Mason Stevens Global Investment Service Guide

The Mason Stevens Global Investment Service Guide (Guide) issued by Mason Stevens Pty Limited ABN 91 141 447 207, AFSL 351578

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Important Information

The Mason Stevens Global Investment Service (**Service**) Guide (**Guide**) is issued by Mason Stevens Pty Limited (**Mason Stevens, we, us, our**) ABN 91 141 447 207, AFSL 351 578. The Global Investment Service is a managed discretionary account (**MDA**) service with Mason Stevens as the MDA Provider, Administrator and Custodian. This Guide covers both our MDA Service and Self-Directed Portfolio (**SDP**). Under the MDA Service, we are granted discretion to invest and manage your funds along with your nominated Investment Manager or managers. Under the SDP we are not granted that same discretion. The SDP is a Nominee and Custody Service as described in *ASIC Corporations (Nominee and Custody Services) Instrument 2016/1156.*

Key terms used in this Guide are shown on page 2. This Guide provides important information regarding your account including the Self-Directed Portfolio and your nominated Investment Options and Managed Portfolios (**portfolios**). Mason Stevens has appointed Citibank N.A. New York and Citigroup Pty Limited as the sub-custodian to hold client monies and your assets in custody, in accordance with regulatory requirements. From time to time Mason Stevens may change the appointed sub-custodian. A copy of the Sub-Custody Deed is available for inspection at the registered office of Mason Stevens.

If you are a retail investor, **you must obtain personal advice from a licensed financial adviser** on whether the Service and a particular portfolio is appropriate for you. The information contained in this Guide is general information only. We have not taken into account your objectives, financial situation or needs. You should consider the appropriateness of the information in this Guide, taking into account your objectives, financial situation and needs, before acting on any information in these documents. You should obtain the relevant Investment Mandate for the portfolios you wish to invest in before making any decisions to invest.

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 its directors, officers, employees, subcontractors 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 Service.

Where there are references in this document to data provided by third parties, Mason Stevens does not have control over that data and does not accept any responsibility for verifying or updating that data. Mason Stevens and its 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 account under any portfolio.

All amounts in this document are in Australian dollars and all fees are inclusive of GST net the effect of any reduced input tax credits.

This document should be read in conjunction with the Investment Mandate for your selected portfolios (available from your adviser), the MDA Service Terms included in this Guide (which together form the Investment Mandate), the Services Agreement and our FSG, which is available at masonstevens.com.au/fsg. If you are unable to access the online information, your adviser or Mason Stevens can provide the information free of charge.

How does the Mason Stevens Global Investment Service work? 1

Mason Stevens

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

Benefits of the Service

The Service allows you to consolidate other investments which you may hold and benefit from consolidated management and administration, execution and reporting. You can view the holdings in your accounts as well as transactions and investment performance at any time.

Suitability of the Service

To use the Service you must be provided with personal advice from your adviser determining whether the Service is suitable for you. If you are a retail client your adviser will provide you with a Statement of Advice (SOA). The Service may not be suitable for your relevant circumstances if you have provided limited or inaccurate personal information to your adviser. Furthermore, the Service may cease to be suitable should your relevant circumstances change. You should speak as soon as possible with your adviser should your circumstances change at any stage.

Your account

This Guide contains terms for you to establish an account with a Self-Directed Portfolio. If you also wish to invest in an MDA you must read the Investment Mandate for the specific Managed Portfolios you and your adviser have selected. The Investment Mandate is available from your adviser. You will need to agree to the Managed Discretionary Account contract (MDA Contract) as outlined below. Unlike investing in managed funds, investors in MDAs retain the beneficial ownership of the underlying assets of the Managed Portfolios. This means that you will be entitled to any income generated from assets held in the MDA but will also be liable for any tax consequences. There are also differences between investing in an MDA and an investor holding the assets directly. The table below outlines the primary differences between the two.

Who can open a Global Investment Service account?

The following investors may be eligible to open an Global Investment Service account:

- individuals over 18 years old
- joint account holders
- companies
- incorporated bodies (eg. strata bodies corporate, trade unions and some social or sporting associations)
- unincorporated bodies
- trustees (eg. for family trusts and self-managed superannuation funds), and
- deceased estates.

Key Terms used in this Guide

"Account" or "your account" means your Self-Directed Portfolio (SDP) as well as any Managed Portfolios and Investment Options in your Managed Discretionary Account (MDA).

Investment Manager means the entity that advises Mason Stevens or its delegate on the composition of the portfolios as detailed in the relevant Investment Mandate.

Investment Mandate means a set of objectives, parameters, and authorised investments for a specific Managed Portfolio, managed by an Investment Manager.

MDA Contract means the terms of the contract we have with you as set out in this Guide and includes the MDA Service Terms, FSG, Investment Mandates for the Managed Portfolios you have chosen, and the section of your Statement of Advice from your licensed financial adviser which is titled "Investment Program" (if you are a retail client). See page 4 for more details.

MDA Provider means Mason Stevens Pty Limited.

MDA Service means the investment services we provide to you under the MDA Contract.

Self-Directed Portfolio/SDP means an account with us where we operate as your nominee and custodian but you have not also entered into the MDA Contract with us, and under which we do not exercise discretion.

Services Agreement means the agreement under which we provide you with custodial services. See page 28 for more details.

Other defined terms are used in the MDA Service Terms (for MDA only) and the Services Agreement (for all investors).

	MDA Service	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	Since the investments are registered in the Custodian's name any notices for corporate actions are sent to the Custodian. Upon set up of your account 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 helps remove the hassle of paperwork. All contract notes, holding statements, dividends statements can be handled by the Custodian and reported for you online. At the end of financial year you are provided with an annual report which provides information to assist you with your tax return.	All investor communication is sent directly to you. You will need to administer all your individual investments.

Your portfolios

Self-Directed Portfolio

Mason Stevens will automatically open a Self-Directed Portfolio (**SDP**) for you when you establish an account with us. The SDP is part of your account with us but is separate from your MDA and allows you and your adviser the flexibility to create your own portfolio of investments across an extensive range of asset classes and exchanges as approved by Mason Stevens (**Approved Assets**), including:

- Cash
- Managed funds
- Australian listed securities including exchange traded funds (ETFs)
- International listed securities including ETFs across approved exchanges
- Foreign currency
- Private equity
- Fixed income securities
- Term deposits.

You can instruct Mason Stevens to deal in assets held in your SDP on your behalf on an execution-only basis. A list of Approved Assets available to you can be accessed at masonstevens.com.au/investmenu.

If you hold an asset that is subsequently removed from the Investment Menu, you authorise us to sell down the asset and deposit the proceeds into your Self-Directed Portfolio. If the asset cannot be realised, you authorise us to transfer the asset.

Cash balance in your Self-Directed Portfolio

The SDP is the central cash flow account for regular transactions into and out of your account. Deposits, payments, charges and taxes, and certain fees are processed through your SDP. You can make deposits into your SDP via BPAY®, electronic funds transfer (EFT) or direct debit from an external account.

You can give authority to your adviser to buy and sell assets within your SDP. Buy transactions for Approved Assets, Managed Portfolios and Investment Options are funded from the cash balance in your SDP. Income such as dividends and distributions, and proceeds from sale of Approved Assets are credited to your SDP.

Administration fees, adviser fees and transaction fees incurred in your SDP are deducted from the cash balance. If you have elected to invest in an Investment Option, the Investment Management Fees will also be deducted from the cash balance of your SDP.

The cash in your SDP earns a variable interest rate that will generally be lower than the official cash rate set by the Reserve Bank of Australia (RBA) and we will return no less than 0% on your cash balance. Please refer to our website for updates on the interest rate paid on your cash balance.

Managed Portfolios and Investment Options

The Service allows you to invest in accordance with the parameters of one or more professionally managed portfolios (Managed Portfolios).You can also invest in Investment Options which are portfolios that each comprise one or more Managed Portfolios. Information on the investment strategy and parameters of the Managed Portfolios or Investment Options of your choice are detailed in the relevant Investment Mandate, available from your adviser. Transaction fees, Investment Management fees and Performance fees (if applicable) incurred within the MDA with respect to a Managed Portfolio are deducted from the cash balance of the relevant Managed Portfolio.

Your MDA Contract

If you are investing in a Managed Portfolio, you will enter into a MDA Contract and your contract will comprise:

1. MDA Service Terms
2. Mason Stevens Financial Services Guide (if you are a retail client)
3. Investment Mandate for the Managed Portfolios you have chosen, and
4. the section of your Statement of Advice from your licensed financial adviser which is titled “Investment Program” (if you are a retail client).

The Investment Mandate is between Mason Stevens and you, for your investment by your account following your chosen Managed Portfolios, which Mason Stevens administers subject to the terms of the Investment Mandate.

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

MDA Provider

Mason Stevens is the MDA Provider and Administrator of the Service. Mason Stevens’ responsibilities include:

- establishing your account, which includes your Self-Directed Portfolio, Managed Portfolios and Investment Options (if applicable)
- maintaining records of investments in your Managed Portfolios and providing you with up-to-date online reporting
- implementing transactions in accordance with your instructions or delegated authority
- changes to your Managed Portfolios and Investment Options as instructed by the Investment Sub-Adviser
- implementing corporate actions in response to Investment Sub-Adviser advice
- arranging the settlement of investments in your Managed Portfolios
- recording and crediting income on investments held in your Managed Portfolios, and
- supervising compliance of the Investment Sub-Adviser with the Managed Portfolios and Investment Options.

Investment Sub-Adviser

Mason Stevens may appoint an Investment Sub-Adviser for the Managed Portfolios under each Investment Mandate. The Investment Sub-Adviser’s responsibilities include:

- to advise the MDA Provider on the initial asset allocations and changes to the ongoing asset allocations for the Managed Portfolios and Investment Options
- to advise the MDA Provider on and manage the Managed Portfolios in accordance with the defined investment parameters outlined in the Investment Mandate
- to advise the MDA Provider on the composition of the investment universe for the Managed Portfolios and advise of any changes in accordance with defined investment parameters
- to advise the MDA Provider on corporate actions arising from any direct investments held across any of the Managed Portfolios.

Your adviser

If you are a retail cilent, you must have an adviser who is authorised to use this Service in order to open and maintain an account with us. Your adviser is your main point of contact for queries relating to your account. When you open your account you are authorising us to receive instructions from your adviser on your behalf. Your adviser may also authorise their support staff to assist with the day to day administration of your account. Unless you are a wholesale client, you will not be able to place trades on the platform.

Your adviser’s authority

By opening your account, you agree only to instruct your adviser (or us and our agents) after having read the disclosure documents for the relevant Approved Assets in which you decide to invest. You authorise us and our agents to rely and act on such instructions. Your adviser is not authorised to withdraw from your account other than to pay money to an account nominated by you.

Changing your adviser

Mason Stevens does not provide personal advice. This Service is designed for investors who have an adviser to provide them with personal advice regarding their investments.

If you remove your adviser after your account has been established, you will only be able to place transactions within your account by providing us with clear written instructions, but you will not be able to add to the holdings in your account. If you wish to sell out of your holdings you must instruct us in writing. Without an adviser on your account, you will not be eligible to make elections for any corporate actions, and any mandatory corporate actions will be processed without notice to you.

If you do not appoint a new adviser on your account within a reasonable time-frame, we may close your account. This could include us at our discretion, either transfer any holdings in your account to you, or liquidate your assets at market value and transfer the proceeds and balance to your nominated bank account.

Key features of the Mason Stevens Global Investment Service 2

The key features of the Service are outlined below. Please note these may be updated from time to time via our website.

