

Mason Stevens Dynamic ETF 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: April 2023

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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 ETF Investment Options 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 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.

Contact Details

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About the Investment Options

Mason Stevens Dynamic ETF Conservative Investment Option

Feature	Description																		
Portfolio Name	Mason Stevens Dynamic ETF Conservative Investment Option																		
Investment Sub-Advisor	Mason Stevens Asset Management																		
Inception Date	July 2021																		
Investment objective	Focus on capital preservation and reducing downside risk.																		
Holding limit	Up to 100% of your account (members are required to maintain their minimum cash balance as stated in the Mason Stevens Super Additional Information Guide).																		
Investment Strategy and Approach	To achieve the stated investment objective through diversified exposure to a mix growth and defensive assets.																		
Benchmark Return	RBA Cash Rate + 2%																		
Target Return	RBA Cash Rate + 2%																		
Minimum number of securities	5																		
Maximum number of securities	20																		
Asset Allocation	<table><tr><th>Allocation range</th><th>Target</th></tr><tr><td>Australian Equities</td><td>8% - 38%</td></tr><tr><td>International Equities</td><td>2% - 32%</td></tr><tr><td>Australian Fixed Income</td><td>9% - 39%</td></tr><tr><td>International Fixed Income</td><td>19% - 49%</td></tr><tr><td>Alternatives</td><td>0% - 10%</td></tr><tr><td>Property</td><td>0% - 15%</td></tr><tr><td>Infrastructure</td><td>0% - 15%</td></tr><tr><td>Cash (minimum 2% cash)</td><td>2% - 35%</td></tr></table>	Allocation range	Target	Australian Equities	8% - 38%	International Equities	2% - 32%	Australian Fixed Income	9% - 39%	International Fixed Income	19% - 49%	Alternatives	0% - 10%	Property	0% - 15%	Infrastructure	0% - 15%	Cash (minimum 2% cash)	2% - 35%
Allocation range	Target																		
Australian Equities	8% - 38%																		
International Equities	2% - 32%																		
Australian Fixed Income	9% - 39%																		
International Fixed Income	19% - 49%																		
Alternatives	0% - 10%																		
Property	0% - 15%																		
Infrastructure	0% - 15%																		
Cash (minimum 2% cash)	2% - 35%																		
Investment universe	ETFs, Listed Managed Funds, Cash																		
Maximum single security or fund weighting	30%																		
Minimum suggested timeframe	2 years+																		
Minimum initial investment \$	\$25,000																		
Minimum additional investment \$	\$10,000																		
Minimum withdrawal	\$10,000																		
Rebalance frequency	Investment Sub-Adviser discretion																		
Investment manager fee	0.22%																		
Indirect Cost Ratio	0.22%																		

Feature	Description
Performance fee	Nil
SRM	<p>3 – Low to Medium.</p> <p>The estimated likelihood of a negative return is 1 to less than 2 years in 20. The standard risk measure is a way of describing the level of risk of different investment options and provides a guide on the expected number of negative annual returns over any 20-year period. It does not consider all form of investment risk. Please refer to the Mason Stevens Investment Guide for more information about the standard risk measure.</p>



Mason Stevens Dynamic ETF Balanced Investment Option

Feature	Description																		
Portfolio Name	Mason Stevens Dynamic ETF Balanced Investment Option																		
Investment Sub-Advisor	Mason Stevens Asset Management																		
Inception Date	July 2021																		
Investment objective	Focus on capital growth potential.																		
Holding limit	Up to 100% of your account (members are required to maintain their minimum cash balance as stated in the Mason Stevens Super Additional Information Guide).																		
Investment Strategy and Approach	To achieve the stated investment objective through diversified exposure to a mix growth and defensive assets.																		
Benchmark Return	RBA Cash Rate + 2.5%																		
Target Return	RBA Cash Rate + 2.5%																		
Minimum number of securities	5																		
Maximum number of securities	20																		
Asset Allocation	<table> <tr> <th>Allocation range</th><th>Target</th></tr> <tr> <td>Australian Equities</td><td>12% - 42%</td></tr> <tr> <td>International Equities</td><td>8% - 38%</td></tr> <tr> <td>Australian Fixed Income</td><td>4% - 34%</td></tr> <tr> <td>International Fixed Income</td><td>4% - 34%</td></tr> <tr> <td>Alternatives</td><td>0% - 10%</td></tr> <tr> <td>Property</td><td>0% - 15%</td></tr> <tr> <td>Infrastructure</td><td>0% - 15%</td></tr> <tr> <td>Cash (minimum 2% cash)</td><td>2% - 17%</td></tr> </table>	Allocation range	Target	Australian Equities	12% - 42%	International Equities	8% - 38%	Australian Fixed Income	4% - 34%	International Fixed Income	4% - 34%	Alternatives	0% - 10%	Property	0% - 15%	Infrastructure	0% - 15%	Cash (minimum 2% cash)	2% - 17%
Allocation range	Target																		
Australian Equities	12% - 42%																		
International Equities	8% - 38%																		
Australian Fixed Income	4% - 34%																		
International Fixed Income	4% - 34%																		
Alternatives	0% - 10%																		
Property	0% - 15%																		
Infrastructure	0% - 15%																		
Cash (minimum 2% cash)	2% - 17%																		
Investment universe	ETFs, Listed Managed Funds, Cash																		
Maximum single security or fund weighting	30%																		
Minimum suggested timeframe	3 years+																		
Minimum initial investment \$	\$25,000																		
Minimum additional investment \$	\$10,000																		
Minimum withdrawal	\$10,000																		
Rebalance frequency	Investment Sub-Adviser discretion																		
Investment manager fee	0.22%																		
Indirect Cost Ratio	0.24%																		



