of ETFs and individually listed securities, offering broad diversification across multiple asset classes.  
The High Growth Portfolio invests mainly in growth assets and is designed for investors with a high tolerance for risk who are seeking long-term capital growth. The Fund targets a 10% allocation to income asset classes and a 90% allocation to growth asset classes.

**Investment strategy and approach** A high growth biased core portfolio of Strategically Asset Allocated ETFs, which aims to track the returns of various global indices, stepping outside of this framework (in small to midcap Australian equities) when potential value-adding investments are identified.

**Designed for** Buy and hold investors seeking long-term capital growth, and with a higher tolerance for the risks associated with share market volatility.

**Benchmark** Morningstar Australia Multisector Aggressive TR AUD

**Indicative number of securities** 5-30

Asset Allocation <sup>1</sup>	Asset class	Target weight %	Allocation range %
	Australian Equities	35	25-50
	International Equities	53	40-65
	International fixed interest	7	0-15
	Australian fixed interest	3	0-15
	Cash <sup>2</sup>	2	2-5

**Portfolio income** All income derived from this portfolio will be retained in the portfolio or distributed to your Self Directed Portfolio (SDP) at your discretion.

**Investment universe** Australian Equities, Exchange Traded Funds (ETFs).

**Maximum single equity weighting at inception (%)** 7.5%

**Maximum single ETF weighting (%)** 40%

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.



## EAST PRIVATE WEALTH HIGH GROWTH MANAGED PORTFOLIO (cont)

<b>Maximum non-ETF portfolio holdings (%)</b>	40%
<b>Minimum suggested timeframe</b>	7+ years
<b>Minimum initial investment</b>	\$100,000
<b>Minimum additional contribution</b>	\$20,000
<b>Minimum redemption amount</b>	\$20,000
<b>Derivative restrictions</b>	The Investment Manager does not use derivatives directly. Underlying managed funds may utilise derivatives.
<b>Investment manager fee</b>	0.407%* p.a. (inclusive of GST) of the balance in the Managed Portfolio.
<b>Indirect cost ratio</b>	The estimated ICR at the date of this Disclosure Document is 0.12% p.a. however changes to underlying investments will result in changes to the ICR. This fee may include a performance fee charged by the underlying investments.
<b>Performance fee</b>	22% of the outperformance of the portfolio above the Benchmark, being the Morningstar Australia Multisector Aggressive TR AUD.
<b>Standard risk measure</b>	6 - High  The estimated likelihood of a negative annual return is four to 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.

\* Of the total management fees, 0.077% pa of the fee will be retained by Mason Stevens for services related to the investment management activities on each of the portfolios.

## About the investment manager

### OREANA FINANCIAL SERVICES

Oreana Financial Services (Oreana) is part of the Oreana group of companies, a privately-owned business which has been in operation for over 19 years. Oreana is a financial services company that specialises in delivering expert financial planning and investment solutions for both local and expatriate clients. Oreana is the licensee for both Enhanced Asset Management and East Private Wealth who are related entities.

### ENHANCED ASSET MANAGEMENT

Enhanced Asset Management (EAM) is an Australian boutique investment manager established in 2019. EAM is focused on providing its clients with a structured and disciplined investment process with the aim of adding value to retail and wholesale investor portfolios. The EAM investment team have a long tenure in the financial services industry with a track record of delivering returns over various market cycles. This experience not only assists EAM investors but may also assist other financial planning practices to develop robust investment strategies and investment governance frameworks to drive better results for practices and their clients.

### INVESTMENT PHILOSOPHY

Enhanced Asset Management seeks to be fully invested and broadly diversified at all-times via low cost Index focused Exchange Traded Funds (ETFs). The portfolios are designed to position the investor for market return at a minimum. EAM then seeks to actively add value over broader market returns by taking positions within the Australian Equity allocation via small-mid cap stocks. EAM's stock selection process is fundamentally a bottom-up process. EAM first applies a filtering process to remove stocks from its investment universe that don't meet a range of pre-determined criteria. From there EAM seeks to find stocks via a combination of quantitative and qualitative assessment, that over time should add value over that of the broader market.

#### How does the investment manager manage 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 speak to your adviser.

### Trade confirmations

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 confirmation". The rebalance and reallocation of managed portfolios may occur regularly and you may receive a trade confirmation each time a rebalance or reallocation occurs.