Mainstream Separately Managed Account
PRODUCT DISCLOSURE STATEMENT
Book 1

Mainstream Separately Managed Account
ARSN: 631 635 473

This PDS is issued by The Trust Company (RE SERVICES) Limited
ABN 45 003 278 831 | AUSTRALIAN FINANCIAL SERVICES LICENCE (AFSL) NUMBER 235150

Date of Issue: 1st April 2020
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ISSUER AND RESPONSIBLE ENTITY
The Trust Company (RE Services) Limited
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Mainstream Fund Services – Separately Managed Account
ABOUT THIS PDS

IMPORTANT INFORMATION

This Product Disclosure Statement (PDS) is issued by The Trust Company (RE Services) Limited ABN 45 003 278 831 Australian Financial Services Licence (AFSL) number 235150 (Perpetual, Responsible Entity, RE, we, us, our), the responsible entity for the Mainstream Separately Managed Account ARSN 631 635 473 (Scheme). The investment managers of the portfolios (Model Managers) are listed in Book 2 of this PDS. Mainstream Fund Services Pty Ltd ABN:81 118 902 891 and AFSL number 303253 (Mainstream) is the administrator and custodian of the Scheme.

Updated Information

This PDS is not an offer or invitation in relation to the Scheme in any jurisdiction other than Australia, or to any person to whom, it would not be lawful to make that offer or invitation.

All references to $ amounts are to Australian dollars, unless otherwise specified.

This PDS is current as at 1st April 2020. Information in this PDS is subject to change from time to time. To the extent that the change is not materially adverse to investors, it may be updated by posting a notice of the change on the Scheme’s website at: www.mainstreamgroup.com/SMA. Investors will be provided, free of charge, a paper copy of the updated information upon request. If the change is materially adverse to investors, Perpetual will notify affected investors and replace this PDS in accordance with the Law. Neither Perpetual nor Mainstream nor the Model Managers listed in Book 2 of this PDS guarantee that you will earn any return on your investment or that your investment will gain or retain its value. No company other than Perpetual and the Model Managers listed in Book 2 of this PDS makes any statement or representation in this PDS.

Disclaimer

This PDS summarises significant information relating to the Scheme. It also contains a number of references to important information which is contained in Book 2 of the PDS, the Investment Guide (which forms part of the PDS). This is important information you should read together with this PDS before making a decision to invest in the Scheme. You can access Book 2 of the PDS on the Scheme’s website (www.mainstreamgroup.com/SMA) or request a copy free of charge by calling the Mainstream on 1300 133 451. The information provided in the PDS is general information only and does not take account of your personal financial situation or needs. You should consider the appropriateness of the information in this PDS and the additional information in Book 2 of the PDS having regard to your personal objectives, financial situation and needs before acting on the information in this PDS and the additional Information in Book 2 of the PDS. You may wish to obtain financial advice tailored to your personal circumstances.
Mainstream is a specialist custodian and administrator to the financial services industry. Established in Sydney in 2006, Mainstream has grown to become one of the leading independent investment administration providers in Australia. Mainstream is a wholly owned subsidiary of the ASX listed Mainstream Group Holdings Limited (ASX:MAI) with more than $147 billion in funds under administration globally.

Mainstream has been appointed by agreement with the Responsible Entity as both the Scheme administrator and custodian of the Scheme. As custodian for the Scheme, Mainstream will be responsible for the safekeeping of assets in the portfolios and may, from time to time appoint sub-custodians dependent on the assets held within the Scheme. As the Scheme administrator, Mainstream provides account administration and record keeping for investors in the Scheme. This includes effecting transactions, such as buying and selling securities on your behalf for your chosen Model Portfolio.

About the Responsible Entity
The Trust Company (RE Services) Limited is the Responsible Entity for the Scheme. The Responsible Entity is responsible for the operation of the Scheme and it has the power to delegate certain duties. It ensures that the Scheme is operated in accordance with its constitution (Constitution) and the Corporations Act (The Act). The Responsible Entity is part of the Perpetual Group of companies. More information about Perpetual can be found at www.perpetual.com.au.

Perpetual Limited is a member of the Financial Services Council (FSC). The standards of the FSC (FSC Standards) apply to relevant activities conducted by Perpetual Limited as a FSC member, as well as certain other entities related to the FSC member, including the Responsible Entity. The Responsible Entity complies with FSC Standards including FSC Standard No. 1: Code of Ethics & Code of Conduct. However, it has appointed service providers to provide certain services in relation to the Scheme, some of which may not be members of the FSC. Where a service provider is a member of the FSC, the Responsible Entity has taken reasonable steps to ensure that the service provider will comply with all FSC Standards in providing the services in relation to the Scheme. Where a service provider is not a member of the FSC, prior to the appointment of the service provider, the Responsible Entity has undertaken all appropriate and reasonable due diligence, establishes and maintains compliance monitoring, and complies with all applicable laws in relation to the appointment. Accordingly, you may not
receive the full benefit or protection of the FSC Standards in relation to any services which are delegated to or provided by a service provider.

What is a managed account?
A managed account is a managed investment product. As an alternative to traditional managed funds, managed accounts generally provide more transparent access to assets that are managed on a discretionary basis. The Scheme offers investors access to a suite of specialist Model Managers and a variety of different strategies aimed to achieve a given financial return within a risk framework.