Features	Description
Choice of assets	
Managed funds	Over 1000 managed funds available on the Investment Menu.
Australian listed securities	Access approved listed securities on the Australian Securities Exchange (ASX).
International listed securities	Access an extensive range of international exchanges approved by Mason Stevens.
Fixed income securities	Select from a wide range of fixed income securities.
Private equity	If you are a wholesale investor, you can invest in various private equity opportunities which are available through Mason Stevens.
Foreign currency	Access some of the world's major currencies approved by Mason Stevens.
Term deposits	Select from a panel of term deposit issuers with varying terms and rates.
Other Approved Assets	We may include other Approved Assets in your account which do not fall into the above categories from time to time.
Your account	
Self-Directed Portfolio	You and your adviser can create a portfolio of assets to suit your investment needs. Note that we do not exercise discretion on your behalf.
MDA	Choose from a diverse range of professionally managed portfolios. Note that the MDA authorises us to take various investment actions on your behalf, and without needing instructions from you.
Comprehensive reporting	
Online access	Access an online portal that allows you to view details of your account including overall valuation, asset allocation, performance and transactions. It is accessible on the desktop and via any smart device.
Household reporting	View consolidated reporting across all of your accounts.
Annual statements	Statements will be available online to assist you with your tax return.
External assets	Assets that you hold outside of the Service, including bank accounts you hold with selected providers, can be included in your overall account valuation.
Minimum balance	
Initial investment	$50,000 (or such amounts as approved by Mason Stevens)
Ongoing account balance	$10,000
Cash balance	$2,000
Managed Portfolios	$10,000 (unless otherwise stated in the relevant Investment Mandate)
Investment Options	As per Investment Mandate.
Tailored Portfolios	As per disclosure, if available through your adviser.
Transaction minimums	
Investment Options	As per Investment Mandate.
Managed Portfolios	Initial investment $50,000 Additional investment $10,000 Redemptions $10,000 Unless otherwise stated in the relevant Investment Mandate.
Managed funds	$250 per transaction per fund.
Australian listed securities	$500 per transaction per security subject to ASX requirements.
International listed securities	$1,500 per transaction per security subject to the relevant exchange.

Features	Description
Fixed income securities	$5,000
Private equity	Subject to the disclosure for the private equity offer.
Foreign currency	Not applicable.
Term deposits	As per disclosure document for your selected term deposit.
Other approved assets	$5,000 unless stated otherwise.
Deposits and withdrawals	
Direct credit or BPAY	$250 minimum per transaction
Direct debit	$500 minimum per transaction
In-specie transfers	Transfer your existing assets that are approved on our Investment Menu into your account.
Cash withdrawals	$250 minimum per transaction
Regular payments	You can make payments out of your SDP cash balance monthly, quarterly, semi-annually or annually to a nominated bank account.
Fees, charges and other costs	
Administration fees	The fee paid to Mason Stevens for the general administration of your account.
Investment Management fee	The fee paid to investment managers for advising on and managing the investments held within your Managed Portfolios.
Performance fee	The fee some investment managers charge for outperforming the benchmark.
Adviser fees	You and your adviser can agree on a fee which your adviser will receive.
Transaction fees	The fees paid to Mason Stevens for buying, selling or transferring assets in your account.
Other fees and costs	Other fees and costs may apply to your account. Please refer to the Fees, charges and costs section for further details.
Family group linking	You and your family member may be eligible for a 10% discount on your Administration fees when you group two or more accounts, up to a maximum of six accounts.
Transacting in your SDP	
Your adviser	You grant authority to the registered adviser on your account to buy and sell assets on your behalf in the Self-Directed Portfolio.
You can transact (wholesale investors only)	Wholesale clients may have the ability to buy and sell assets in your Self-Directed Portfolio by accessing the secure online portal.

Establishing your account 3

If you are a retail client and you would like to establish an account you need to consult with your adviser and receive personal financial advice. Your adviser will issue you with a statement of advice (SOA) that advises you that the Managed Portfolios and this Service are suitable for your circumstances.

Your adviser must conduct an annual review of your account and determine the ongoing appropriateness and suitability of the investments held in your account.

If you are a wholesale or sophisticated investor as defined by the *Corporations Act 2001 (Cth)*, an SOA or Record of Advice is not required to be provided to you, even if personal advice is provided.

Opening an account

To open an account, you or your adviser must complete the online application form. As part of your account application, you will be required to provide proof of identification for all applicants, including any party given authority to operate the account on your behalf. This verification process takes 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 adviser.

Once your account application has been processed you will receive a confirmation that your account has been opened.

You will also receive separate confirmations confirming details of your user name and password, which will allow you to login to your account at masonstevens.com.au.

Before your account can be activated you must read and agree to the following:

- Application Form terms and conditions and all fees applicable, available when you first login to your account
- MDA Service Terms (which apply for your MDA)
- Services Agreement (which applies to your account generally)
- Mason Stevens Financial Services Guide (if you are a retail client), and
- the Investment Mandate, available from your adviser, which details the investment strategy and parameters of the Managed Portfolios you wish to follow.

Nominating an Authorised Person

To operate your account efficiently, you will be asked to nominate an authorised person (e.g. your adviser) during the account application process. By nominating an authorised person on your account, you allow them to undertake certain activities in relation to operating your account, including providing Mason Stevens with investment or other instructions to implement. For example, they will be able to instruct Mason Stevens to buy or sell assets on your behalf or to update your details. Any authorised person will have the same level of authority on your account as you, except the authorised person will not be able to update details for your nominated bank account. If your authorised person has changed you will need to notify Mason Stevens to update our records. Please refer to the *Changing your account details* section for further information.

Operating your account 4

Initial contribution

Cash Contribution

You can make cash deposits into your account by direct deposit, BPAY® (Biller Code 269100), direct debit or electronic funds transfer (EFT).

It is important to ensure that your Mason Stevens account number (supplied when you log in) is referenced when a payment is made by bank deposit or electronic transfer as it assists with the identification of your transaction. If you do not provide the account number, there may be delays in implementing your instructions for your account.

Direct debit

You can set up a direct debit facility to automatically deposit cash into your Self-Directed Portfolio from external bank accounts that are in the same name as your Mason Stevens account by completing the *Direct debit request* form available online. You can set up a direct debit at the following frequencies and select a preferred payment date:

- once only on your nominated date
- monthly
- quarterly
- half-yearly, or
- yearly.

Additionally you can provide your adviser with an ongoing authority to debit your nominated bank account from time to time for a variable amount, as required for your continuing investment needs.

Direct debit can also be set up to run on the 25th of the month to replenish the cash balance of your Self-Directed Portfolio if it falls below the required minimum amount. We will deduct the amount from the nominated bank account on the date instructed by you and the funds will generally be credited to your Self-Directed Portfolio on the same day as the deduction and become available for use after two business days.

To change the amount of your direct debit or to cancel your direct debit facility, you or your adviser can contact us. If you wish to increase the amount or frequency of your direct debit, or change the nominated account, you will need to instruct us by completing the *Direct debit request* form. Your direct debit facility will automatically cease if:

- your account is closed
- you do not make at least one successful direct debit in every 12 months, or
- three direct debits are rejected within a 12-month period.

Please ensure that there are sufficient cleared funds in your nominated bank account to honour the direct debit request.

If a direct debit is dishonoured, you authorise us to pass on to you any associated fees by deducting your Self-Directed Portfolio.

Cash management

Australian dollar (AUD)

When you invest through the Service, your cash funds in AUD 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). The current interest rate applicable to your account for AUD cash funds invested through the Service by deposits with ADIs is notified to you via our website. The rate will be determined by the interest earned by us on all clients' pooled cash funds on deposit with the respective ADIs after payment of any fees payable to us 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.

Foreign currency

For any amounts held in foreign currency, no interest is payable to you. This applies to amounts used to settle pending purchases or receipt of sale proceeds, using our primary sub-custodian Citibank N.A. New York and Citigroup Pty Limited.

Fees attributable to your Cash Holdings

Cash held within your account including the Minimum Cash Requirement in your Self-Directed Portfolio (SDP) is subject to a Cash Administration Fee.

To maximize efficiency and liquidity, the Administrator pools member cash into an omnibus account with an Australian ADI (bank), which earns a gross interest rate.

The Cash Administration Fee is charged by Mason Stevens, to cover the operational tasks of managing these holdings, including establishing integrated cash accounts, and processing all deposit and withdrawal instructions. This fee is an indirect cost, meaning it is taken from the interest earned before the net return is paid to your account.

Transfer of assets

You are able to transfer assets that you own into your account. To do so, you will need to complete the appropriate documentation which will be provided by your adviser who will be able to assist you with completing the necessary documentation.

A cost base history per parcel needs to be recorded for each of the assets transferred into your account before the transfer can be finalised. Mason Stevens accepts the details you provide and accepts no liability for the information provided.

Assets you wish to transfer in or purchase for your account which are not part of a Managed Portfolio may be held in your Self-Directed Portfolio, which will be automatically established for you when your account application has been processed.

Cash management

It is your adviser's responsibility to monitor and maintain the amount of cash held in your SDP. You can make cash deposits into your account as outlined below, and your adviser can help you manage the amount of cash held in your account by using automatic cash management facilities available online.

Maintaining a minimum cash balance

A minimum balance must be maintained in the cash held in your SDP to meet adviser fees, administration fees and transaction fees. The product's required minimum cash balance is the $2,000.

You have access to a range of functionalities to help manage the amount of cash held in your account. Your adviser can set up the following automatic facilities on your behalf at the time of opening your account or once your account has been activated:

- Cash Target and Auto Sell Trigger for the cash held in your SDP.
- Automatic cash or income transfer between your SDP and Managed Portfolios.
- Automatic investment plan to allocate excess cash across your Managed Portfolios.

Setting a Cash Target and Auto Sell Trigger

Your adviser can set up a "Cash Target" for your account as a specific dollar amount or as a percentage of your total account balance. The Cash Target must be higher than $2,000 or a percentage of your account balance.

Your adviser can also nominate an "Auto Sell Trigger" amount on your account so that if your SDP cash balance falls below this amount, holdings in your account are automatically sold down, after taking into account any income received, to replenish your cash holding back to the Cash Target. The Auto Sell Trigger amount must be at least $1,500 below the Cash Target.

Your adviser can set up your automatic cash management facility during the application process and can also adjust the levels after your account is opened. Sell down of holdings will not be triggered within the first 90 days of your account being activated. If your adviser does not set up a specific minimum cash target on your account, the abovementioned product minimum cash balance will apply.

Automatic sell down of your holdings

If a sell down is triggered to replenish your SDP cash balance, holdings in your account will be automatically redeemed in order of the priority listed below on or around the fifth Business Day of the month:

1. AUD cash from any Tailored Portfolio
2. Foreign currency cash from the SDP
3. Foreign currencies from any Tailored Portfolio
4. AUD cash from Managed Portfolios
5. Foreign currency cash from Managed Portfolios
6. Proportional sell down across all Managed Portfolios
7. Australian listed securities from the SDP
8. International listed securities from the SDP
9. Managed funds in the SDP
10. Fixed income securities in the SDP.

Placing orders

Instructions to transact on your account may be given to us by the adviser registered against your account through the online order pad. Orders for listed securities can be placed "at limit" or "at market" and cannot be amended online once they have been placed.

- An "at limit" order is to buy or sell specified units of a security at a specified price.
- An "at market" order is an order to buy or sell specified units of a security at the available market bid or offer price.

Your instructions will remain effective until:

- You provide us with subsequent written instructions, in time for us to act on them, to cancel or supersede your original orders, or
- Your orders are cancelled, due to exchange rules and the rules and requirements of the market participants who have received the order.

We may decline to act on your instructions, or delay acting on your instructions if we believe they are incomplete, ambiguous or unclear. Your instructions may also be declined if we believe they might contravene laws, rules or market practices. For further information please refer to masonstevens.com.au/tradingterms.

Trade netting

From time to time we may receive instructions from different investors to buy and sell interests in the same asset. Where Mason Stevens believes these instructions can be netted to the advantage of (or at no disadvantage to) our clients, these orders may be offset by us so that only one net order is made to purchase or sell the asset. If this occurs, and subject to the net request being accepted, investors who dispose of an asset will have that disposal effected and recorded by us. Similarly, investors who acquire an asset will have that acquisition effected and recorded by us. These transactions will be carried out in accordance with our Trade Allocation and Best Execution policy. Mason Stevens may retain any resulting transaction cost benefit, in respect of and including the buy-sell spread on the underlying assets, without disadvantaging our clients.

Changing your account details

To change the contact details of your account, you should complete the appropriate forms. Please contact us or your adviser for further information.

If you wish to change your nominated bank account into which withdrawals are paid or contributions are received, you should complete and submit to us the appropriate forms. Please contact us or your adviser for further information. 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.

Closing your account

If you decide to close your account you can request:

- the disposal of assets in your Managed Portfolios and the proceeds be paid to your nominated bank account on our record
- the transfer of assets from your Managed Portfolios into an issuer or broker sponsored holding
- the transfer of any unlisted securities into a nominated custodial account, subject to the notional amount transferred being of an allowable market parcel size
- a combination of the above.

To close your account, you should complete the appropriate forms. Please contact us or your adviser for further information.

Term deposits invested through Mason Stevens cannot be broken earlier than the maturity date. If you are closing your account and hold a term deposit in your account, you can request that we transfer all available benefit at the time of your instruction, and the remainder when your term deposit has matured and the proceeds are available in the Self-Directed Portfolio.

If you decide to transfer assets, they must be in the same name as your account. Any in-specie transfer out of assets will incur a fee. The 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 assets held in your account and such sell-down will incur transaction costs. Please refer to the *Fees, charges and costs section* for further details.

