

AdvicePlan Managed Portfolios

Issue date: May 2020

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 Disclosure 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 AdvicePlan (AdvicePlan) for specific financial products or strategies within Mason Stevens Super. Craven Cottage Pty Ltd ATF Chelsea Unit Trust (ABN 95 336 702 963) trading as AdvicePlan is an Authorised Representative of Synchronised Business Services Pty Ltd (Synchron) AFSL 243313.

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 AdvicePlan 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 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

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

ADVICEPLAN CONSERVATIVE PORTFOLIO			
Portfolio manager	<p>The portfolio manager is AdvicePlan.</p> <p>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.</p>		
Inception date	April 2018		
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 portfolio aims to generate a net return exceeding CPI +0.75% pa (after investment management fees and taxes) over rolling six year period.		
Investment strategy and approach	<p>The conservative investment option generally gains its exposure to a diversified portfolio of investments using a multi-manager investment approach. AdvicePlan selects and monitors investment managers within the following asset classes; Australian equities, international equities, fixed interest, alternatives and cash to establish and maintain an optimal combination.</p> <p>The conservative nature of this investment option means it has greater exposure to income bearing assets such as cash, fixed interest and alternative-defensive with some exposure to growth assets such as Australian and international shares.</p>		
Designed for	The AdvicePlan Conservative Portfolio is designed for investors looking for lower volatility in returns, but who are prepared to accept some exposure to growth assets.		
Target return	CPI +0.75% pa		
Indicative number of securities	8-20		
Asset allocation	Asset class	Target weight %	Allocation range %
	Australian equities	20	15-25
	International equities	14	10-18
	Fixed interest	44	40-49
	Cash ¹ & alternatives	22	18-26
Portfolio income	All income derived from this portfolio will be retained in the portfolio.		
Investment universe	Investments are limited to cash, Australian domiciled managed funds and exchange traded funds (ETFs).		

ADVICEPLAN CONSERVATIVE PORTFOLIO (cont)

Maximum single security or fund weighting	30%
Minimum suggested timeframe	6 years
Minimum investment	\$2,000
Derivative restrictions	The investment manager does not use derivatives directly. Underlying managed funds may utilise derivatives.
Investment manager fee	0.473% pa of the balance in the managed portfolio
Indirect cost ratio (ICR)	The estimated ICR at the date of this Disclosure Document is 0.35% 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 return is three to less than four years in 20. 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 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.

ADVICEPLAN BALANCED PORTFOLIO

Portfolio manager	<p>The portfolio manager is AdvicePlan.</p> <p>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.</p>		
Inception date	April 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	The portfolio aims to generate a net return exceeding CPI + 1.75% pa (after investment management fees and taxes) over rolling eight year period.		
Investment strategy and approach	<p>The balanced investment option generally gains its exposure to a diversified portfolio of investments using a multi-manager investment approach. AdvicePlan selects and monitors investment managers within the following asset classes; Australian equities, international equities, fixed interest, listed property, alternatives and cash to establish and maintain an optimal combination.</p> <p>The balanced nature of this investment option means it has a neutral exposure between growth assets such as Australian and international shares and property and income bearing assets such as cash, fixed interest and alternative -defensive assets.</p>		
Designed for	The AdvicePlan Balanced Portfolio is designed for investors looking for moderate to high returns over the medium to long-term, but who are prepared to accept some fluctuations in investment performance over shorter periods.		
Target return	CPI +1.75% pa		
Indicative number of securities	8-20		
Asset allocation	Asset class	Target weight %	Allocation range %
	Australian equities	33	27-39
	International equities	20	15-25
	Listed property	4	2-6
	Fixed interest	35	31-40
	Cash ¹ & alternatives	8	4-10
Portfolio income	All income derived from this portfolio will be retained in the portfolio.		

ADVICEPLAN BALANCED PORTFOLIO (cont)

Investment universe	Investments are limited to cash, Australian domiciled managed funds and ETFs.
Maximum single security or fund weighting	30%
Minimum suggested timeframe	8 years
Minimum investment	\$2,000
Derivative restrictions	The Investment Manager does not use derivatives directly. Underlying managed funds may utilise derivatives.
Investment manager fee	0.473% pa of the balance in the managed portfolio
Indirect cost ratio (ICR)	The estimated ICR at the date of this Disclosure Document is 0.41% 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. 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 form of investment risk. Please refer to the Mason Stevens Investment Guide for more information about the standard risk measure.

ADVICEPLAN GROWTH PORTFOLIO

Portfolio manager	<p>The portfolio manager is AdvicePlan.</p> <p>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.</p>		
Inception date	April 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	The portfolio aims to generate a net return exceeding CPI +2.25% pa (after investment management fees and taxes) over rolling 10 year period.		
Investment strategy and approach	<p>The growth investment option generally gains its exposure to a diversified portfolio of investments using a multi-manager investment approach. AdvicePlan selects and monitors investment managers within the following asset classes; Australian equities, international equities, fixed interest, listed property, alternatives and cash to establish and maintain an optimal combination.</p> <p>The growth orientation of this investment option means it has a greater allocation to growth assets such as Australian and international shares and property with a moderate exposure to income bearing assets such as cash, fixed interest and alternative -defensive assets.</p>		
Designed for	The Advice Plan Growth Portfolio is designed for investors looking for higher returns over the long-term, but who are prepared to accept wide fluctuations in investment performance.		
Target return	CPI +2.25% pa		
Indicative number of securities	8-20		
Asset allocation	Asset class	Target weight %	Allocation range %
	Australian equities	36	29-43
	International equities	27	22-32
	Listed property	8	5-11
	Fixed interest	22	18-26
	Cash ¹ & alternatives	7	4-10