The underlying investments held will vary depending on the portfolio selected, but may include, but are not limited to, listed securities, Exchange Traded Funds (ETFs), Listed Investment Companies (LICs), Listed Investment Trust’s (LITs) managed funds, debentures, and cash and cash equivalents. The investment allocations and target weights in a Model Portfolio are set by the Model Managers and may be subject to change.

SEPARATELY MANAGED ACCOUNT

INVESTOR

SMA

ACCESS TO PROFESSIONAL MANAGERS’ PRODUCTS

MODEL PORTFOLIO

YOUR HOLDINGS

MANAGED FUNDS

CASH

FIXED INCOME

PROPERTY

SHARES

Australian

International

ADMINISTRATION AND CUSTODY

Mainstream’s safe custody of your assets

RESPONSIBLE ENTITY

Perpetual
FEATURES OF THE MAINSTREAM SEPARATELY MANAGED ACCOUNT

The Scheme provides access to a selection of professionally managed investments from a range of Model Managers.

Investment in the Mainstream Separately Managed Account

The Scheme is established and offered within the registered managed investment scheme known as the Separately Managed Account. The Scheme comprises Model Portfolios from a range of Model Managers. The Scheme allows investors to choose from a number of available Model Portfolios providing exposure, either directly or indirectly, to a range of asset classes including cash, fixed interest, domestic equities, international equities, property and infrastructure. Each Model Portfolio has a designed investment objective and target return for a given level of risk.

Unlike many managed investment schemes, the Scheme is not a unit trust and instead investors in the Scheme achieve a beneficial interest in the specific investments included in their chosen Model Portfolios which may contain listed securities, units in listed and unlisted managed funds and cash.

Please refer to the Model Portfolio list contained in Book 2 of the PDS for a full range of available Model Portfolios and Model Portfolio Managers.

The benefits and risks of investing in a managed account are explained in this PDS.

Investment choice

You have a choice of a number of available Model Portfolios provided by a range of Model Managers listed in Book 2 of this PDS.

The Model Manager may add or remove underlying investments in the Model Portfolio as required, to achieve its investment objectives. Rebalancing of the Model Portfolio will occur in order to keep it consistent with the relevant target investment allocation. For further information on available Model Portfolio’s, refer to the Model Portfolio profile listed in Book 2 of this PDS.
Ownership
As an investor in the Scheme you have beneficial ownership or a beneficial interest in the underlying assets within your Account, being the Model Portfolio(s) you have selected; however, beneficial ownership or a beneficial interest in these investments is not identical to holding them directly and this may affect certain rights with respect to that investment. For example, you will not be listed on the share register of listed securities, nor the unit register of relevant managed funds, nor will you be able to vote at shareholder or investor meetings. These rights are held by Mainstream as the custodian which holds the underlying assets on your behalf.

Transparency
When you invest in a Model Portfolio, depending on the preference of the Model Manager, you may have greater transparency of the underlying investments compared to a managed fund. You will be able to view any transactions and fees within the portfolio on a daily basis through your allocated portal available via: https://mainstream.xplan.iress.com.au/client

For further information on this option you should refer to the ‘Investing in a managed account’ section and the ‘Customisation risk’ section in this PDS.

Asset transfers
Approved investments may be able to be transferred into or out of an Account, subject to the Constitution and approval by the Responsible Entity.

Where a request to transfer out of an account cannot be fulfilled the relevant investments will be redeemed and placed in cash. You should consider carefully the tax and other implications of in specie transfers and redemptions.

Reporting
Reporting for the Scheme is made available through your online portal, including annual statements and tax statements which are available after each 30 June.

Some of the other key reports available online include:

- Valuation Report: This gives a full valuation broken down by the Model Portfolios that you have invested in.
- Performance Report: The performance of your chosen Model Portfolios over a selected date range is available daily.
- Transaction Listing: Lists all buys and sells, transfers, brokerage and fees and charges deducted in respect of your Account.
- Income and Expense Reporting: Lists all income and expenses received and incurred within your Account.
- Tax Reporting: Daily tax reporting is available online with a tax parcel level interface to many commonly used accounting software packages.
SIGNIFICANT BENEFITS

The significant benefits of investing in the Scheme include:

Access to a wide range of professional managers and asset classes

The Scheme offers investors access to Model Portfolios professionally constructed and managed by professional Model Managers and wholesale rates of brokerage not available individually. Through these Model Portfolios, investors are able to create a diversified portfolio across a range of asset classes including cash, fixed interest, domestic equities, international equities, property and infrastructure.

Personal tailoring with a flexible platform

If a number of Model Portfolios are available through the Investment Menu, you can mix them in any proportion that you choose. Your individual blend of Model Portfolios will result in a single Account that you have tailored to your preferences.

Tax optimisation

Managed funds pool their assets in a unitised trust and as such the fund builds up capital gains and losses across the year. In the Scheme, you maintain beneficial ownership of the securities within your account and as such your tax position as a result of investing in the Scheme is affected only by the activity within your own Account. You do not buy into gains which have built up from other investors’ earlier investments, and you do not realise gains as a result of other investors’ decisions to withdraw.

View the investments that make up your Account at any time

You own a portfolio of investments, not a unit in a trust. You can log into the online portal at any time to view the individual investments that make up your Account within the Scheme (note some Model Managers may elect to display the holdings with a time lag to protect the intellectual property of their portfolio.) Through our online reporting, investors are able to monitor their investment continuously through a large range of online reports including portfolio valuations, performance, transaction and income reports.

