

Mason Stevens ASX 20 Managed Portfolio Disclosure Document



Managed Portfolio Disclosure Document issuer:

Diversa Trustees Limited (Trustee)
ABN 49 006 421638, AFSL 235153,
RSE Licence No L0000635,
in its capacity as Trustee of
Mason Stevens Super (Fund),
an APRA-regulated fund
ABN 34 422 545 198

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Mason Stevens Asset Management Pty Limited (MSAM), ABN 92 141 447 654 is the Investment Manager of the Fund.

Important Information

This document contains important information about the Mason Stevens ASX 20 Managed Portfolio and is incorporated by reference into the Mason Stevens Super Product Disclosure Statement (**PDS**). It should be read in conjunction with the Mason Stevens Super Additional Information Guide. These documents are available from your financial adviser or masonstevens.com.au/super

As at the date of issue the information contained in this document and the PDS is correct under superannuation laws and regulations which may change from time to time. In the event of a material change to information in this document or the PDS the Trustee will notify existing members either via the website or in writing within the time frames required by law. Updated information is available online at masonstevens.com.au/super

The information contained in this document and the associated PDS is general information only and has been prepared without taking into consideration your investment objectives, circumstances, or your personal financial situation or needs. This document is not intended to be and should not be construed in any way as investment, legal, taxation or financial advice. Before acting on the information in this document you should consider seeking financial advice tailored to your own objectives, circumstances, financial situation and needs.

The Trustee may change the terms and conditions of the Fund as permitted under the Trust Deed. The Trustee may also add, change or close any investment choice or insurance option and this may include making changes to asset allocations, benchmarks and investment strategies without prior notice to you. The Trustee is required to disclose certain Trustee and Fund information and documentation on its website (diversa.com.au/trustee), including but not limited to the trust deed, the PDS, the most recent annual report and the names of each material outsourced service provider to the Fund.

All investment involves risk, potentially resulting in (but not limited to) delays in payment of withdrawal proceeds and the loss of income and capital invested. Past performance is not necessarily indicative of future performance. An investment in the Fund is neither a deposit nor liability of Mason Stevens Group of companies, Mason Stevens or the Trustee or any of their associated entities. Fund members and their financial advisers can access account and investment information, as well as make transactions through Mason Stevens' secure online portal. Mason Stevens Asset Management (**MSAM**) is the investment manager of the Fund.

Mason Stevens Limited ABN 91 141 447 207 AFSL 351578 is the Sponsor and Promoter of the Fund, and also the custodian of all Fund assets and has appointed National Australia Bank Limited ABN 12 004 044 937, AFSL 230686 as primary sub-custodian. FNZ Australia Limited ABN 67 138 819 119 (**Administrator**) is the administrator of the Fund.