Prior to closing your account, all fees and expenses will be deducted.

Fees, charges and costs 5

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.

To 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 **(moneysmart.gov.au)** has a managed funds fee calculator to help you check out different fee options.

This section shows the fees, charges and costs that you may be charged. These fees and costs may be deducted from your account, from the returns on your investment or from the assets of your account as a whole. The fees, charges and costs are inclusive of GST net the effect of any reduced input tax credits unless otherwise stated.

You should read all the information about fees and costs, including the additional explanation information, as it is important to understand how fees and costs may impact your investments (including returns) in your account.

Mason Stevens Global Investment Service			
Type of fee or cost	**Amount**		**How and when paid**
Management costs[1] The fees and costs for managing your account (including both MDA and SDP)			
Management fee[2]	The management fee for each Managed Portfolio you invest in is set out in the relevant Investment Mandate or offer document. These can vary between 0.00% and 1.65% p.a. This may include an investment management services fee of up to 0.10% p.a. payable to the MDA Provider.		The management fee for a Managed Portfolio is calculated daily and paid monthly in arrears.
Performance fee	The performance fee for each Managed Portfolio you invest in, where applicable, is disclosed in the relevant Investment Mandate or offer document. These can vary between 0% and 6.50% p.a. It will be disclosed as an estimate incurred annually based on the five previous financial years (where available) otherwise using reasonable estimates.		The performance fee is calculated periodically and is a direct charge to your Managed Portfolio.
Administration fee[3]	**Account balance**	**Rate % pa**	The administration fee is calculated daily on the balance of your entire account and paid monthly in arrears. Administration fees are calculated on a tiered basis. You may be eligible for a 10% family group linking discount on your administration fee. Please refer to *Additional explanation of fees and costs* for further details
	$0 - $500,000	0.275	
	$500,001 - $1,000,000	0.220	
	Above $1,000,000	Nil	
Custody fee[3]	0.055% pa		The custody fee is calculated daily on the balance of your entire account and paid monthly in arrears.
Account keeping fee[3]	$165 pa		The cost for the maintenance and operation of your entire account. It is paid monthly in arrears.
Service fees			
Switching fee The fee to recover the costs of switching all or part of your investment from following one Managed Portfolio to another.	Nil		Not applicable
Fees when your money moves in or out of the Service			
Establishment fee[4] 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 fee[4] The fee to close your investment	Nil		Not applicable

[1] This fee does not include any amounts payable to your adviser. Please refer to the *Adviser Fees* section for further information.

[2] The MDA Provider fee reflects Mason Stevens' role and responsibilities in exercising discretion over portfolio transactions and maintaining governance, compliance oversight and ongoing monitoring of Managed Portfolios.

[3] In some instances your adviser may negotiate different administration fees than what is shown in this table. If so, your adviser will set this out in your Statement of Advice if you are a retail client.

[4] There are no specific establishment or exit fees for your Managed Portfolios. 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.

Example of annual fees and costs – Mason Stevens Balanced Income Flagship Multi-Asset Managed Portfolio

This table gives an example of how the fees and costs for the Mason Stevens Balanced Income Flagship Multi-Asset Managed 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 – Mason Stevens Balanced Income Flagship Multi-Asset Managed Portfolio		Balance of $50,000 with a contribution of $5,000 during the year[1]
Contribution fee	Nil	For every additional $5,000 you invest, you will be charged $0.
Management costs		
PLUS Management fee	0.30% pa	For managing the Mason Stevens Balanced Income Flagship Multi-Asset Managed Portfolio you will be charged **$150** each year.
AND Performance fee[2]	Nil	Based on previous financial years and reasonable estimates, the estimated performance fee for the Managed Portfolio is **$0** each year
AND Administration fee	0.275% pa	To allow for administration costs and expenses you will be charged **$137.50** each year.
AND Custody fee	0.055% pa	To allow for the costs of custody of your investments including the fees of any appointed sub-custodian, you will be charged **$27.50** each year.
AND Account keeping fee	$165 pa	For the cost of maintaining your account you will be charged **$165** each year. For every $50,000 you have in the Mason Stevens Balanced Income Flagship Multi-Asset Managed Portfolio you will be charged total **management costs** of **$480** each year. What it costs you will depend on the Managed Portfolio you choose and the fees you negotiate.
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 and costs of **$480**[2]

[1] 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 general disclosure relating to fees and costs may change between the time when you read this Guide and the time you acquire the product.

[2] The Managed Portfolio used in this example does not have a performance fee or incur indirect costs. Refer to the table on page 12 above to see the ranges of costs and performance fees, or refer to the specific Investment Mandate.

Cost of product for 1 year

The cost of product gives a summary calculation about how ongoing annual fees and costs can affect your investment over a 1-year period for all investment options. It is calculated in the manner shown in the *Example of annual fees and costs.*

The cost of product assumes a balance of $50,000 at the beginning of the year with a contribution of $5,000 during the year. Additional fees such as an establishment fee or an exit fee may apply (refer to the *Fees and costs summary* for the relevant option).

You should use this figure to help compare this product with other products.

Mason Stevens Balanced Income Flagship Multi-Asset Managed Portfolio within the MDA.

Cost of product: $480

Transactional and operational costs applicable to your MDA and Self-Directed Portfolio

Transactional and operational costs are incurred in the buying or selling of assets held in your account including brokerage costs, settlement costs, clearing costs, registration fees, bank charges, Government taxes and stamp duty (if applicable) on securities bought and sold at market. Such costs are additional to those disclosed in the *Fees, charges and costs* table. The amount of transactional and operational costs will generally reflect the extent to which the assets are managed (e.g. active versus passive management).

You will be charged transaction fees when we act on the advice of the Investment Manager to buy or sell assets within your MDA. If your adviser buys or sells assets within your Self-Directed Portfolio you will also incur transaction fees. These fees are outlined in the table below.

Transaction fees incurred are displayed in the post-execution trade confirmations. Transaction fees are directly deducted from your cash balance at the time of the transaction and are fully transparent.

Transactional and operational costs		
Type of asset	**Self-Directed Portfolio**	**Managed Portfolio**
Managed funds[1]	$33.00 per transaction	$16.50 per transaction
Australian listed securities	0.55% of each transaction value $33.00 minimum fee per transaction	0.33% of each transaction value
International listed securities[2]	0.825% of each transaction value $75.00 minimum fee per transaction	0.55% of each transaction value
Fixed income securities[3]	0.55% of each transaction value $55.00 minimum fee per transaction	0.55% of each transaction value
Foreign currency transfer[2]	$25.00 per transaction	$25.00 per transaction

1 Managed funds held for Managed Portfolios may charge an exit fee or impose 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.

2 Transacting in international securities (including foreign exchange) will incur an additional cost for foreign currency conversion. Please refer to the *Additional explanation of fees* section for further information.

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

Other fees and costs schedule

Type of fee	Amount	Description
Interest on cash balances	The cash interest on cash balances is: • the difference between the interest rate we earn on the bank accounts we maintain at Australian Authorised Deposit-taking Institutions (ADIs) in which we deposit the cash that constitutes your cash balance, and • the interest rate we pay you for your cash holding, which is generally below the RBA cash rate.	This fee is payable to us for the management and portfolio administration of your cash balance. This fee is calculated daily and is payable at the end of each month. It is deducted out of the funds we deposit with the ADIs and is not separately deducted from your cash balance. For further information, please refer to the *Cash management* section of this Guide and the *Resources* section on our website.
In-specie transfer fee	$33.00 for each line of asset in-specie transferred into or out of your account	Deducted from your cash balance at the time of transfer. The types of assets that can be in-specie transferred include listed securities, managed funds and most other financial products that can be held in your account.
Placement fee	Up to 5.50% of the placement amount	We may receive a placement fee for initial public offerings (IPOs) and primary issues. This is paid by the product issuer or its manager.
Foreign currency withdrawal	$50.00	Charged per transaction to transfer funds to an international bank account. The fee is deducted from your cash account at the time of payment.
Real-time gross settlement (RTGS)	$35.00	Charged per request to transfer cash from your Self-Directed Portfolio to a nominated bank account same day using RTGS. The fee is deducted from your cash balance at the time of payment.
Direct debit dishonour	$35.00	Fee charged for each failed attempt to direct debit an account instructed by you.
Default fee on negative cash balances	The default fee on negative cash balances is +5.00% above the RBA cash rate.	If, at any time, your cash balance becomes negative, a default fee on the negative amount may be payable to us. This fee is calculated daily, accrued to your cash balance monthly in arrears and deducted from any future contributions to your cash balance.
Special service fee	Up to $475 per hour.	The fee payable to us for non-standard services such as cost base calculations and adjustments. It would be deducted from your cash balance upon the completion of your request.

Additional explanation of fees and costs

Administration fees

The administration fees for your account can comprise:

- an administration fee to cover the costs of administering the assets held in your account, and
- a custody fee to cover the costs of custody of your assets including the fees and charges of any appointed sub-custodian, and
- an account keeping fee for the cost of maintaining and operating your account.

Any administration expenses (but not transaction fees) in excess of the amount provided for in the management cost are borne or paid by us and are not an additional cost to you.

Family group linking

Family group linking allows your adviser to link your accounts with those of your immediate family members who also have accounts in the administration service. You (on your first account only) and your family members' accounts will also receive a 10% discount on each tier of the administration fee subject to the below conditions:

- Immediate family includes the member's: husband, wife, domestic partner, children, grandparents and siblings
- Immediate family excludes all others not mentioned above
- The discounted accounts must be advised by the same adviser
- Each account may only belong to one family group
- Family groups are limited to a maximum of six accounts
- The minimum family group holding value is $300,000 for the 10% discount on the administration fee to apply. This value is assessed daily.
- The discount applies on your first account only and not on subsequent accounts to which you are a party or account holder (e.g. trust or company account where you are also a trustee or director)

Administration fees if you change advisers or remove your adviser

In some instances your adviser may negotiate different administration fees and/or transaction fees than what is shown in the *Fees, charges and costs* table. If so, your adviser will set this out in your Statement of Advice if you are a retail client. If you choose to change your adviser or dealer on your account, that may lead to an increase or decrease in the administration fees and/or transaction fees you pay, depending on the fee arrangement applicable to you under each adviser. If you remove the adviser on your account, this may mean the fees disclosed in your Statement of Advice are no longer applicable to your account, which could lead to an increase in the net administration fees up to the amount disclosed in the *Fees, charges and costs* section. You may wish to consider the impact this may have on your account when making any adviser or dealer changes.

Indirect costs

If a Managed Portfolio's investment universe includes assets such as units in managed funds, exchange traded funds (ETFs) or listed investment companies (LICs), the issuers of those financial products may charge management costs (including performance fees) and transactional or operational costs. Those costs are deducted from the fund or other investment vehicle, so they are indirect costs to holders of those investments and are not charged to your account. You should refer to the relevant product disclosure document for full details on the fees and costs charged by any managed funds, ETFs or LICs held. The indirect costs associated with investing in these underlying securities is expressed as a percentage of the net asset value of the unit of investment. The indirect cost disclosed is a reasonable estimate based on the previous financial year and forward-looking portfolio allocations.

Foreign exchange services

Mason Stevens provides foreign exchange services for transactions in international listed and unlisted securities, including fixed income instruments, which include the buying and selling of such instruments and related corporate action and income transactions.

Where instructed by you, foreign exchange transactions will be carried out to convert AUD into relevant currencies using the foreign exchange rates advised by the sub-custodian or other wholesale providers Mason Stevens has access to. Mason Stevens actively manages such transactions to facilitate optimal outcomes for its clients. The rates provided are subject to market conditions and available liquidity in the marketplace for the respective currency pair, and include costs incurred by the sub-custodian and Mason Stevens in providing the service, which may be up to 0.45%.

Transacting on international equities

Trading and settlement for investments on international markets may also incur additional costs which include but are not limited to local exchange fees, taxes, bank fees, and government charges. These costs may be passed on to you and may be deducted from your cash balance or from the total transaction amount on settlement of the trade or any corporate actions.

Performance fee

You may be charged a performance fee in a MDA when the performance of a Managed Portfolio exceeds a defined level of outperformance for the Managed Portfolio. This fee is a direct charge to your MDA but if paid reflects that the portfolio has been positively outperforming the benchmark.

The methodology for calculating the performance fee may vary depending on the Investment Manager. This section outlines the methodology that generally applies to a MDA. Where your MDA uses a different methodology, this will be disclosed in the relevant Investment Mandate and where there are inconsistencies with this Guide, the Investment Mandate will prevail.