Please note, in some circumstances, such as when trading is being conducted for your selected Model Portfolio(s), your exact investment holdings will not be available for the period of the trading or longer at the discretion of the Model Manager.
Portability of underlying investments
Contributions and withdrawals can be in cash or in kind - all CHESS-eligible listed Australian securities and a selection of other investments are accepted (Eligible Investments). Once you have selected your blend of Model Portfolio(s) we will sell those investments not required and invest the proceeds as per your selection.

Institutional infrastructure provided to retail investors
We understand the need for Investors to have peace of mind when it comes to the safety of their investment holdings. Mainstream partners with leading global institutions for the safekeeping of Investors assets within custody.
## OTHER KEY FEATURES

<table>
<thead>
<tr>
<th>FEATURE</th>
<th>BENEFITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Model Managers</td>
<td>Access to Model Managers with investment experience that are generally only available to wholesale investors unless investing via a managed fund</td>
</tr>
<tr>
<td>Variety</td>
<td>There are a variety of strategies to choose from. You can select one or more options from the range of Model Portfolios available.</td>
</tr>
<tr>
<td>Tax outcomes</td>
<td>Investing via a managed account provides you greater control in the management of your individual tax outcomes. Unlike a managed fund where there is a collective tax treatment, your tax position is based on the underlying holdings within the managed account.</td>
</tr>
<tr>
<td>Asset transfers</td>
<td>You may be able to transfer your existing assets into and out of your Account removing the need to sell down your assets first. This may also mean that you spend less time out of the market.</td>
</tr>
<tr>
<td>Transparency</td>
<td>Transparency to view all your underlying investments and consolidated reporting within the investment portfolios chosen. You can view your account online 24 hours a day, 7 days a week.</td>
</tr>
<tr>
<td>Minimum cash balance</td>
<td>You will be required to maintain a minimum cash balance of 1% in the Scheme. This is outside of any cash the Model Manager holds in its respective Model Portfolio.</td>
</tr>
<tr>
<td>Rebalancing managers strategy</td>
<td>Model Portfolios will be monitored daily and rebalanced at the Model Manager’s discretion when required to retain alignment with the Model Portfolio.</td>
</tr>
</tbody>
</table>
## At a glance

<table>
<thead>
<tr>
<th>Investment options</th>
<th>Refer to Book 2 of this PDS, for a list of Model Managers and Model Portfolios you may select.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Minimal initial investment</strong></td>
<td>The minimum investment amount may differ for each Model Portfolio. Please refer to the Model Portfolio profile in Book 2 of this PDS for your selected portfolio for information on the minimum investment amount.</td>
</tr>
<tr>
<td><strong>Minimum additional investment amount</strong></td>
<td>Nil: Once an account is established, you can continue to invest in the Model Portfolio. All additional investments will form part of the Model Portfolio and will be rebalanced in line with the Model Manager’s strategy.</td>
</tr>
<tr>
<td><strong>Minimum order amount</strong></td>
<td>The minimum order amount for investment transaction within the Scheme is $100.</td>
</tr>
<tr>
<td><strong>Minimum Portfolio balance</strong></td>
<td>$25,000. Note- The balance of your Account can fall below the initial investment amount due to market movement or partial withdrawals. The RE reserves the right to redeem the Portfolio if the value of the assets in your Account fall under this threshold. Proceeds will be payable to your nominated bank account.</td>
</tr>
<tr>
<td><strong>Maximum portfolio balance</strong></td>
<td>No maximum.</td>
</tr>
<tr>
<td><strong>Withdrawals</strong></td>
<td>Will be paid to your nominated bank account.</td>
</tr>
<tr>
<td><strong>Minimum withdrawal amount</strong></td>
<td>$1,000</td>
</tr>
</tbody>
</table>

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1 In accordance with the Constitution the Responsible Entity may make changes to the above items at its discretion without the consent of investors.
INVESTMENT RISK

*Model Managers will have differing views about the minimum investment time frame you should hold their investment.*

Your personal circumstances and risk tolerance will also be an important consideration. While Model Managers have suggested minimum investment time frames for each Model Portfolio within the Scheme, you should review your investment regularly to ensure it continues to meet your needs and objectives. It is important to understand that:

› all investments are subject to risk
› Model Portfolios carry different levels of risk depending on the underlying investments
› assets with the highest long-term returns may also carry the highest level of short-term risk
› the value of investments will go up and down
› returns are not guaranteed
› you may lose money
› past performance is not a reliable indicator of future performance
› laws and regulations affecting investments may change and
› the appropriate level of risk will vary, depending on your age, investment time frame, other assets held and how comfortable you are with the possibility of losing some of your investment in some years.

*The risks discussed below may apply to investments in the Scheme.*

**Market risk**

Economic, technological, political or legislative conditions and even market sentiment can (and do) change. This can mean that changes in the value of investment markets can affect the value of the investments in a Model Portfolio.

**Volatility risk**

Volatility risk refers to the potential for the price of investments in your Account to vary, sometimes markedly and over a short period of time. Generally, the higher the potential return, the higher the risk and the greater the chance of substantial fluctuations in returns over a short period of time. Investments in listed securities are traditionally towards the higher end of the risk-return spectrum. This may lead to fluctuations in your Account value, including over the period between a withdrawal request being made and the time of payment. Markets are volatile. Some markets can have frequent and/or high volatility.