ADVICEPLAN GROWTH PORTFOLIO (cont)

Portfolio income	All income derived from this portfolio will be retained in the portfolio.
Investment universe	Investments are limited to cash, Australian domiciled managed funds and ETFs.
Maximum single security or fund weighting	30%
Minimum suggested timeframe	10 years
Minimum investment	\$2,000
Derivative restrictions	The investment manager does not use derivatives directly. Underlying managed funds may utilise derivatives.
Investment manager fee	0.473% pa of the balance in the managed portfolio
Indirect cost ratio (ICR)	The estimated ICR at the date of this Disclosure Document is 0.44% 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. 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 form of investment risk. Please refer to the Mason Stevens Investment Guide for more information about the standard risk measure.

ADVICEPLAN HIGH GROWTH PORTFOLIO

Portfolio manager	<p>The portfolio manager is AdvicePlan.</p> <p>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.</p>		
Inception date	April 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	The portfolio aims to generate a net return exceeding CPI +3% pa (after investment management fees and taxes) over rolling 12 year period.		
Investment strategy and approach	<p>The high growth investment option generally gains its exposure to a diversified portfolio of investments using a multi-manager investment approach. AdvicePlan selects and monitors investment managers within the following asset classes; Australian equities, international equities, fixed interest, listed property, alternatives and cash to establish and maintain an optimal combination.</p> <p>The high growth orientation of this investment option means it has a significant allocation to growth assets such as Australian and international shares and property compared to a modest exposure to income bearing assets such as cash, fixed interest and alternative-defensive assets.</p>		
Designed for	The AdvicePlan High Growth Portfolio is designed for investors looking for the very high investment returns over the long-term, but who are prepared to accept extreme fluctuations in investment performance.		
Target return	CPI +3% pa		
Indicative number of securities	8-20		
Asset allocation	Asset class	Target weight %	Allocation range %
	Australian equities	50	41-59
	International equities	30	24-36
	Listed property	8	5-11
	Fixed interest	8	5-11
	Cash ¹ & alternatives	4	2-6

ADVICEPLAN HIGH GROWTH PORTFOLIO (cont)

Portfolio income	All income derived from this portfolio will be retained in the portfolio.
Investment universe	Investments are limited to cash, Australian domiciled managed funds and ETFs.
Maximum single security or fund weighting	30%
Minimum suggested timeframe	12 years
Minimum investment	\$2,000
Derivative restrictions	The investment manager does not use derivatives directly. Underlying managed funds may utilise derivatives.
Investment manager fee	0.473% pa of the balance in the managed portfolio
Indirect cost ratio (ICR)	The estimated ICR at the date of this Disclosure Document is 0.49% 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 form of investment risk. Please refer to the Mason Stevens Investment Guide for more information about the standard risk measure.

About the investment manager

ADVICEPLAN

AdvicePlan was originated by its directors Justin Bridger and Matthew Carnegie who are authorised representatives of Synchron. AdvicePlan works with clients to detail their goals, understand individual circumstances and develop strategies to meet their objectives. These strategies are reviewed to help ensure that clients' goals are met.

INVESTMENT PHILOSOPHY

The investment philosophy of AdvicePlan is based on the premise that no single investment manager can consistently deliver superior investment returns across all asset classes. However, a carefully researched and constructed portfolio of appointed specialist investment managers across asset classes and styles, in combination, will over time, maximise the potential of achieving steady returns on a risk adjusted basis. AdvicePlan offers four diversified managed portfolios intended for investors with four different levels of risk appetite.

Within each managed portfolio, AdvicePlan will manage the asset allocation, and selection of investment managers to ensure that the risk and return profile of each diversified managed portfolio remains "true to label".

INVESTMENT PROCESS

AdvicePlan's investment process combines objectives with; risk management, active investment management, tactical asset allocation, and operational efficiency. AdvicePlan together with their asset consultant have researched and modelled four efficient diversified managed portfolios and their respective asset allocations. It is generally recognised that asset allocation is the most important decision an investor can make and the primary driver of investment risk and return. AdvicePlan seeks, for each managed portfolio, to minimize the exposure to risk that is less well-rewarded and focus on risks where the expected return is commensurate with the risk taken.

The investment manager believes successful active investment management is a skill and can be identified and accessed by diligent research. Most skillful active managers will experience periods of underperformance. Through combining investment managers with complimentary styles in each asset class will potentially reduce the risk of an adverse impact of a single investment manager underperforming. Combining investment managers and styles within a diversified investment portfolio is termed as a "multi-manager" investing.

AdvicePlan in consultation with the asset consultant, with an aim to capture all the available return-seeking/risk-mitigation opportunities, can implement, within a structured framework, medium-term changes to asset allocation within each diversified investment portfolio.

Poor implementation, both financial costs and nonfinancial, can lead to introduction of unwanted risk and erode investment returns. AdvicePlan will consider using passive (index) investment managers deemed appropriate for example where active investment management are not deemed to add value on an after fees basis.

The investment process and its implementation are monitored and reviewed by AdvicePlan and the asset consultant regularly to maintain that the investment objectives and risk/return characteristics of diversified investment portfolios consistent.

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.

AdvicePlan

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