The performance fee is calculated on an individual portfolio basis and charged to your Managed Portfolio.

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.

The outperformance (over the benchmark) must be positive for a performance fee to be paid. Any underperformance of the benchmark is carried forward to future performance periods and must be made up before a performance fee is payable again. Where underperformance of the benchmark is carried forward to a future performance period, the amount of underperformance carried forward will be added on to the benchmark return of that future performance period, and this will form the high-water mark for the portfolio.

Performance periods are half-yearly ending on 31 December and 30 June. Returns exclude any franking credits. The following examples assume a performance fee of 10%.

Performance fee example 1: $500,000 investment

This example uses a portfolio invested for six months assuming:

- the portfolio balance is $500,000 at the beginning of the performance period
- the portfolio balance is $550,000 at the end of the performance period (after all fees but before the performance fee for that period)
- the benchmark returned 6% during the 6-month performance period
- no other capital was contributed into or withdrawn from the portfolio

  The outperformance is calculated as:
  $550,000 – ($500,000 x 1.06) = $20,000

  The performance fee is calculated as:
  $20,000 x 10% = $2,000

Performance fee example 2: $100,000 investment

This example uses a portfolio invested for 6 months assuming:

- the portfolio balance is $100,000 at the beginning of the performance period
- the portfolio balance is $95,000 at the end of the performance period (after all fees but before the performance fee for that period)
- the benchmark returned negative 15% during the performance period
- no other capital was contributed into or withdrawn from the portfolio.

  The outperformance is calculated as:
  $95,000 – ($100,000 x 0.85) = $10,000

  The performance fee is calculated as:
  $10,000 x 10% = $1,000

Performance fee example 3: $1,000,000 investment

This example uses a portfolio invested for 12 months, across two performance periods, assuming:

- the portfolio balance is $1,000,000 at the beginning of the 12-month period, at the start of the first performance period
- the portfolio balance is $1,040,000 at the end of the first 6-month performance period (after all fees but before the performance fee for that period)
- the benchmark returned 6% during the first performance period»the portfolio balance is $1,300,000 at the end of the second performance period (after all fees but before the performance fee for that period)
- the benchmark returned 5% during the second performance period»no other capital was contributed into or withdrawn from the portfolio.

  The portfolio's underperformance to the benchmark for the first performance period is calculated as:
  $1,040,000 – ($1,000,000 x 1.06) = - $20,000

  No performance fee is payable for the first performance period.

  The portfolio's outperformance for the second performance period is calculated as:
  $1,300,000 – (($1,040,000 + $20,000) x 1.05) = $187,000

  The performance fee payable for the second performance period is calculated as:
  $187,000 x 10% = $18,700

For the avoidance of doubt, where the outperformance in respect of an account is negative at the end of a performance period (which has ended due to the account being closed), the negative outperformance in respect for that account is extinguished.

It is possible that at the time of the mandate, the Managed Portfolios are new with no performance history, therefore an estimate performance fee cannot be provided. In future periods if the portfolios outperform the benchmark, a performance fee will be incurred according to the above calculation methodology.

Illiquid assets

We will continue to provide reporting on illiquid assets and we generally value them at the last trading price until new pricing information is made available. Some illiquid assets may not trade for extended periods of time, and it is possible that the value realised for an illiquid asset is substantially different to the value reported.

Any illiquid investment held in your account will be valued at regular intervals, if practical. If we are unable to reasonably determine a market price, we will apply a best estimate of a fair price.

If your account consists of only illquid assets, the Account Keeping Fee and any Activity Fees will continue to apply as per the *Fees and other costs* table while the Administration Fees will be reduced to nil.

Differential fees

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

Adviser fees

Your adviser may receive fees for advice services to be provided to you. You can negotiate the amount of fees payable with your adviser. Your instructions to pay your adviser must be provided to us in writing, through the online application process or in subsequent written communications to us. By completing the online application process and accepting its terms and conditions or by signing other communications to us, you direct and authorise us to debit your account to pay the fees you specify to your adviser.

Changes to your adviser fee arrangements

Your adviser fee arrangements may change or cease in some scenarios, including but not limited to:

- you change to a new adviser who may be licensed under the same or a different dealer group
- your adviser changes dealer group
- you cease to have an adviser, and
- you do not renew an ongoing fee arrangement with your adviser.

It is important that you inform us if there are any changes to the fee arrangement with your adviser or their dealer. Otherwise, we may cease paying the fees under the existing arrangement. Any fees accrued during the month will be paid to the adviser who is recorded against your account at the end of the month.

Managing your MDA

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Investing into your MDA

Please refer to the Investment Mandate for your selected Managed Portfolios for details on the minimum amount required for your initial and ongoing investments into your MDA.

Once your account is established to invest in your MDA, cleared funds are invested into assets at weightings advised by the Investment Manager, consistent with the objectives and strategy of the Managed Portfolio which you have nominated. The Investment Manager is responsible for advising on the execution of the transactions to invest your Managed Portfolio using brokers or other intermediaries approved by Mason Stevens who will execute upon these instructions.

Generally, your initial investment amount and any subsequent contribution is invested within 10 business days, although the Investment Manager will use its discretion to advise on implementing the strategy within a timely manner on best endeavor basis but will take no longer than 30 days. In implementing the strategy, the Investment Manager considers factors such as market conditions, availability and liquidity of investments, upcoming new issues and economic parcel sizes.

In managing your account to follow a Managed Portfolio, small uneconomic transactions will generally be avoided and a minimum transaction size advised by the Investment Manager will be applied. Purchases and sales of assets resulting from the management of multiple portfolios may be aggregated with those of other MDAs so that only transactions for the net changes are implemented across all relevant portfolios in all the MDAs, subject to minimum parcels and denominations as set out in the assets' disclosures.

Any costs associated with the purchase and sale of assets will be apportioned between all relevant MDAs.

The weightings of the assets in an MDA 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 MDA to the target weightings outlined in the relevant Investment Mandate due to practical issues associated with investing. Factors such as additional investments, withdrawals and the payment of dividends, coupons and interest may affect the cash holding, the composition, and performance of your MDA. The variations in the composition and performance of your MDA may also differ from other clients' MDA following the same Managed Portfolios.

Any additional investment amounts may be held in cash until Mason Stevens under the advice from the Investment Manager undertakes the next rebalance of the Managed Portfolio. The timing of the investment of those cash funds is advised at the discretion of the Investment Manager.

Redemption amounts

You may make a partial redemption from your MDA at any time by notifying Mason Stevens, subject to maintaining the required minimum balance for the Managed Portfolio.

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

If your instruction is to exit from the Managed Portfolio, you will incur transaction costs on the sell down of the securities held within the MDA. You may incur a capital loss or be liable for Capital Gains Tax as a result of the exit. Alternatively, you can instruct us to move the assets from the Managed Portfolio into your Self-Directed Portfolio.

You should obtain your own tax advice as the result of any withdrawals may vary your tax situation depending on your individual circumstances.

Contributing to your MDA

You can add to your MDA by contributing cash or assets. If you wish to transfer in assets to be held within an MDA, decisions relating to those assets will be advised by the Investment Manager from the time the assets become registered in the name of the sub-custodian and transferred into your account. The assets within your MDA are held and managed under the terms of your MDA Contract and you remain the beneficial owner of the assets. Not all securities can be transferred into a MDA. Your adviser will confirm if any of your existing investments cannot be transferred.

Cash holdings and income

Each MDA has a cash holding. Your cash holding is pooled with other investors in the MDA Service. Income received from assets held in your MDA will be credited to the cash holding of that MDA. You can elect to automatically allocate income received in your MDA to the cash balance held in your Self-Directed Portfolio as the income is generated. Please speak to your adviser if you wish to use this functionality.

At the discretion of the Investment Manager, income may be used to add to existing investments in the MDA, invested in a new asset, 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 any 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 AUD balance and paid monthly at the rate determined by Mason Stevens and as notified to you and your adviser through updates on our website from time to time.

You can also automatically invest cash from your Self-Directed Portfolio into your Managed Portfolios. If this functionality is switched on for your account, the cash from your Self-Directed Portfolio will be allocated into your selected Managed Portfolios each month on or around the 22nd, provided that the amount being invested into the Managed Portfolios is at least $5,000.

Rebalancing and asset weightings

The MDA Provider and the Investment Sub-Adviser will periodically review the assets held for your selected Managed Portfolios to ensure that weightings are consistent with the underlying Managed Portfolio's investment strategy as advised by the Investment Sub-Adviser. If the actual holdings in your portfolios do not align with the reference target set, your portfolios are rebalanced as closely as possible. A rebalance may not occur every time your portfolios are reviewed and remains at the MDA Provider's discretion based on the Investment Sub-Adviser's advice.

Following a rebalance, the assets held in your MDA may be different from the target sets of your chosen portfolios.

If a rebalance or an investment instruction relevant to your portfolios requires a trade of less than the minimum trade size at market or less than an odd lot (in certain international markets), then this trade generally does not occur.

You should also be aware that Managed Portfolios may have different minimum investment amounts which take into consideration the investment strategy and the number and type of assets held in the Managed Portfolio. In some cases, investing the minimum investment amount may not be sufficient for you to acquire every asset in the Managed Portfolio. If you have close to the minimum amount allocated to a Managed Portfolio, this may result in holdings in an asset that would be less than the minimum market trade size, and therefore it may not be executed. It is at the discretion of the MDA Provider to accept investments and redemptions below the minimum amount. All of the above may increase the differences between the investment performance of your portfolios and that of your chosen underlying strategies.

Automatic cash or income transfer

Your adviser can set up a "cash sweep" facility to automatically transfer any available cash that exceeds the minimum cash balance or Cash Target (if a Cash Target is set up) by $500 from your SDP into your Managed Portfolios. The automatic cash transfer takes place on or around the 22nd day of each month and the total amount is invested proportionally across your Managed Portfolios.

Your adviser can also elect to have any income received in your Managed Portfolio automatically transferred to the cash balance in your SDP by setting up the "income sweep" functionality. If this facility is not set up on your account, any income derived from assets held in your Managed Portfolio is credited to the cash holding of that portfolio. At the discretion of the Investment Manager, income received in the portfolio may be used to reinvest into existing holdings in the Managed Portfolio, invested into new assets, or continue to be held in cash.

Corporate actions and voting

You are responsible for making decisions on any corporate actions arising from assets held in your SDP, and for direction of voting at shareholder meetings. The Investment Manager is responsible for making such decisions in relation to assets held in your MDA.

Corporate actions include:

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

Mason Stevens as the MDA Provider may receive reports, confirmations and other information relating to the assets held in your Managed Portfolios from companies, brokers and other parties with such information being retained by Mason Stevens.

Ongoing management

When you nominate a Managed Portfolio, you are instructing Mason Stevens to ensure that your MDA is invested in accordance with the Investment Strategy for the Managed Portfolio. You authorise the Investment Manager to make investment decisions within the investment parameters of the particular Managed Portfolio. This includes buying and selling assets, acquiring and redeeming units and responding to corporate actions and dividend elections if applicable.

Should you wish to avoid investments in a particular company or industry, you must provide written notice of your preference to your adviser. This will be processed by Mason Stevens once we receive this instruction from your adviser. The value of the investment that you exclude will be allocated to the cash balance of the Managed Portfolio and cannot be substituted by any other investment.

Importantly, if as a result of your instructions your portfolio weighting substantially deviates from the parameters outlined in the Investment Mandate, we will generally cease rebalancing your portfolio to align to your previously selected Managed Portfolio.

Non-limited recourse products

The investment guide of your MDA will disclose whether your Managed Portfolio may include non-limited recourse products. This depends on the particular investment strategy for your investment guide and the particular features of the financial products, so it is not possible to disclose in this Guide any specific features in advance of your selection of an investment guide that allows for non-limited recourse products.

Non-limited recourse products are typically financial products which are margined, meaning you pay a fraction of the full face value but remain liable to pay more if there is a shortfall (eg. your financial product is revalued, triggering the requirement for you to pay more margin cover, or you suffer a loss when your position is closed and your account does not cover the shortfall).

Non-limited recourse products may be exchange traded derivatives or they may be over-the-counter margined products. Not all exchange traded derivatives and over-the-counter margined products are non-limited recourse products.