**Liquidity risk**

In addition to volatility there is the risk of not being able to withdraw from or sell an investment at short
notice. This could occur if, in the case of a managed fund within a Model Portfolio, the responsible entity of the managed fund suspends withdrawals because the assets of the managed fund have become illiquid or, in the case of a listed investment, trading in that investment on the stock market is suspended for a period of time. Some overseas markets do not provide the same level of liquidity as Australian markets, which means that it may be harder to trade some international securities in a timely manner at a fair market price.

Security-specific risk
Each investment in a company’s securities is subject to the risk of that a particular company’s performance is due to factors that are pertinent to that company, the market sector the company is involved in or the equity market generally. This risk also includes changes in credit ratings from rating agencies.

Short selling risk
Some investment managers of underlying managed funds held in a Model Portfolio may use short selling. Short selling means the underlying managed fund sells a security it does not own to try and profit from a decrease in the value of the security. This is generally done by borrowing the security from another party to make the sale. The short sale of a security can greatly increase the risk of loss, as losses on a short position are not limited to the purchased value of the security.

Short selling strategies involve additional risks such as:

1. Liquidity risk
Particular securities or investments may be difficult to purchase or sell, preventing the underlying managed fund from closing out a position or rebalancing within a timely period and at a fair price. As a result, withdrawal requests may not be able to be fully met when they are received. Liquidity risk may potentially be amplified where a Model Portfolio invests in listed interest rate securities and unlisted managed funds due to the illiquid nature of these assets.

2. Leverage risk
While short selling can often reduce risk, it is also possible for an underlying managed fund’s long positions and short positions to both lose money at the same time.

3. Prime broker risk
Model Managers do not directly engage with prime brokers in their management of the available portfolio. Prime brokers may be used by underlying managers for managed funds in a Model Portfolio.

When short selling is employed, the assets of the relevant underlying managed fund are generally held by a prime broker (which provides broking, stock lending and other services). As part of this arrangement, assets may be used by or transferred to the prime broker, and there is a risk that the prime broker does not return equivalent assets or value to the option (for example, because of insolvency). This would have a substantial negative impact on the value of a Model Portfolio.

Concentration risk
The fewer the number of differing underlying securities and investments in a Model Portfolio, that are appropriately diversified across industry sectors, asset classes or countries, the higher the concentration risk. The more concentrated a Model Portfolio is, the greater the risk that poor performance in an investment or in a group of investments may have a significant adverse effect on the performance of a Model Portfolio.

Portfolio and Model Manager risk
Model Manager risk refers to the risk that a Model Manager will not achieve the performance objectives or not produce returns that compare favourably
against its peers. Additionally, there is the risk that a Model Manager’s investment strategy may not prove to be effective. Many factors can negatively impact the manager’s ability to generate acceptable returns from their investment management process, including loss of key staff.

**Customisation risk**
There is a risk that Model Portfolio customisation may trigger additional trading (including associated costs), impact the performance of your investments and may result in negative returns and/or underperformance your account relative to your selected Model Portfolio(s).

**Counterparty risk**
Counterparty risk is the risk of loss due to a counterparty not honouring a commitment, which may cause the value of a portfolio to fall. Counterparties may include custodians, brokers and settlement houses. A Model Manager will not directly engage in swaps, forwards or stock lending, but an underlying fund manager for a fund within your selected Model Portfolio may engage with counterparties.

**Tax risk**
Taxation law is complex and its impact on the Scheme may vary according to your individual circumstances. Over time, tax law and practices may change and may become retrospective in their application. You should seek your own professional taxation advice in relation to the Scheme.

**Regulatory risk**
Regulatory risk means that any change in taxation or other laws may adversely affect an investment. In certain circumstances, statutory or other restrictions may preclude the acquisition or disposal of investments. There is also a risk that regulatory changes to law may make certain assets less effective in achieving the desired return in the portfolio.

This also applies to assets outside Australia, which may have exposure to broader economic, social or political factors in addition to regulatory change.

**Implementation risk**
This is the risk that a Portfolio’s performance is different to that of a Model Portfolio constructed by the Model Manager. This can occur due to timing of investments in the underlying investments, as well as any cash and security movements in and out of an account including in specie asset transfers.

There may be periods where your Portfolio differs from the indicative investment allocations specified. There may also be circumstances where the Model Manager may not be able to proceed with the rebalance of an account, such as if an underlying managed fund suspends applications or redemptions or there are trades already waiting to be executed.

**Currency risk**
Investments in global markets or securities which are denominated in foreign currencies give rise to foreign currency exposure. This means that the Australian dollar value of these investments will vary depending on changes in the exchange rate. This risk applies to those Model Portfolios (as applicable) that invest in international share or bond markets without fully hedging currency risk.

**Derivatives risk**
Model Portfolios will not directly engage in derivatives transactions. Investment managers of underlying managed funds included in a Model Portfolio may utilise derivative instruments as an option to manage investments.

Derivatives are contracts between two parties that usually derive their value from the price of a physical asset or market index. They can be used to manage certain risks in investment portfolios or as part of an investment strategy. However, they can also
increase other risks in a portfolio or expose a portfolio to additional risks, including:

› the system and security risks associated with electronic platforms used to trade derivatives
› the possibility that the derivative position is difficult or costly to reverse
› that there is an adverse movement in the asset or index underlying the derivative
› that the parties do not perform their obligations under the contract, and
› the potential lack of liquidity of the derivative.

