

Mason Stevens Cash Enhanced 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

Date Issued: January 2024

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Mason Stevens has appointed Mason Stevens Asset Management (MSAM) as Investment Sub-Adviser on the Investment Options outlined in this Managed Portfolio Disclosure Document.

Important Information

This document contains important information about the Mason Stevens Cash Enhanced 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 and the Mason Stevens Super Investment 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 Citibank N.A. New York and Citigroup Pty Limited as primary sub-custodian. FNZ Australia Limited ABN 67 138 819 119 (Administrator) is the administrator of the Fund.

Contact Details

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About the Investment Options

Mason Stevens Cash Enhanced Managed Portfolio

Feature	Description									
Portfolio Name	Mason Stevens Cash Enhanced Managed Portfolio									
Investment Sub-Advisor	Mason Stevens Asset Management									
Inception Date	July 2023									
Holding limit	Up to 50% of your portfolio (members are required to maintain their minimum cash balance as stated in the Mason Stevens Super Additional Information Guide).									
Investment objective	Aims to provide a return of 30-55 basis points p.a. above the Benchmark (after fees) over a rolling 1-3 year period.									
Investment Strategy and Approach	The portfolio seeks to manage yield, credit, interest rate duration and credit spread duration risk in an optimal way to generate superior risk adjusted returns, that are in line with the investment objectives.									
Benchmark Return	RBA Cash Rate									
Minimum number of securities	5									
Maximum number of securities	30									
Asset Allocation	<table border="1"> <thead> <tr> <th></th> <th>Allocation range</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Australian Fixed Income</td> <td>60% - 98%</td> <td>98%</td> </tr> <tr> <td>Cash (minimum 2% cash)</td> <td>2% - 40%</td> <td>2%</td> </tr> </tbody> </table>		Allocation range	Target	Australian Fixed Income	60% - 98%	98%	Cash (minimum 2% cash)	2% - 40%	2%
	Allocation range	Target								
Australian Fixed Income	60% - 98%	98%								
Cash (minimum 2% cash)	2% - 40%	2%								
Investment universe	Bonds (financial, government, corporates), Residential Mortgage-Backed Securities (RMBS), Asset Backed Securities (ABS), Floating Rate Notes (FRN), Major Bank T2 and Cash Deposits. Securities may be listed on an exchange or unlisted.									
Maximum single security or fund weighting	25%									
Minimum suggested timeframe	1-2 years									
Minimum initial investment \$	\$25,000									
Minimum additional investment \$	\$10,000									
Minimum withdrawal	\$10,000									
Rebalance frequency	Sub-adviser discretion									
Investment manager fee	0.35%									
Indirect Cost Ratio	Nil									
Performance fee	Nil									
SRM	2									
Transaction fees	Nil									



About the investment manager and portfolio manager

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.

MSAM's management team has many years of senior management and transactional experience in the banking, finance and investment sectors, spanning multiple business cycles and across a range of asset classes, combined with a track record of successfully managing their own wealth.

For further information on the MSAM investment management team, please refer to masonstevens.com.au.

Investment process

The Managed Portfolio seeks to invest in a risk-adjusted portfolio of AUD-denominated fixed income securities unless stated otherwise. Account monies are invested as per the securities and weights as defined in the Managed Portfolio, with the Managed Portfolio reflecting the current investment views and strategies of the MSAM investment team.

While the primary investment strategy is to actively monitor, manage and reposition a portfolio of securities that meets the investment objectives over the suggested investment time frame, the MSAM investment team will act on shorter term market opportunities it has identified to maximise returns. The Investment Sub-Adviser will have full discretion over the timeframe of when monies are invested and will determine security selection based upon the following criteria:

- » Assessed quality of the underlying business, including appropriate ratio analysis; » Sustainability of coupons or other distributions (if applicable);
- » Rating of the underlying issuer and rating of the specific issue, if any;
- » Balance sheet ranking, if applicable;
- » Liquidity of the particular issue;
- » Duration of the particular issue; or
- » Historical volatility of the underlying securities.

In addition to in-house capabilities, the Investment SubAdviser will draw on a wide range of research sources.

This will include leading analysts from the major broking houses and investment banks, company briefings and meetings with company executives and independent specialist Australian and international market analysts.

Unless stated otherwise, all securities in the portfolio must have a minimum rating of investment grade or higher by a reputable rating agency at the time of purchase. It is expected that the performance will be predominantly income in nature however capital gains (and losses) can also be made.

How the investment manager manages risk

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

Labour standards and environmental, social and ethical considerations

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

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



Execution of strategy

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

Risks

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

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

Trade notifications

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