If you are a retail client and your selected investment guide allows your Managed Portfolio to include non-limited recourse products, it will also disclose (or incorporate by reference to other disclosures given to you):

- the types of non-limited recourse products that may be included in the Managed Portfolio
- information about the key features of those types of products (including any significant risks associated with investing in those types of products) that may be material to the decision of a person as a retail client whether to acquire those types of products
- information about the degree of leverage that may apply in relation to each type of product and in relation to the client portfolio assets of the client as a whole, including:
  - if the maximum potential liability of a person holding a type of product is unlimited – a statement to that effect, and
  - otherwise – the maximum value of the ratio between the maximum potential liability of a person holding that type of product and the amount payable by the person to acquire that type of product
- a clear and prominent example illustrating in dollars the risk of the potential liability of a person who holds each type of product
- information about our policy for communicating and satisfying margin calls or requirements to provide collateral or make payments in relation to each type of product
- information about our policy for closing positions at a loss in relation to each type of product.

Reporting 7

Online reporting

Once your account is activated, you will gain access to the Service's online portal where you can view a variety of reports relating to your account and underlying holdings. Online reporting allows you to view daily reports for your account as at the previous business day that show:

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

The online account valuation uses 20-minute delayed prices for domestic listed securities. These are supplied by independent financial data companies. Any unlisted investment held in your account will be valued at least weekly if practical. For unlisted securities, Mason Stevens will provide a price which it reasonably considers reflects the market price of the security, or if it is unable to reasonably determine a market price, it will apply a best estimate of a fair price.

Occasional downtime for maintenance of the website may delay your access and will be kept to a minimum.

Annual report

On an annual basis, you will also receive a report for your account that includes:

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

The annual report will assist in the preparation of your tax return. In your report, Mason Stevens will provide you with an annual statement and important information that will assist you and your accountant in determining your tax obligations. Since taxation depends on your own circumstances, you should consult your tax agent or accountant when completing your return. The annual report is prepared on the basis that you are an Australian resident for income tax purposes and you hold investments on capital account. If you are another entity type or hold your investments on revenue account or as trading stock, please seek independent tax advice. Mason Stevens does not provide tax or legal advice.

The annual report will generally be available by the end of September each year and will include a statement from the auditors in relation to the review of internal controls procedures relating to annual investor statements. We will make this report and statement from the auditors available through the online portal.

Taxation

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Taxation

As the beneficial owner of the assets held in your 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.

Collecting your Tax File Number (TFN), Australian Business Number (ABN) or exemption reason

If you do not quote your TFN (or TFNs for joint accounts), ABN or exemption reason, tax may be withheld from any applicable income received in respect of your account at the highest marginal tax rate (plus Medicare levy) before it is paid to you. You may be able to claim a credit in your tax return for any TFN or ABN tax withheld.

In respect of non-resident investors, withholding tax may be required to be applied on certain income amounts distributed or attributed to you. You must notify Mason Stevens when your tax residence status changes.

The collection of your TFN is authorised, and its use and disclosure strictly regulated by tax laws and the *Privacy Act 1988 (Cth)*. You do not have to provide your TFN, and declining to do so is not an offence. For more information about the use of TFNs, please contact the Australian Taxation Office (ATO).

Tax accounting method

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

Risks of investing 9

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

Specific investment risks apply to all investments that may have an effect on the value of your account. The risks of investing by following the strategy and parameters of the Managed Portfolios may include, but are not limited to, the following factors:

- **Market risk** – Unexpected conditions (i.e. economic, technological or political) can have a negative impact on the returns of all investments within a particular market. General movements in local and international stock markets, prevailing and anticipated economic conditions, investor sentiment, interest rates and exchange rates could all affect the value of listed securities and the investment returns.
- **Company or security specific risk** – Risks which could affect the value of a specific security, such as a fall in the profit performance of a company, may impact adversely on its share price and may also affect the interest rate it has to pay to borrow funds, which in turn, can affect the value of its debt securities.
- **Currency risk** – If the Managed Portfolio's investments in international assets are unhedged, a rise in the Australian dollar relative to other currencies will negatively impact investment values and returns. Currency markets can be extremely volatile and are subject to a range of unpredictable forces. It is not the Investment Sub-Adviser's intention to hedge the foreign currency exposure of the Managed Portfolio arising from investments in overseas markets.
- **Interest rate risk** – Changes in interest rates can influence the value and returns of investment in the Managed Portfolio.
- **Credit risk** – Any change in the market perception of the creditworthiness of a security or the credit rating of the issuer of the security may affect the security's value.
- **Investment Sub-Adviser risk** – This is the risk that the Investment Sub-Adviser may not achieve its stated investment objectives or that changes in the investment team may impact on the performance of the Investment Sub-Adviser.
- **Liquidity risk** – The risk that the Managed Portfolio may experience difficulty in realising its assets.
- **Time horizon risk** – There is no assurance that in any time period, particularly in the short term, a Managed Portfolio will achieve its investment objectives. Many of the underlying assets may be volatile particularly over the short term. The Managed Portfolio is suitable for long term investors and is not designed for short term investment.
- **Income risk** – The level of income generated on the Managed Portfolio's investments can fall as well as rise and the tax status of such income can change.
- **Asset risk** – Asset risk is the risk that a particular asset or asset class in which the Managed Portfolio invests may fall in value, which may have an impact on the value of the Managed Portfolio.
- **Diversification/Concentration risk** – If your Managed Portfolio is concentrated into one investment or sector, a fall in that investment or sector may have a significant adverse effect on your total account. 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 Managed Portfolio. The Managed Portfolio will have a relatively higher concentration over time of listed securities but it is not possible to advise in advance the levels of concentration or diversification of issuers, types of investments or industry sectors.
- **Inflation risk** – Your investment may not keep pace with inflation. Broadly, this could mean that prices may increase more than the value of your investments following the Managed Portfolio and if this risk eventuates, you would not be able to buy as much with the value of your investments in the future as you could now.
- **Investment risk** – All investments have an inherent level of risk. The general expectation is that a high risk investment offers a higher expected return on investment. Investment risk may result in performance less than you expect or the loss of all of the capital invested or reduction in or no income and possible delays in repayment. Whilst it is the intention of the Investment Sub-Adviser to implement strategies designed to minimise potential losses, there can be no assurance that these strategies will be successful.
- **Specific portfolio risk** – The Investment Sub-Adviser's investment approach may result in a Managed Portfolio that differs substantially from an industry benchmark and hence your MDA which follows that Managed Portfolio might have investment returns which also differ substantially from industry benchmark returns. Similarly, your investment may perform better or worse than specific Managed Portfolios due to cash flows, exclusions, transaction sizes and other factors.

- **Third party risk** – We use information and services provided by third parties such as subcustodians and other service providers. Procedures are in place to address risks associated with outsourcing, such as having comprehensive service agreements with service providers. If a service provider advises of an error, it is corrected and if material, it will generally be communicated to you or your advisor (or both).
- **Systems and technology risk** – We rely on the integrity and reliability of the 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 backup arrangements and business continuity plans. In the event that the systems fail there may be delays in processing transactions or in accessing your investment capital and investment returns may differ from those that would have been achieved.

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

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

Additional Information

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General

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

Electronic instructions

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

We do expect you to take reasonable precautions to keep your account and access details secure and private and to advise us immediately if your identity has been compromised.

No cooling-off period

The registered owner of Approved Assets, being the Sub-Custodian, is a wholesale investor and therefore generally not entitled to any cooling-off rights when investing in units of managed investments. Cooling-off rights are usually available to direct retail investors under s1019B of the *Corporations Act 2001 (Cth)*, allowing investors to return their investments within a period of 14 days of acquiring the investment and receive a refund. As you are an indirect investor, you are not entitled to any cooling-off rights.

Period of operation of the Investment Mandate

The Investment Mandate for your selected Managed Portfolios continue in force until either party gives a written notice of termination to the other party of the MDA Contract.

Please note that if we give you notice of changes to the Investment Mandate, your MDA Contract continues until you give notice of termination.

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

Your MDA will be managed in accordance with the terms of the Investment Mandate.

Continuous disclosure updates and information

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

Privacy

We 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), the Australian Privacy Principles (APPs) and the Administrator's Privacy Policy.

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

Anti-Money Laundering and Counter Terrorism Financing (AML/CTF)

In accordance with the *Anti-Money Laundering and Counter Terrorism Financing Act 2006* (Cth), 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 keeps a record of this documentation for 7 years. If you do not provide the requested documentation there may be a delay in opening your account or processing your instructions.

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

Foreign Account Tax Compliance Act (FATCA)

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

Common Reporting Standard (CRS)

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

Conflicts

Mason Stevens has contractual arrangements with Investment Managers (including Mason Stevens Asset Management Pty Ltd, a Mason Stevens group entity) in relation to investment management of the Managed Portfolios / Investment Options. Mason Stevens pays the Investment Managers a fee for its role as outlined in the relevant Investment Mandate. 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 Investment Manager 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 Managed Portfolios offered as part of the Service. In these transactions Mason Stevens may introduce such investment opportunities to be considered by the Investment Manager for investment. In addition, Mason Stevens will also provide the execution capabilities for such transactions as detailed in the Investment Mandate. Through the provision of these transactional services, Mason Stevens and the Investment Manager may be entitled to receive fees on certain transactions.

Mason Stevens and its 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 account under any Investment Option or Managed Portfolio. Mason Stevens has policies in place to ensure that Mason Stevens manages conflicts of interests.

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

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

Dispute resolution

Mason Stevens has established an internal process for handling complaints with the view to ensure the prompt, fair and effective resolution of complaints. If you have a concern or complaint, please contact 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 30 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: afca.org.au
E: info@afca.org.au
T: 1800 931 678 (free call)

Contacts

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

Our contact details are:
Level 26, 420 George Street, Sydney NSW 2000

W: masonstevens.com.au
E: wealth@masonstevens.com.au
T: 1300 988 878

Managed Discretionary Account (MDA) Service Terms

Important information

This document sets out the MDA Service Terms for the MDA Contract between the person named as the applicant in the Application Form (**Client/you/your**) and Mason Stevens Pty Limited ABN 91 141 447 207 AFSL 351 578 (**us/we**) and should be read in conjunction with the Investment Mandate for the specific Managed Portfolios that you have chosen. The Investment Mandate is available from your adviser. This explains the terms on which we agree to provide MDA Services to you. These do not apply if your account comprises a Self-Directed Portfolio only.

For information on Mason Stevens and the MDA Service please also refer to the Financial Services Guide available at **masonstevens.com.au/fsg**

If you are unable to access the online information, your adviser or Mason Stevens can provide the information in hard copy free of charge.

MDA Contract

1 An MDA Contract between us and you on the following terms:

a. An **MDA Contract** is an agreement made by Client and Mason Stevens for Mason Stevens to provide MDA Services to Client in respect of a Managed Account. The **MDA Contract** comprises:

a. Client's application for the MDA Contract (including made by or on behalf of Client);

b. our FSG for MDA Services;

c. the Investment Program for the Managed Account; and

d. these MDA Service Terms;

e. any other specific authorisations, instructions, limits or requirements agreed (in writing) by Client and us.

b. There is a separate MDA Contract in respect of each Managed Account unless Client applies at the same time for more than one Managed Account and that application for more than one Managed Account is accepted (which automatically makes one MDA Contract in respect of all of the requested Managed Accounts).

c. A **Managed Account** is an account with us provided pursuant to the Services Agreement and managed by us pursuant to the MDA Contract for the Investment Program referrable to it (as evidenced in our records).

For the avoidance of doubt, the MDA Contract (including the MDA Service Terms) is not part of the Services Agreement.

d. The Investment Program is selected by Client as notified to us in Client's application for the MDA Contract.

The Investment Program includes and incorporates the Investment Mandate or Mandates for the Investment Program (whether stated in the Investment Program or it is stated there that it incorporates by reference to the Investment Mandate).

Without limiting how Client applies to Mason Stevens for an MDA Contract, Client's selected Investment Program may be identified in or incorporated by reference in, the statement of advice given to Client about the Investment Program and a copy of that statement of advice (or relevant part of it) is provided to Mason Stevens.

e. The MDA Contract will be binding on Client and Mason Stevens only upon acceptance by Mason Stevens of Client's application for the MDA Contract.

2. **MDA Services** are on the following terms:

a. Mason Stevens is authorised to manage Client's Managed Account in accordance with these MDA Service Terms to implement the Investment Program for the Investment Mandate allocated to the Managed Account.

b. Mason Stevens is authorised, in operating the Managed 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 any limits agreed with Client and subject to the Services Agreement).

c. Client accepts:

a. The MDA Services are primarily to give authority and power to Mason Stevens to exercise its discretion to make transactions for the Managed Account (in accordance with the MDA Contract).

b. The discretionary trading of Financial Products for the Managed Account 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 Managed Account but may include Client's full liability arising from trading in Financial Products on terms authorised by Client.

c. Mason Stevens does 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.