In general, investment managers of underlying managed funds may use derivatives to:

- protect against changes in the market value of existing investments
- achieve a desired investment position without buying or selling the underlying asset
- leverage a portfolio
- manage actual or anticipated interest rate and credit risk
- alter the risk profile of the portfolio or the various investment positions, and
- manage currency risk.

As financial instruments, many derivatives are valued regularly, and movements in the value of the underlying asset or index should be reflected in the value of a derivative. Depending on the Model Portfolio, the underlying managed funds held may use derivatives such as futures, options, forward currency contracts and swaps.

Leverage risk

Some investment managers of underlying managed funds held in a Model Portfolio may use leverage as part of their investment strategy. Leverage is the ability to control a larger investment exposure using a smaller amount of investment capital. Leverage is a form of borrowing to increase the return on an investment.

Leverage risk is the risk that gains or losses will be magnified to a greater degree than would occur if the investment exposure was unleveraged. Leverage may be achieved through the use of derivative assets, which have their own associated risks as outlined above.

Credit risk

Credit risk refers to the risk that a party to a credit transaction fails to meet its obligations. It is the risk that for cash and interest rate investments, income and/or capital investment will not be repaid due to the financial position of the financial institution or issuer of that investment. This creates an exposure to underlying borrowers and the financial condition of issuers of these securities.

Emerging markets risk

Due to the nature of emerging markets, there is an increased risk that the political and/or legal framework may change and adversely impact investments in those markets. This could include the ability to sell assets. Underlying managed funds in a Model Portfolio that invests in global markets may have exposure to emerging markets. Investment in emerging markets may involve a higher risk than investment in more developed markets. Investors should consider whether or not investment in emerging markets should constitute a substantial part of their investment exposure.

Companies in emerging markets may not be subject to:

› accounting, auditing and financial reporting standards, practices and disclosure requirements comparable to those applicable to companies in major markets, or
the same level of government supervision and regulation of stock exchanges as countries with more advanced securities markets.

Accordingly, certain emerging markets may not afford the same level of investor protection as would apply in more developed jurisdictions.

There are also risks that, while existing in all countries, may be increased in emerging markets due to the legal, political, business and social frameworks being less developed than those in more established market economies. Examples of increased risks include:

- political or social instability (including recession or war)
- institutional manipulation of currency or capital flows
- deflation, inflation, or loss in value of currency, and
- greater sensitivity to interest rates and commodity prices.

As a result, investment returns are usually more volatile than those in developed markets. This means that there may be large movements in investment value over short or long periods of time.

**Cyber risk**

There is a risk of fraud, data loss, business disruption or damage to the information of the Scheme or to investors’ personal information as a result of a threat or failure to protect the information or personal data stored within the IT systems and networks of the Responsible Entity and its agents.

**Trading risk**

If an underlying investment in a Model Portfolio is listed on a stock exchange, it may be adversely affected by the suspension of trading of the securities of the underlying investment. In these circumstances, the Model Manager may not be able to achieve the exact investment allocation for the relevant Model Portfolio.

**Responsible Entity risk**

There is a risk that the Responsible Entity may not be able to continue to act, for example if it loses its Australian financial services licence (in which case it could be replaced as responsible entity of the Scheme). Any replacement responsible entity and service providers they appoint might achieve different results for investors, positive or negative, than would otherwise be the case.

**Operational and system risk**

Perpetual has appointed the various Model Manager’s as outlined in Book 2 of this PDS as well as the Custodian and Administrator of the Scheme. The performance of the Scheme depends on the integrity of its administration and computer systems. However, there is a risk that these systems may not be available in certain circumstances. The Administrator manages this risk through the implementation of corporate governance, risk management and compliance frameworks designed to mitigate operational risk.

We are satisfied that Mainstream has in place adequate internal controls. However, there still may be break downs in operations and procedures that cannot be prevented that may result in a loss to the Scheme. This could be the result of oversight, ineffective security processing procedures, computer system problems or human error.

**Conflict of interest**

Model Managers appointed within the Scheme may manage other funds not described in this PDS and entities within the ‘Perpetual Group’ (comprising Perpetual Limited and its subsidiaries, including the RE) may act in various capacities (such as responsible entity, trustee and custodian) for other funds or accounts. The Model Managers and Perpetual Group have implemented policies and
procedures to identify and where possible mitigate or avoid the conflict.

**Timing risk**

Timing risk is the risk that you invest at an unfavourable point in the investment cycle. This might mean that, at the date of your investment, you invest at higher market prices than those available soon after. Alternatively, it might also mean that you redeem at lower prices than those that were recently available or that would have been available soon after.
HOW TO APPLY

To make an investment in the Scheme and open your Account, you must complete the Application Form that accompanies this PDS, at www.mainstreamgroup.com/SMA. The deadline for receipt of an application request is 10.00am Eastern Standard Time (EST) on any Business Day for scanned or mailed Application Forms. Requests received after this time will be treated as received on the following Business Day.

Minimum application amount

Unless otherwise specified under “Other key features” there is currently no minimum investment amount which applies to an investment in the Scheme. However, there may be Model specific minimum investment amounts as set out in the Model Portfolio profiles in Book 2 of this PDS.

Please note that an initial investment of some cash and/or investments is required before your Account becomes active.

Initial investment

You may choose your initial investment to be cash, in-specie transfer of Eligible Investments or a combination of both.

Cash-only applications

Application amounts must be transferred via electronic funds transfer (EFT) or direct debit into the Scheme.