About the Managed Portfolios

PORTFOLIO PARAMETERS

MASON STEVENS ASX 20 MANAGED PORTFOLIO

Feature	Description
Investment manager	<p>Mason Stevens Asset Management</p> <p>The investment manager is responsible for designing and managing the composition of this managed portfolio to meet the investment objectives and investment strategy detailed below.</p>
Inception date	January 2019
Holding limit	Up to 100% of your portfolio (members are required to maintain their minimum cash balance as stated in the Mason Stevens Super Additional Information Guide).
Investment objective	<p>The Mason Stevens ASX 20 Managed Portfolio aims to provide investors with a pre-tax return that approximates the S&P/ASX 20 Accumulation Index before management fees.</p> <p>The managed portfolio aims to achieve its investment objective by investing in an equally weighted portfolio of predominantly the 20 largest shares by market capitalisation listed on the Australian Securities Exchange as determined by the S&P/ASX 20 Accumulation Index.</p>
Investment strategy and approach	<p>The managed portfolio will be passively managed, with rebalancing occurring semi-annually, in July and January. Rebalancing is conducted to ensure dividends received are reinvested regularly, that portfolio holdings match, where possible, the S&P/ASX 20 constituents (subject to minimum cash requirements) and to restore equal stock weightings.</p> <p>In some cases, the managed portfolio may hold securities drawn from outside the S&P/ASX 20 or may hold less than 20 securities for a short time. These occurrences are expected to be exceptions where, for example:</p> <ul style="list-style-type: none">» A security has been successfully taken over for cash consideration, the investment manager may hold cash until such a time as a new S&P/ASX 20 constituent has been determined.» A security has been successfully taken over for scrip in the acquirer, the investment manager may decide to retain the securities received until such time as a new S&P/ASX 20 constituent has been determined.» The investment manager knows with a high degree of certainty that a takeover offer will be successful and there is little chance of a superior bid, the investment manager may decide to replace the security with one from outside of the S&P/ASX 20 Index representing the next highest market capitalisation security that is likely to be included in the Index.» A security significantly underperforms the Index and the investment manager reasonably expects for it to be excluded from the Index at the next rebalance, the investment manager may decide to exclude it from the portfolio and replace the security with one from outside of the S&P/ASX 20 Index representing the next highest market capitalisation security that is likely to be included in the Index.
Designed for	Investors wanting exposure to Australian large-capitalisation stocks on an equal-weighted basis.
Target return	Aims to provide a pre-tax return that approximates the S&P/ASX 20 Accumulation Index (before management fees).
Indicative number of securities	19-21
Minimum cash	2%
Maximum cash	4%

Feature	Description	
Asset allocation¹	Target weight %	Allocation range %
Australian equities	98	96-100
Cash ²	2	2-4
Portfolio income	All income derived from this portfolio will be retained in the portfolio.	
Investment universe	Securities listed in the S&P/ASX 20 Accumulation Index plus under exceptional circumstances, securities that it believes are eligible for inclusion in, or exclusion from, the S&P/ASX 20 Accumulation Index and Cash.	
Maximum single security weighting	10%	
Minimum suggested timeframe	3 years	
Minimum initial investment	\$20,000	
Minimum additional investment	\$5,000	
Derivative restrictions	The investment manager does not use derivatives directly.	
Investment manager fee	0.22% p.a.	
Indirect Cost Ratio (ICR)	The estimated ICR at the date of this Disclosure Document is nil, however changes to underlying investments will result in changes to the ICR. The ICR may include any performance fees charged by the underlying investments.	
Performance fee	Nil	
Standard risk measure	<p>6 - High.</p> <p>The estimated likelihood of a negative return is 4 to less than 6 years in 20 years. The standard risk measure is a way of describing the level of risk of different investment options and provides a guide on the expected number of negative annual returns over any 20-year period. It does not consider all forms of investment risk. Please refer to the Mason Stevens Super Investment Guide for more information about the standard risk measure.</p>	

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



About the Investment Manager

Mason Stevens Asset Management

Mason Stevens Asset Management (MSAM) is the investment management arm of the Mason Stevens Group. MSAM was established to provide investors with the opportunity to access professionally managed investment strategies and funds that are typically reserved for institutions and professional investors.

MSAM works with a range of clients including financial advisers, financial intermediaries, family offices and selected wholesale investors in the delivery of tailored investment solutions.

Investment process

The managed portfolio aims to provide investors with a pre-tax return that approximates the S&P/ASX 20 Accumulation Index before management fees. The managed portfolio aims to achieve its investment objective by investing in an equally weighted portfolio of predominantly the 20 largest shares by market capitalisation listed on the Australian Securities Exchange (ASX) as determined by the S&P/ASX 20 Accumulation Index.

The managed portfolio will be passively managed, with rebalancing occurring semi-annually, in July and January. Rebalancing is conducted to ensure dividends received are reinvested regularly, to ensure the portfolio holdings match, where possible, the S&P/ASX 20 constituents (subject to minimum cash requirements) and to restore equal stock weightings.

How does the investment manager manage risk?

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

Labour standards and environmental, social and ethical considerations

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

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

Execution of strategy

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

Risks

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

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

Trade notifications

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