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. Mason Stevens has complete discretion to manage Client's Managed Account (subject to the MDA Contract and to duties and other obligations of Mason Stevens which by law cannot be excluded).

   In exercising this discretion, Mason Stevens might expose Client to a range of risks including risk associated with currency exchanges, derivatives, 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 Managed Account and the return which Client receives from Property in the Managed Account.

h. Mason Stevens may but is not obliged to exercise any specific right or other benefit attached to or granted to a holder of any Financial Products held for Client in the Managed 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 undue or unreasonable failure or delay in exercising any of those rights on Client's behalf.

i. Mason Stevens is not responsible for any loss or liability incurred by Client if Mason Stevens acts or refrains from acting within the terms of the MDA Contract other than where it has acted fraudulently, negligently or recklessly.

j. If a term of the Services Agreement would be (but for this provision) inconsistent with the MDA Service Terms and such inconsistent term would prevent Mason Stevens from complying with the ASIC MDA Instrument for the MDA Contract, that inconsistent term in the Services Agreement is (by these MDA Service Terms) severed from the Services Agreement.

Apart from the foregoing, the MDA Service Terms do not limit the Services Agreement.

3. In these MDA Service Terms, the following defined expressions are used:

Client means the person who is the Client for the Services Agreement and is identified in the application for the MDA Contract.

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

FSG means financial services guide (relevant to the MDA Service).

Investment Mandate means a document (or section of 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, pursuant to the MDA Contract. The Investment Program may be set out in a statement of advice accepted by Client and may include one or more Investment Mandates.

Managed Account is defined in clause 1.c.

MDA Contract is defined in clause 1.a.

MDA Service is described in clause 2.

Property means all Financial Products, cash or cash equivalent, choses in action and ancillary rights held on behalf of Client by us, or accruing to Client as a result of the Services Agreement with us.

Services Agreement means the agreement of that name made by Client and Mason Stevens for account, custody and other services.

Services Agreement

About this document

This document contains important information about our terms for opening an account. Before you confirm your online application with us, please read the information on the following pages carefully as you will be bound by the declaration and terms and we will rely on your application. These terms apply to all account holders where you apply for MDA Services or only a Self-Directed Portfolio. These terms can also be accessed at **masonstevens.com.au/onlineterms**

1. Services Agreement

1.1 This document sets out the terms which apply between the person named as the applicant in the Application Form (Client) and Mason Stevens Pty Limited ABN 91 141 447 207 AFSL 351576 (us/we) when we accept Client's application in the Application Form.

1.2 Our decision to accept Client's application is in our sole discretion. The acceptance will only be recorded by our record of establishing an account for Client.

1.3 The agreement made by Client and us consists of the Application Form and these terms as amended from time to time (referred to in these Terms as the **Services Agreement**).

2. Services

2.1 Client appoints us to provide Client with the following services:

a. an account service, which includes providing one or more accounts (regardless of how they are described or named from time to time) for holding Financial Products in custody (including by appointing sub-custodians from time to time) and reporting on them as agreed from time to time;

b. custody of Client's Property in accordance with these terms;

c. as requested by Client and agreed from time to time:

i. agency services for Client for the purposes of dealing (including arranging to deal) in Financial Products and all related settlement and clearing of them and dealing (including arranging to deal) in Financial Services;

ii. advisory services in relation to Financial Products and Financial Services;

iii. dealing, advisory and management services in relation to other products or services which are not Financial Products or Financial Services;

iv. management of Client's Property;

v. Managed Accounts and MDA Services (if applicable); and

d. all ancillary or related services in accordance with these terms, as amended or varied from time to time,

collectively referred to in the Services Agreement as Services.

2.2 In respect of MDA Services:

a. MDA Services are provided on the MDA Service Terms pursuant to an MDA Contract.

b. The MDA Contract is separate and not part of the Services Agreement.

c. If a term of the Services Agreement would be (but for this provision) inconsistent with the MDA Service Terms and such inconsistent term would prevent Mason Stevens from complying with the ASIC MDA Instrument for the MDA Contract, that inconsistent term in the Services Agreement is severed from the Services Agreement.

3. Our general obligations

3.1 We will:

a. act honestly in providing the Services;

b. exercise the degree of care and diligence that a reasonable person would exercise if they were in our position in providing the Services to Client;

c. maintain at all times professional indemnity insurance as required by law; and

d. maintain adequate arrangements to enable us to provide the Services in any contingency for which we should reasonably plan.

3.2 We represent that:

a. we have adequate arrangements to enable us to provide the Services in any contingency for which we should reasonably plan;

b. we have the power and authority to enter into the Services Agreement and to perform the obligations imposed on us by the Services Agreement.

4. Account

4.1 A reference in the Services Agreement to "**account**" is a reference to the entire account relationship between Client and us and also, as the context requires, to each separately identified account in our records. Client may have more than one identified account provided by us from time to time. Each account is part of the entire suite of Services provided by us. Each separately identified account is not legally segregated from any other separately daintified account held for Client even though we record and report on them separately, unless we expressly agree in writing that one or more nominated accounts are segregated from other accounts of Client.

4.2 Client acknowledges and agrees that, in respect of any account provided to Client:

a. We will not be responsible for any loss or liability incurred by Client in relation to taxation of any investment, payment, dealing or right associated with the account, including any fine, penalty or interest charge.

b. We, another customer of ours or a director, secretary, officer, representative, employee or consultant of ours or of a related body corporate of us may be the counterparty to a transaction executed on Client's behalf by us in operating the account, or to a transaction in similar Financial Products or their derivatives, at or near the time of the transaction for Client, and may take an opposite position or one which is contrary to or different from the transaction for Client. We may, on our own account or on behalf of other clients, take opposite positions in respect of Financial Products to those taken by us in operating Client's account.

c. We may charge Client fees and charges, and recover from Client our expenses and be reasonably indemnified for amounts, incurred in providing the Services based on our allocation to Client and at rates different from those charged to other clients.

4.3 Client acknowledges and agrees that:

a. where required by law, all money deposited by Client with us, or received by us which is sent on behalf of Client (client moneys), before we establish your account, may be first deposited into our client moneys trust account and then may be withdrawn and paid into a bank account, other term or other account or deposit facility or cash management trust facility, whether in our name or maintained by our nominee or sub-custodian as a non-segregated account held on trust for Client and for our other clients, maintained in accordance with applicable legal and regulatory requirements, whether or not that other account constitutes a client moneys trust account (and this provision in the Services Agreement is, subject to applicable legal and regulatory requirements, sufficient direction by Client to authorise the withdrawal of those client moneys to be paid into that other account);

b. dividends and other distributions to which Client is entitled will be deposited into a bank account or other deposit facility or cash management trust account which we maintain for our clients (not directly into the client moneys trust account) and will be credited to Client's account;

c. all Financial Products held by or for Client will be held on trust for Client, either by us or by our nominee or sub-custodian (including any delegate appointed by them); and

d. in respect of Client's moneys in any trust account (including but not limited to a client moneys trust account) or in any other way held in custody for Client:

i. Client is not entitled to earn any interest on Client's moneys in any trust account unless we agree to that;

ii. we are entitled to all interest earned on Client's moneys in any trust account; and

iii. if we set an amount or rate of interest which we will pay or credit to Client in respect of Client's client moneys, we will pay or credit that and we are entitled to all other interest earned on those moneys above the amount or the rate which we owe Client.

5. Custody Services

5.1 The following apply to any Services which are custody services which we provide to Client, whether it is a retail client, wholesale client or otherwise:

a. We will acknowledge to Client on request the manner in which we hold Client's Property.

b. The manner in which instructions may be given to us are as set out in the Services Agreement.

c. We are liable to Client if there is a loss to Client due to a failure by us or by a person who we directly or indirectly engage to hold Client's Property (being Property in which Client has a beneficial interest), to comply with the duties arising under the Services Agreement relating to holding Client's Property or to observe reasonable standards generally applied by providers of custodial or depository services for holding the Property held except that we are not liable to the extent resulting from failure of a person we have directly or indirectly engaged if that person is insolvent and we have not failed to take reasonable care in engaging and monitoring compliance by that person.

d. We may not take or grant a charge, mortgage, lien or other encumbrance over, or in relation to, Client's Property under the custody arrangement unless it is:

   i. for expenses and outlays made within the Services other than any unpaid fees owing to us; or

   ii. in accordance with Client's written instructions.

e. We will keep and maintain electronic records of Client's Property and transactions made in relation to them of which we are aware (including, but not limited to, the time, source and method of giving instructions in relation to those transactions).

   The records of Client's Property and the nature of transactions in relation to them will be available in the ordinary course of the substantially continuously available electronic account reporting service and in summary form in the account reports sent to Client. The information will also be available to persons authorised by Client from time to time.

   Records of further details are not ordinarily continuously available but reasonable amounts of further detail will be provided on request (and for any reasonable fee or charge which we are permitted to impose).

f. We will apply verification procedures for the appropriately frequent reconciliation and checking of Client's Property.

g. We will report to Client according to any written agreement with Client, our disclosures in any FSG given to Client, any requirement of law and as we represent to Client from time to time.

h. If practicable before arranging for Client's Property to be held by another person and in any event before the assets are held by the other person, we will provide Client with written notice of the identity of, and contact details of, the other person, except we might not be able to give prior written notice if we decide that is in Client's best interests to arrange for custody of Client's Property with a person and prior notice is not predictable including, without limitation, because we have sufficient grounds to believe there are legal proceedings, or threatened legal proceedings, or insolvency restraints, adversely affecting, or likely to adversely affect, the then current asset holder.

i. On termination of our services for custody of Client's Property (whether by termination of the entire agreement with Client, or termination of only the custody Service), subject to any lien or security, Client's Property will be transferred to Client or as Client lawfully directs within a reasonable time.

5.2 We will hold all of Client's Property on trust for Client on the terms set out in the Deed for Custody Trusts. The Deed for Custody Trusts is part of and is incorporated into the Services Agreement. Client acknowledges that:

a. the Deed for Custody Trusts may be amended from time to time (in accordance with the terms of the Deed for Custody Trusts), without prior notice to or compensation to Client;

b. we may appoint a sub-custodian or nominee to hold Client's Property;

c. we, or our nominee or sub-custodian, may appoint a person to act custodian to hold Client's Property (which person may appoint another person as custodian or other delegate);

d. Client's Property will be aggregated with property of our other clients in one or more omnibus accounts;

e. any nominee or custodian (at any level) may make deductions from the Property from time to time for the purposes of satisfying any obligation entered into in accordance with the relevant nominee or custody agreement (but not to the extent prohibited by law);

f. Client might not have the benefit of direct contractual rights against a person with whom the nominee or any custodian transacts on Client's behalf; and

g. in respect of the custody arrangements referred to in this clause 5, some benefits accruing to holders of property (including Financial Products) might not be directly or indirectly available for Client's benefit and that will be without compensation or other adjustment, for example, voting rights, participation in rights issues, share entitlements, share purchase plans and bonus issues.

5.3 Despite the custody arrangements for Client and all other aspects of the Services Agreement, it is expressly intended that none of the Services Agreement, Services provided under it and our similar arrangements with other our clients do not constitute a pooled investment service, managed investment scheme, other common enterprise or for any other reason is required to be registered as a managed investment scheme except and only the extent of an MDA Service would be a registrable managed investment scheme but for our compliance with the ASIC MDA Instrument.

5.4 Client's investments made under the Services Agreement are for Client alone and, conversely, Client has no interest in any investments made by us for any other person under similar terms nor in any property held beneficially for any other person, even if their money or Financial Products are aggregated in the same bank, custody, settlement, clearing or other account.

6. Operations

6.1 We act on Client's account in providing the Services and, if relevant, instructions by or on behalf of Client. Instructions refers to any kind of order, request, notice, message or any other dealing (not just an order for a transaction).

6.2 We require instructions to be validly authorised, clear, in accordance with these terms, capable of being implemented and actually received by us.