If you elect to use the direct debit facility, we will collect money from your nominated bank account on the day we accept your application and will invest the cash on the next Rebalancing Date after cleared monies have been received. If a direct debit is rejected, we will try to contact you via the details provided in your application or through your nominated representative. It is important you ensure your nominated bank account has sufficient funds available on the day your application is submitted to us.

Transferring investments

Any existing holdings of Eligible Investments may be transferred into your Account subject to the approval of the Responsible Entity; any investments being transferred into your Account must be in the same name under which you are applying for an Account and the investments must be part of the Model Portfolio you are applying for.

Original documents must be forwarded to us by you or your financial adviser who will also
complete the details of your Account. Your Account will only become active once details are completed and we have received your completed Application Form, together with your application amount and any investments you are transferring to your Account. The value of the Eligible Investments transferred in will be as determined by the Responsible Entity as set out in the section, How are managed accounts valued, on page 33.

Note that while an investment transfer is in progress, your Account will not be included in the daily rebalance process (i.e. your Account will not trade). The investment transfer, particularly for unlisted managed funds, can take a number of weeks. Please note, an investment transfer is considered ‘in progress’ once the transfer details have been entered onto the system.

Until your Account becomes active any investments transferred will be held apart from the rebalance process, you will receive interest on cash balances held in this period and may also incur fees.

Once your Account is active, your investment amount will be applied to your selected Model Portfolio(s) at the next rebalancing opportunity after we receive your investment instructions.

Please note, if you transfer an Eligible Investment into your Account and its value exceeds the required allocation in the chosen Model Portfolio, part or all of this investment is likely to be sold down as part of the rebalancing process.

**Making additional investments**

Additional investments can be made at any time by EFT, direct debit or by transferring Eligible Investments into the Scheme if approved by the Responsible Entity. There is no minimum additional investment amount. The additional investments will be invested in or applied to (if Eligible Investments) your selected Model Portfolio(s) at the next available date for investment.

Note that while an investment transfer is in progress, your Account will not be included in the daily rebalance process (i.e. your Account will not trade). Please note an investment transfer is considered ‘in progress’ once the transfer details have been entered onto the system.
Receiving income or dividends
Income or dividends received will form part of your cash holding within your Account. A description of how cash is managed is set out under “Account cash holding” on page 34.

Withdrawing your investment
You will normally be able to request a withdrawal on any Business Day and requests will be complied with promptly, subject to any requirements of the Law and as set out below. Withdrawal instructions can be made to us by:

› requesting your adviser to instruct us directly; or
› submitting the withdrawal form available on request or from your adviser.

Once you give a withdrawal instruction, you cannot revoke the instruction unless we give our approval. Withdrawals from the Scheme can be made in cash (to your nominated bank account) or via a transfer of Eligible Investments to your name, or a combination of cash and investments.

If a combination of cash and investments is selected, the transfer out of investments must be confirmed before the remaining investments are sold to generate the cash portion of the withdrawal.

Unless otherwise specified under “Other key features” there is currently no minimum withdrawal amount. However, there may be Model-specific minimum withdrawal amounts as set out in the Model Portfolio profiles in Book 2 of this PDS. See also the section ‘How are managed accounts valued?’ on page 33 of this PDS to understand the value of your portfolio.

(Note that you will be required to maintain a minimum cash balance of 1% in the Scheme).

You can switch between Models by instructing us to do so; this is treated as switching, that is, a withdrawal from one Model and an application into another. No switching fees apply although there may be tax consequences.

In certain circumstances outside our control, we may need to suspend withdrawals from your Account- for example, if a particular investment is suspended from trading, or the closure of a stock exchange. If this is the case, we will inform you as soon as we can after we receive your request.

If a full withdrawal is requested, your investment in the Scheme will be treated as being terminated and your Account will be closed.

Withdrawal of Eligible Investments
A withdrawal request for the transfer of Eligible Investments must indicate the name and number of the investments to be transferred and the account number into which they are to be transferred. Eligible Investments can only be transferred into the same name as your Account. Transaction fees may apply for each investment transferred out.
Requests will generally be actioned within 3 Business Days following receipt of your request.

While an investment transfer is in progress, your Account will not be included in the daily rebalance (i.e. your Account will not trade). Please note, an investment transfer is considered ‘in progress’ once the transfer details have been entered onto the system.

If insufficient cash is available in your Account to pay the in-specie transfer fee, investments may be sold.

**Cash withdrawals**

Cash withdrawals will be paid into your nominated bank account. Any instruction to vary this account must be in writing and signed by you and accepted by Mainstream. We cannot accept these instructions from your Nominated Representative. The sale of investments in your Account will commence at the next Rebalancing Date following receipt of your withdrawal request. Generally, each Business Day is a Rebalancing Date.

Investments will be sold across your selected Model Portfolio(s) (if applicable). The value you will receive will be that at which the investments are sold net of all fees, charges and expenses including transaction costs such as brokerage. The sale of investments will generally be actioned on the Business Day following receipt of your request and the proceeds will generally be available within 24 hours of settlement of the sale of investments. While this is typically within 4 Business Days, this cannot be guaranteed as there may be delays depending on liquidity of assets, market and other factors beyond our control.

Unless specifically requested, the withdrawal amount will accumulate as part of your cash holding until the full amount is available for transfer into your nominated bank account.

**Suspension of withdrawals**

In unusual circumstances outside our control such as the closure or disruption of a relevant securities exchange, we may suspend withdrawals from investor Accounts for the period that these circumstances prevail.