Feature	Description
Performance fee	Nil
SRM	<p>5 – Low to Medium.</p> <p>The estimated likelihood of a negative return is 3 to less than 4 years in 20. The standard risk measure is a way of describing the level of risk of different investment options and provides a guide on the expected number of negative annual returns over any 20-year period. It does not consider all form of investment risk. Please refer to the Mason Stevens Investment Guide for more information about the standard risk measure.</p>



Mason Stevens Dynamic ETF Growth Investment Option

Feature	Description																		
Portfolio Name	Mason Stevens Dynamic ETF Growth Investment Option																		
Investment Sub-Advisor	Mason Stevens Asset Management																		
Inception Date	July 2021																		
Investment objective	Focus on capital growth with emphasis on identifying and taking advantage of emerging sector thematic.																		
Holding limit	Up to 100% of your account (members are required to maintain their minimum cash balance as stated in the Mason Stevens Super Additional Information Guide).																		
Investment Strategy and Approach	To achieve the stated investment objective through diversified exposure to a mix growth and defensive assets.																		
Benchmark Return	RBA Cash Rate + 3.5%																		
Target Return	RBA Cash Rate + 3.5%																		
Minimum number of securities	5																		
Maximum number of securities	20																		
Asset Allocation	<table><tr><th>Allocation range</th><th>Target</th></tr><tr><td>Australian Equities</td><td>24% - 54%</td></tr><tr><td>International Equities</td><td>16% - 46%</td></tr><tr><td>Australian Fixed Income</td><td>0% - 24%</td></tr><tr><td>International Fixed Income</td><td>0% - 24%</td></tr><tr><td>Alternatives</td><td>0% - 10%</td></tr><tr><td>Property</td><td>0% - 15%</td></tr><tr><td>Infrastructure</td><td>0% - 15%</td></tr><tr><td>Cash (minimum 2% cash)</td><td>2% - 17%</td></tr></table>	Allocation range	Target	Australian Equities	24% - 54%	International Equities	16% - 46%	Australian Fixed Income	0% - 24%	International Fixed Income	0% - 24%	Alternatives	0% - 10%	Property	0% - 15%	Infrastructure	0% - 15%	Cash (minimum 2% cash)	2% - 17%
Allocation range	Target																		
Australian Equities	24% - 54%																		
International Equities	16% - 46%																		
Australian Fixed Income	0% - 24%																		
International Fixed Income	0% - 24%																		
Alternatives	0% - 10%																		
Property	0% - 15%																		
Infrastructure	0% - 15%																		
Cash (minimum 2% cash)	2% - 17%																		
Investment universe	ETFs, Listed Managed Funds, Cash																		
Maximum single security or fund weighting	30%																		
Minimum suggested timeframe	3-5 years+																		
Minimum initial investment \$	\$25,000																		
Minimum additional investment \$	\$10,000																		
Minimum withdrawal	\$10,000																		
Rebalance frequency	Investment Sub-Adviser discretion																		
Investment manager fee	0.22%																		
Indirect Cost Ratio	0.30%																		



Feature	Description
Performance fee	Nil
SRM	<p>6 – High.</p> <p>The estimated likelihood of a negative return is 4 to less than 6 years in 20. The standard risk measure is a way of describing the level of risk of different investment options and provides a guide on the expected number of negative annual returns over any 20-year period. It does not consider all form of investment risk. Please refer to the Mason Stevens Investment Guide for more information about the standard risk measure.</p>



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. MSAM as the investment manager of the Fund has appointed State Street Global Advisors, Australia, Limited ABN 42 003 914 225 (State Street Global Advisors) as portfolio manager of the Mason Stevens ETF Investment Options.

Investment process

The portfolios are constructed with a focus on capturing risk-adjusted returns through diverse asset allocation principles, granting the investor broad access to markets whilst also providing risk awareness and controls that form an integral part of the investment process. The portfolios are constructed using broad asset classes that provide risk diversification benefits to the overall returns that are generated through time. The objective of each portfolio is to provide diverse, actively managed exposures to local and global markets at a low cost.

The philosophy of the management of each portfolio is based on (1) clearly defined and reproducible portfolio construction process, (2) the importance of a clearly defined strategic asset allocation (SAA) that represents the long-term return and risk preferences of investors, and (3) taking advantage of active management skill, across asset classes via tactical asset allocation (TAA), and within asset classes via superior asset, sector, and yield curve value adding decision making. These portfolios allow advisers to access low cost, robustly constructed, and highly liquid portfolios, backed by Mason Stevens in-house expertise and the expertise of global ETF managers.

Each portfolio has a return target based on 'RBA Cash Rate plus' performance benchmarks which reflect the three risk profiles (conservative, balanced, growth), with different tilts towards geographic and sector exposures for each profile.

Strategic Asset Allocation is driven by MSAM's "Wisdom of Crowds" based views of return and volatility spanning a projected 5 to 10-year time frame. The underlying forecasts are based on the long-term historical distributions of return and volatility, and projections using a range of methodologies including, macroeconomics, risk premia expectations, and quantitative valuation methods. MSAM will also apply tactical tilts reviewed on a short-term basis which reflects MSAM's views for the upcoming quarter.

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.