6.3 Client may act under the Services Agreement by its authorised representative only on the following terms.

a. An authorised representative is any person who has been notified (or deemed to be notified) by or on behalf of Client is an authorised representative of Client. This includes, but is not limited to:

i. Client giving us written notice of an authorised representative.

ii. Client notifying us of an authorised representative in Client's Application Form or after that by our online facilities.

iii. Client confirming to us that their adviser (or advisor group) is also their authorised representative for the Services Agreement and their adviser (or adviser group) also confirms that to us and we accept that.

iv. If Client is a corporation, then:

a) if it has a sole director and a sole shareholder, then that sole director is deemed to have been notified to us as an authorised representative of Client;

b) if it has a sole director who is also the sole company secretary, then that sole director is deemed to have been notified to us as an authorised representative of Client; and

c) if Client has more two or more directors, neither director is deemed to be an authorised representative of Client. Client must notify us of which director is an authorised representative of Client.

b. Client may have more than one authorised representative. The following applies:

i. Client is solely responsible for managing their authorised representatives.

ii. All authorised representatives are deemed to have the same authority unless they are a primary contract notified to Mason Stevens.

iii. Mason Stevens may require Client to notify Mason Stevens of the primary contact for Client. A primary contact is an authorised representative whose instructions prevail over instructions from any other authorised representative.

c. We are not generally obliged to enquire into, and ordinarily in the absence of suspicious circumstances, we will not enquire into, Client's internal formalities for authorisation their authorised representative. We are not obliged to enquire into, and ordinarily will not enquire into, the currency of authorisation of an authorised representative and there is no implied duty to verify the authorisation.

d. In the absence of suspicious circumstances, we will accept authorisation by Client of its authorised representative as including authorisation to delegate all or any rights and powers to another person. This incudes, but is not limited to, Client authorising its advisor group who in turn delegates to administrative staff. An authorised representative binds Client.

e. We are not responsible for the acts or omissions of your authorised representatives.

f. Acting reasonably, we may decline to act on, or delay acting on, any requests, notices or instructions apparently on behalf of Client if we reasonably decide that, although Client has not notified us that the authorisation of the authorised representative has been terminated, there is a reasonable possibility that Client is unable to give us proper communications or instructions (as to the termination of their authorisation or otherwise).

g. Client acknowledges that ordinarily in the absence of suspicious circumstances we are not obliged to enquire into the continuing authorisation of the authorised representative prior to acting on their communications or instructions; however, we will decline to act on communications or instructions if we ask, but Client cannot confirm, that their authorisation continues.

6.4 Instructions for transactions or other dealings are only on the following basis:

a. Instructions for transactions and ancillary matters remain effective until the earlier of (i) being cancelled or superseded by Client giving instructions to that effect to us (in time for us and service providers to act on them) and (ii) being declined by us.

b. We give no assurance that any person with whom we place an order will execute the order, or will not delay it.

c. Instructions for transactions and ancillary matters must be on any trading terms which we adopt from time to time. The trading terms are not part of the Service Agreement. Compliance with the trading terms is an obligation of the Service Agreement (by this clause). The trading terms may be written (and available by our online facilities) or sent to Client or parts of the trading terms may be orally given to Client (such as the size of an order which Mason Stevens will accept).

6.5 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 will 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 we need that information to perform our Services 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;

6.6 If Client does not provide Client's tax file number or sufficient details of exemption, we may be obliged by law to deduct and withhold amounts from payments otherwise owing to Client at the highest marginal rate plus any applicable levy (including the Medicare levy) as required by law and pay that to the relevant government agency.

6.7 Client must comply with all of our requirements for Client's account access as amended from time to time. Client must keep all account access details secure and confidential and take reasonable steps to prevent access by a person who is not authorised by Client. Client must notify Mason Stevens immediately if Client becomes aware of any unauthorised access to Client's account.

6.8 Client must not tamper with or damage any code, data, service or software provided in connection with Client's account. Mason Stevens may suspend or cancel Client's access if Client fails to comply with this obligation or if Mason Stevens reasonably believes that fraudulent or other unauthorised access or transactions might have occurred or could occur in relation to Client's account.

6.9 Client acknowledges and agrees that:

a. if we act as agent in placing orders for Client, we do not generate the confirmation of the transaction and are not obliged by law to provide to Client the confirmation of the transaction;

b. Client authorises us not to send confirmations of transactions (including copies of them) unless Client later requests us to send confirmations. If requested, we will either make them available by our website service or by sending the copy of the confirmations to Client's electronic address; and

c. correspondence will be sent to Client's electronic address, if such an address is provided in the Application Form or as Client later notifies to us.

6.10 If settlement of a transaction for Client is delayed or cancelled because:

a. we have not received the relevant payment from Client, then we may enforce payment by Client, which may also involve Client paying us:

i. interest on the outstanding amount, calculated and accruing daily; and

ii. a late settlement fee to be determined by us, to cover our reasonable costs and expenses arising from Client's delay or failure to settle; or

b. Client has not provided us with the relevant documents, information or instructions by the settlement date, then Client must pay us:

i. fees and charges levied by a Facility provider or other related service provider in respect of Client's transactions; and

ii. a late settlement fee to be determined by us, to cover our reasonable costs and expenses arising from Client's delay or failure to settle including any Financial Products borrowing costs (even if from another client of us) or compensation to the other party to Client's transaction.

6.11 If Client has not provided us with the relevant documents, information or instructions for settlement, or payment due after a demand by us or by the Facility provider or other related service provider to us or to Client, then Client by the Services Agreement:

a. authorises us to sell, at our sole discretion, any of Client's Property in our control or possession;

b. indemnifies us for all claims, damages, costs and expenses arising out of Client's delay or failure to settle;

c. authorises us to set-off any outstanding payment against a credit balance in Client's account; and

d. authorises us to transfer any Property held for Client to us, in any combination of the above, but only to the extent necessary to discharge some or all of Client's obligations.

7. Authorisations of Mason Stevens

7.1 If Client gives us an Instruction, we are authorised to implement it, including by using our service providers (who can act as agent or as principal).

7.2 We may use, in our sole discretion, the services of one or more service providers as appropriate to allow us to perform the Services selected by Client. Without limitation, that includes banks, dealers, lenders, option writers, market makers, issuers, custodians, financiers, brokers, clearing agents, settlement agents, issue and offer managers and operators of managed investment schemes.

7.3 The service providers are appointed by agreement with us from time to time, before or after entering into the Services Agreement with Client, without prior consultation with, notice to or approval by Client and as if we are the absolute legal and beneficial owner of the Property (subject to the Services Agreement).

Client acknowledges that the Services Agreements may include terms allowing or in relation to the following (without limiting other features or services):

a. the service provider acting as agent, principal, trustee or a combination of those legal roles (and that applies indirectly to our Services to Client);

b. purchasing, selling, short-selling, subscribing for, applying for, transferring, lending, borrowing, redeeming or otherwise dealing with any Property on Client's behalf including to rebalance Client's portfolio of investments in an account;

c. processing receipts (such as dividends and coupon payments) in relation to Client's account;

d. arranging for and agreeing to dealing in Financial Products as between Client and any other client of ours whose property is aggregated in the same bank, custody or other account, including on the basis of arranging for netting of transactions made for one portfolio of investments in an account with those made for another portfolio of investments in an account;

e. signing and executing all forms, deeds, transfers and other instruments necessary to operate, to maintain and to administer Client's account;

f. attending (or authorising attendance at) any meeting convened and exercising any rights attached to any Financial Products including voting, accepting or rejecting any proposal for creditors, takeover bid, scheme or arrangement or other corporate action;

g. participating in, refraining from participating or ceasing to participate in any bonus or distribution investment plan relating to any assets in Client's account;

h. exercising or not exercising any option held in Client's account or granted to Client based on Client's Property;

i. dealing in a range of Financial Products (including by arranging to place orders);

j. dealing in foreign exchange (spot or forward) and other derivatives (including by arranging to place orders);

k. clearing and settlement of all Financial Products;

l. managing Client's Instructions in relation to Client's Property which is subject to escrow or other restrictions imposed by the issuer of the Property;

m. paying for transactions and for services, and fees, charges, expenses and other amounts owing in relation to Services and Client's Property (including to the issuer of the Property, service providers and other third parties);

n. nominee or custody holding of Financial Products, rights, interests or other assets or any other custody or depository of any of them;

o. dealing and loan or other credit facilities;

p. creating or permitting to be created encumbrances over Client's Property to secure performance of obligations arising in respect of Client's Property or generally in relation to the service provided by the service providers, including on terms that permit access to and enforcement over Client's Property without having to establish any default by or on behalf of Client, and without any compensation to Client for that, including terms providing for enforcement and authorisation to take action on Client's behalf or in Client's name ordinarily arising and reasonable for the requirements of such facilities and security interests (the above examples should be interpreted expansively and not so that they are independent of each other);

q. the agreements with such service providers may provide for transactions on one or more Facilities including outside of an exchange; and

r. the service provider may be us or our associate.

7.4 Client is bound by the terms of the Agreement which we make or have made under or in relation to clause 7.3, whether we make the Agreement before or after making the Services Agreement with Client. We are only liable in respect of those agreements as Client's agent or nominee and not in our personal capacity except to the extent required by law or as expressly stated in the agreement between us and the service provider or in the Services Agreement between us and Client. The agreements may provide that the service providers report only to us and not to Client.

7.5 Client acknowledges that if an agreement is entered with a clearing participant of a Facility who is obliged as principal to comply with the settlement obligations for transactions made through the Facility, Client owes Client's settlement obligations to that clearing participant or we, as Client's agent, owe that obligation to that clearing participant.

7.6 Client agrees:

a. In consideration of the Services which we agree to provide, Client irrevocably appoints, severally, each director, company secretary and principal executive officer and each employee (whose title of office includes the word “manager” or “head”) of us, whoever they are from time to time, as Client’s attorney at any time to execute and to deliver all documents and to do all things which the attorney considers necessary or desirable to give effect to the provisions of the Services Agreement (including these terms) and, in particular, without limitation, in connection with or incidental to, the exercise of any of our rights and powers or for us to provide any of the Services.

Those powers may be exercised in our interests despite any conflict with the interests of Client.

This appointment survives termination of the Services Agreement.

b. Client, for the benefit of us and for any attorney described in clause 7.6(a), will promptly and unconditionally confirm and ratify whatever we do and any other attorney does pursuant to the power granted under clause 7.6(a).

c. Client will indemnify and keep us and any attorney indemnified against all claims, demands, costs, damages, losses and expenses, however arising, arising from or in relation to the lawful exercise of all or any of their powers and authorities contained under clause 7.6(a).

d. A grantee who is not a party to the Services Agreement with Client may rely on this clause 7.6 and enforce it against Client.

7.7 In the ordinary course of business, we do not record any telephone conversations with Client; however, Client authorises us to record any conversations (by telephone or otherwise) with us or our representatives, with or without an audible warning tone, for our records. You will be provided access to these records upon reasonable request. Client acknowledges that we may destroy these records at any time at our sole discretion (and without notice).

8. Fees, charges and expenses

8.1 Client owes and must pay the fees and charges, including our account fees and brokerage fees, in relation to the Services provided to Client. Our fees and charges applying at the commencement of the Services Agreement will be disclosed to Client prior to the commencement of the Services to Client.

8.2 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 reasonably 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.

8.3 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.

We will give not less than thirty (30) days’ notice of a change taking effect.

8.4 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 the Services 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.

8.5 GST is payable on most fees, charges and payment for expenses and other amounts owing under the Services 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 Services 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).

9. Client’s warranties, acknowledgments and undertakings

9.1 Client warrants and, as appropriate, undertakes that:

a. Client has the power to enter into and to perform the Services Agreement.

b. Client is not under any legal impediment or other impairment which makes, or could make, the terms of the Services 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. All of the statements made by Client in the Application Form, or otherwise for the purposes of applying for the Services Agreement to be made or for establishing the account, are true and correct and not misleading or deceptive.

e. Client has had a reasonable opportunity to obtain independent advice for the purpose of deciding whether to enter into the Services Agreement.

9.2 If Client enters into the Services 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, the Services 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 the Services Agreement;

d. each of Client's obligations under, and the transactions contemplated by, the Services 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 the Services 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 the Services 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 the Services 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.

9.3 Each warranty by Client in this clause or elsewhere in the Services Agreement is deemed to be repeated on each day that the Services Agreement subsists.

9.4 Client acknowledges the following:

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. 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.

c. Dealing in Financial Products involves the risk of substantial loss as well as the prospect of profit.

10. Limitation of Liability

10.1 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 Services Agreement which we have expressly agreed may not be excluded, limited or qualified.

10.2 Subject to a Preserved Liability and except if directly due to our breach of law, negligence, wilful default of the Services 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 Services 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 Services, 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 the Services 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.

10.3 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.

10.4 To the extent permitted by law, our aggregate liability to Client under the Services Agreement is limited to the fees Client has paid us in the two years preceding the breach or to the supply of our Services 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 the Services Agreement as though they were not in it from the beginning of the Services Agreement.

11. Indemnities

11.1 Subject to a Preserved Liability, Client reasonably 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 the Services 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 Services 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 the Services Agreement. This provision survives termination of the Services Agreement.