**Your Nominated Representative**

When you invest in the Scheme, you may appoint a Nominated Representative (this is generally your financial adviser) to provide instructions to us and to receive communications from us on your behalf. By completing the Application Form and appointing a Nominated Representative, you will be authorising us to take all instructions for your Account from that Representative on
your behalf. We will also send any communications relating to your Account to your Nominated Representative, who will be responsible for providing these communications to you.

Your Nominated Representative is not able to change your bank account details for payment of any withdrawal proceeds. Refer to “Authorised Representative Details” in the Scheme Application Form for details on this authorisation.

The majority of instructions will be given online or in writing by your Nominated Representative. Terms and conditions relating to online instructions are set out under “Electronic instructions” on page 43". 
FEES AND OTHER COSTS

Consumer advisory warning

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

This section outlines all the fees and costs that you may be charged when investing in the Scheme. These fees and costs may be deducted from the cash within your Portfolio or from the returns on your investment. All fees and costs include GST net of any RITC and all amounts in this PDS are in Australian dollars. Information about Taxation is set out on page 30.

You may consult with your financial adviser and, if you do, you may also pay additional fees to your financial adviser. You will need to consider the fees and other costs of the Model Portfolio you have selected when calculating the total cost of your investment. Fees and costs for particular portfolios are shown in Book 2 of this PDS. You should read all the information about fees and costs because it is important to understand their impact on your investment.
### Fees when your money moves in or out of the managed investment product

<table>
<thead>
<tr>
<th>TYPE OF FEE OR COST</th>
<th>AMOUNT</th>
<th>HOW AND WHEN PAID</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establishment fee¹</td>
<td>Nil</td>
<td>Not Applicable</td>
</tr>
<tr>
<td></td>
<td>The fee to open your investment.</td>
<td></td>
</tr>
<tr>
<td>Contribution fee</td>
<td>Nil</td>
<td>Not Applicable</td>
</tr>
<tr>
<td></td>
<td>The fee on each amount contributed to your investment.</td>
<td></td>
</tr>
<tr>
<td>Withdrawal fee</td>
<td>Nil</td>
<td>Not Applicable</td>
</tr>
<tr>
<td></td>
<td>The fee on each amount you take out of your investment.</td>
<td></td>
</tr>
<tr>
<td>Exit fee¹</td>
<td>Nil</td>
<td>Not Applicable</td>
</tr>
<tr>
<td></td>
<td>The fee to close your investment.</td>
<td></td>
</tr>
</tbody>
</table>

### Management Costs²: the fees and costs of managing your Account

<table>
<thead>
<tr>
<th>TYPE OF FEE</th>
<th>AMOUNT</th>
<th>HOW AND WHEN PAID</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management Fee</td>
<td>Each Model Portfolio has its own investment management fee which will vary between 0% and 2% p.a. of your Model Portfolio value. Please refer to the Model Portfolio profiles in Book 2 of this PDS for the management costs of each specific Model Portfolio</td>
<td>The Model Manager’s fee is calculated monthly in arrears based on the daily Model Portfolio value and the particular Model Portfolio(s) selected. It is deducted directly from your Account and paid to the Model Manager.</td>
</tr>
<tr>
<td>Performance Fee²</td>
<td>An investment performance fee of between 0% p.a. and 25%, of any outperformance of a Model Portfolio may apply. The Performance Fee for a Model Portfolio, where applicable, is shown in the Model Portfolio profile in Book 2 of the PDS.</td>
<td>The performance fee, if applicable, is calculated in arrears based on the daily Model Portfolio value and the particular Model Portfolio(s) selected. It is deducted directly from your Account at the end of the performance fee period as outlined in the Model Portfolio profile in Book 2 of the PDS and paid to the Model Manager.</td>
</tr>
<tr>
<td>Cash Holding Fee</td>
<td>Estimated to be up to 1.1% of your cash holding.</td>
<td>The Cash Holding Fee is the amount that Mainstream charges to arrange for the establishment of, and effect transactions relating to, your cash holdings held with superior interest earning accounts. The interest credited to your Account is net of this fee, so that it is not separately deducted from your Account.</td>
</tr>
</tbody>
</table>
1. There are no specific establishment or exit fees for the Model Portfolio(s) however you will incur any relevant transactional and operational costs (including transaction costs) on the initial purchase, sell down, withdrawal or transfer of securities.
2. Management Costs and any performance fees quoted are inclusive of GST and net of any RITC at the prescribed rate (depending on the nature of the fee or expense).
3. Each Model Portfolio has its own fee structure. Please refer to the Model Portfolio profiles in Book 2 of this PDS for the Indirect Costs specific to each Model Portfolio.
4. Your financial adviser may receive payment for providing advice services to you. Refer to the information below in Additional Explanation of Fees and Costs.