12. Termination

12.1 We may at any time, terminate (i) the authority to manage Client's account; (ii) Client's account; (iii) the Services Agreement; or any of them, with no prior notice or with such other notice as we decide. If no time is specified, the termination will be with immediate effect and Client will have immediate responsibility for management of Client's Property, including assuming the risk of all positions. Termination of the authority to manage does not by itself terminate the Services Agreement. 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 the Services Agreement.

12.2 Client may terminate the authority to us to manage Client's account with prior notice or with immediate effect by notifying us of that in writing. If no time is specified, we may assume it is with immediate effect and Client will have immediate responsibility for management of Client's Property, including assuming the risk of all positions. Termination of the authority to manage does not by itself terminate the Services Agreement. 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 the Services Agreement.

12.3 Client may terminate the entire agreement with prior notice or with immediate effect by notifying us of that in writing. If no time is specified, we may assume it is with immediate effect and Client will have immediate responsibility for Client's Property, including assuming the risk of all positions.

Termination of the Services Agreement does not terminate obligations which accrue up to the time of termination, including any fees, charges and obligations to reimburse or to indemnify a person. Such obligations survive termination of the Services Agreement.

12.4 Client acknowledges that if the Services Agreement is terminated, 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. Client acknowledges that it may take some time to unwind Client's position depending on factors such as the relevant markets and liquidity and that will be at Client's cost and risk.

12.5 Upon termination:

a. Client owes and must pay us all our accrued fees, charges and expenses and other costs for reimbursement or indemnification;

b. we will use all reasonable endeavours to transfer to Client or Client's nominee 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;

c. 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;

d. we may deal with Property in Client's account to settle or to set-off any existing obligations under the Services Agreement;

e. 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; and

f. we are no longer responsible for performing the Services or any of our other obligations under the Services Agreement, but termination will not affect any transaction properly commenced prior to termination, nor any other claim which either party may have against the other.

13. Laws and regulations

13.1 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, applicable ASIC Instruments and other legislative or Ministerial instruments);

b. Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Commonwealth); and

c. rules, customs, usages, practices and regulations of any Facility to the extent they are relevant to Client's transactions.

13.2 To the extent any of the laws and regulations referred to in clause 13.1 or otherwise applying is inconsistent with the Services Agreement, the laws and regulations prevail.

13.3 Client acknowledges that:

a. we are subject to various anti-money laundering and counter-terrorism financing laws and anti-tax avoidance laws (AML/CTF Laws) which may prohibit us from offering services or entering into or conducting transactions or performing Services; and

b. the AML/CTF Laws include prohibitions against any person dealing with the proceeds of or assets used in criminal activity (wherever committed) and from dealing with any funds or assets of, or the provision of finance to, any person or entity involved (or suspected of involvement) in terrorism or any terrorist act.

13.4 Client agrees that:

a. we are not required to take any action or to perform any obligation under or in connection with these terms if we are not satisfied as to Client's identity or if we suspect on reasonable grounds that by doing so we may breach the AML/CTF Laws;

b. we may delay, block or refuse to make any payment or to provide any service if we believe on reasonable grounds that to do so may breach any law in Australia or any other country, and we incur no liability to Client if we do so; and

c. we will not incur any liability to Client for any loss which Client suffers (including consequential loss) however caused by reason of any action taken or not taken by us as contemplated in paragraph (a) or (b) above.

13.5 Client agrees to provide to us and to allow us or our agents access to, all information and documents which we reasonably require to comply with any law in Australia or any other country, including any AML/CTF Laws.

The information which we may access, store and disclose for these purposes includes the information which is the subject of Client's authorisations in Client's Application Form or by any other means which Client authorises us. Client agrees that we may disclose information about Client which we collect or which we have, or about transactions or Services which Client has with or by us or which Client seeks to conduct with us, if we are required to do so by any Applicable Laws in Australia or in any other country or for the purpose of complying our AML/CTF program and compliance obligations.

14. Confidentiality and privacy

14.1 We will keep confidential all of Client's personal information and all other of Client's confidential information so we will not disclose it except as permitted by law, including when compelled by a notice or order properly issued by a regulatory authority (including but not limited to ASIC) or as permitted by Client. Client permits disclosure by these terms as set out in these terms or as permitted by our privacy policy.

14.2 We will make reasonable efforts to keep any such information that we have about Client secure and to ensure that any of our employees or agents who have access to the information about Client do not make any unauthorised use, modification, reproduction or disclosure of that information.

14.3 We will comply with our privacy policy.

15. Complaint Handling

15.1 If Client has any complaint about our Services, we will follow our dispute resolution policy.

16. General

16.1 Time is of the essence of performance of a party's obligations under the Services Agreement. If the

Services 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 the Services Agreement, including those described in clause 11, fully without deduction or set-off (and irrespective of any counterclaim) whatever.

16.3 A reference to interest in the Services 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.

16.4 A party to the Services Agreement may exercise a right or remedy or give or refuse its consent in any way it considers appropriate (including by imposing conditions), unless the Services Agreement expressly states otherwise.

16.5 If a party to the Services 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 the Services 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 the Services Agreement are in addition to other rights and remedies given by law independently of the Services Agreement.

16.9 The indemnities and rights to be reimbursed in the Services Agreement are continuing obligations, independent from the other obligations of the parties under the Services Agreement and continue after the Services Agreement ends. It is not necessary for a party to incur expense or make payment before enforcing a right of indemnity or reimbursement under the Services Agreement.

16.10 All instructions, communications and notices must be in English. Unless otherwise specified or agreed, they may be given by a person to the other in writing by hand delivery, email, other electronic communication service (including by our website or other online service) or post.

16.11 Mason Stevens maintains the source of the electronic copy of the Service Agreement (including a compilation as amended since the Service Agreement was initially made with Client). A copy provided by us (in electronic or paper form) is deemed to be a correct copy (in the absence of manifest error) and may be pleaded as sufficient primary evidence of the Service Agreement.

16.12 Mason Stevens maintains the source of the electronic copy of other documents arising in the course of the Service agreement and which is sent by one of Client and Mason Stevens to the other (including by persons acting on behalf of any of them). A copy provided by us (in electronic or paper form) is deemed to be a correct copy (in the absence of manifest error) and may be pleaded as sufficient primary evidence of the document.

16.13 If a document arising in relation to the Service Agreement requires execution by or on behalf of a party, then a single downloaded electronic copy of the document (which was executed in one or more counterparts or electronically whereby each person executed an electronically distinct but otherwise identical copy of it) also constitutes the document of each party who has executed and delivered a counterpart which is compiled in (or merged into) that copy and may be pleaded as sufficient primary evidence of the relevant document.

(a) The parties intend and agree that each document made pursuant to the Service Agreement may be executed electronically including, without limitation, by any one or more combinations of the following (but subject to any overriding requirement of law for the effectiveness of execution of the relevant document which cannot be overridden by this agreement other document):

(i) if by or on behalf of Client, by sending an email from the email address provided by Client or an email address by an authorised representative of Client (including a delegate of the authorised representative);

(ii) if by or on behalf of Mason Stevens, by sending an email from Mason Stevens or an email address by an authorised representative of Mason Stevens (including a delegate of the authorised representative);

(iii) affixing an electronic image of a signature or electronic signature;

(iv) by affixing a signature to an electronic image or electronic record of a document which is a counterpart of the document (including by way of an electronic document signing or execution platform which provides separate electronic records of each version made available to or accessed by an individual);

(b) by a person who is an authorised representative of a party to the document which is a corporate entity (by whatever means that authorisation arises) affixing their signature electronically (in any permitted manner) and, if a witness to their signature is required or appears, the witness may electronically affix their signature physically remotely from the authorised representative and at a different time on the basis that the witnessing is deemed to be confirmation of the authorised representative having affixed

their signature in a permitted manner (and is not to be taken as implying the witness was contemporaneously witnessing the affixation in the physical presence of the authorised representative at the time their signature was affixed);

(i) by two or more authorised officers or other representatives of a party to the document which is a corporate entity electronically affixing their signatures physically remotely from each other and whether or not at the same time (and without requiring each of them to witness the other affixing their signature); and

(ii) by any number of counterparts and by the parties on separate counterparts. Each counterpart constitutes the agreement of each party who has executed and delivered that counterpart.

16.14 Nothing in the Services 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 Services Agreement.

16.15 Failure or neglect by a party to the Services Agreement to enforce any of the provisions of the Services Agreement must not be construed as, nor may be deemed to be, a waiver of their rights under the Services Agreement nor in any way affect the validity of the whole or any part of the Services Agreement nor prejudice our rights to take subsequent action.

16.16 If Client is comprised of two or more persons, then the account must be established in the names of all of the persons who comprise Client. This will operate as each person holding their interests as joint tenants (unless we expressly agree in writing otherwise).

Each person constituting Client is jointly and severally liable for the obligations under these 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.

16.17 An agreement, representation or warranty by two or more persons binds them jointly and each of them individually.

16.18 Client may not assign the Services Agreement, because it is personal to Client. We may assign the Services Agreement (including the benefit and the burden of it) by giving not less than twenty (20) business days' notice of that to Client.

16.19 The agreement contains the entire agreed terms agreed by Client and us for the Services except MDA Services and all related and ancillary aspects between the parties and supersedes all prior communications, negotiations and documents in relation to the Services

16.20 Except as specified otherwise, the Services Agreement cannot be amended or varied except in writing and either:

a. signed by the parties; or

b. by us giving not less than ten (10) business days' prior notice to Client. Without limiting the ways in which we can give notice, the notice of changes can be by way of a general notice of changes to come into effect, with a link to the place (e.g., where the entire Terms (as amended) can be accessed. The notice can also append the entire Terms (as amended). The changes will be effective from the stated date even if Client has not read the amended terms or is otherwise not aware of the notice or the details of the changes.

16.21 If any term or other provision of the Services 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 Services Agreement and the remaining Terms will be unaffected by that.

16.19 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 Services Agreement:

account has the meaning given in clause 4.1.

Applicable Laws means all laws, rules, regulations and other legal requirements in force from time to time in Australia as relevant directly or indirectly to the Services Agreement, our Services to Client and all ancillary matters.

Application Form means the application form, completed by or on behalf of Client, which refers to these terms or the Services Agreement to be made on these terms upon acceptance of the application in the form. The form may be in hardcopy or electronic form, and may be completed digitally online and need not be signed by or on behalf of Client in order for it to be effective and binding on Client. The form may be binding on Client at the time it is submitted by or on behalf of Client (even if the Services Agreement is not made until later, if at all), or at a later time (including, but not limited to, when Client confirms to us the application and any related declarations, confirmations or acknowledgments).

ASIC MDA Instrument means an instrument in relation to managed discretionary account services and which is issued by or on behalf of ASIC, including but not limited to, a registered federal instrument, a class order, a declaration and an exemption, in any case whether general or specifically applying to any person by ASIC, as amended or superseded from time to time. A reference to this includes a reference to any later instrument made by ASIC which substantially replaces or supersedes it.

ASIC means Australian Securities and Investments Commission.

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

Deed for Custody Trusts means the deed poll of that title made by Mason Stevens Pty Limited (ABN 91 141 447 207 AFSL 351576), as amended or replaced from time to time.

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 Manager means an entity that advises Mason Stevens or its delegates on the composition of the portfolios as detailed in the relevant Investment Mandate.

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 means a separately identified account provided by Mason Stevens (pursuant to the Service Agreement) to Client which is agreed to be managed by Mason Stevens in accordance with the agreed Investment Program and pursuant to the MDA Contract referrable to the Managed Account.

MDA Contract means the agreement for providing an MDA Service to Client on the MDA Service Terms.

MDA Service means the service by Mason Stevens to manage Client's Managed Account in accordance with the agreed Investment Program and pursuant to the MDA Contract referrable to the Managed Account.

MDA Service Terms means the terms of providing an MDA Service to Client. The MDA Contract is on the MDA Service Terms.

Preserved Liability has the meaning given in clause 10.1.

Property means all Financial Products, cash or cash equivalent, choses in action and ancillary rights held on behalf of Client by us, or accruing to Client as a result of the Services Agreement with us.

Services Agreement has the meaning given in clause 1.3.

Services has the meaning given to it in clause 2.1.

Terms means the terms set out in this document, as amended from time to time.

17.2 Words in the Services Agreement expressed in the singular include the plural and vice versa.

17.3 A reference in the Services Agreement to a document or agreement includes any variation or replacement of it.

17.4 Headings in the Terms are for reference only and do not in any way affect the meaning of the Services Agreement.

17.5 Unless the context requires, a reference in the 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 Services Agreement must not be interpreted against our interests merely because these are standard Terms provided by us to our Clients.