<table>
<thead>
<tr>
<th>Indirect Costs</th>
<th>Each Model Portfolio has its own Indirect Costs which will vary between 0% and 2.00% p.a. of your Model Portfolio value. Please refer to the Model Portfolio profiles in Book 2 of this PDS for the Management Costs of each Model Portfolio. Deducted by the underlying managed fund/ETP prior to striking a unit/trading price, this fee is not separately deducted from your Account.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expense Recovery Fee</td>
<td>Up to $50 p.a. The Responsible Entity is entitled to reimbursement of expenses such as audit, legal, tax consulting fees, expenses and liabilities relating the management and operation for the Scheme. Payable annually from your account.</td>
</tr>
<tr>
<td>Service fees</td>
<td>Switching fee Nil Not applicable</td>
</tr>
</tbody>
</table>
**EXAMPLE OF ANNUAL FEES AND COSTS**

*This table gives examples of how the fees and costs for the Scheme can affect your investment over a one-year period. You should use this table to compare this product with other managed investment products.*

### Example - Rivkin ASX Momentum Portfolio

**Balance of $50,000 with a contribution of $5,000 during year**

<table>
<thead>
<tr>
<th>Contribution fees</th>
<th>Nil</th>
<th>For every additional $5,000 you invest; you will be charged $0.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plus</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Management Costs</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>comprising:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management Fee(^1)</td>
<td>1.55% p.a.</td>
<td>And, for every $50,000 you have in the Model Portfolio, you will be charged $775 each year.</td>
</tr>
<tr>
<td>Performance Fee(^2)</td>
<td>10.50% outperformance + $622.13</td>
<td></td>
</tr>
<tr>
<td>Cash Holding Fee(^3)</td>
<td>1.1% p.a. + You will be charged $11.00</td>
<td></td>
</tr>
<tr>
<td>Indirect Costs(^4)</td>
<td>Nil. + Indirect costs of $0</td>
<td></td>
</tr>
<tr>
<td>Expense Recovery Fee</td>
<td>$50 p.a. + $50</td>
<td></td>
</tr>
<tr>
<td><strong>Equals Cost of Scheme(^5)</strong></td>
<td>=</td>
<td></td>
</tr>
</tbody>
</table>

If you had an investment of $50,000 at the beginning of the year and you put an additional $5,000 during that year, you would be charged fees of $1,458.13. What it costs you will depend on the Portfolio option you choose and the fees you negotiate.

---

1. This fee varies from Model to Model. For the Management Costs that applies to a particular model, please see Book 2 of the PDS.
2. We assume an outperformance after fees of 11.85% based on an average of the previous 3 years returns for the strategy. Prior performance is not an indicator of future performance. There is no guarantee that this will be the typical ongoing performance, so the total management costs may vary from the example provided.
3. Based on cash weighting of 2%.
4. As the Scheme is newly established, the figure used for the Indirect Costs in the example above is the Responsible Entity’s reasonable estimate of the typical ongoing amounts at the date of this PDS.
5. Assumes the $50,000 is invested for the entire year and the $5,000 investment occurs on the last day of each year.
### Example - Rivkin Low Volatility Portfolio

**Balance of $50,000 with a contribution of $5,000 during year**

<table>
<thead>
<tr>
<th>Contribution fees</th>
<th>Nil.</th>
<th>For every additional $5,000 you invest, you will be charged $0.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Plus</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Management Costs</strong> comprising:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management Fee(^1)</td>
<td>1.00% p.a.</td>
<td>And, for every $50,000 you have in the Model Portfolio, you will be charged $500 each year.</td>
</tr>
<tr>
<td>Performance Fee(^2)</td>
<td>5% outperformance</td>
<td>+ $160.50</td>
</tr>
<tr>
<td>Cash Holding Fee(^3)</td>
<td>1.1% p.a.</td>
<td>+ You will be charged $11.00</td>
</tr>
<tr>
<td>Indirect Costs(^4)</td>
<td>0.205% p.a.</td>
<td>+ Indirect costs of $102.50</td>
</tr>
<tr>
<td>Expense Recovery Fee</td>
<td>$50</td>
<td>+ Expense recovery fee of $50.00</td>
</tr>
<tr>
<td><strong>Equals</strong> Cost of Scheme(^5)</td>
<td></td>
<td>If you had an investment of $50,000 at the beginning of the year and you put an additional $5,000 during that year, you would be charged fees of $824.00. What it costs you will depend on the Portfolio option you choose and the fees you negotiate.</td>
</tr>
</tbody>
</table>

---

1. This fee varies from Model to Model. For the Management Costs that applies to a particular model, please see Book 2 of the PDS.
2. We assume an outperformance after fees of 6.42% based on an average of the previous 3 years returns for the strategy. Prior performance is not an indicator of future performance. There is no guarantee that this will be the typical ongoing performance, so the total Management Costs may vary from the example provided.
3. Based on cash weighting of 2%.
4. As the Scheme is newly established, the figure used for the Management Costs in the example above is the Responsible Entity’s reasonable estimate of the typical ongoing amounts at the date of this PDS.
5. Assumes the $50,000 is invested for the entire year and the $5,000 investment occurs on the last day of each year.
ADDITIONAL EXPLANATION OF FEES AND COSTS

Management costs

*Management Costs include the Management fee and performance fee (if any) of the Model Manager and are payable to the Model Manager for managing the assets of each Model Portfolio. The calculation of these costs is based on the asset value of the relevant Portfolio and will be deducted from the relevant Model Portfolio’s holding account.*

The Management Costs are paid monthly in arrears.

Ordinary expenses, such as the RE fees, administration and custody fees and audit fees will be recovered outside of the Scheme and will not be charged to investors’ Accounts.

*Management Costs do not include:*  

- transactional and operational costs, such as custodian, ASX and registry fees, other transactional service fees, and other transaction fees associated with buying and selling the underlying investments of the Model Portfolio; and  

- other costs that you would ordinarily incur when investing directly in the underlying investments of the Model Portfolio, these are discussed below in the section "Transactional and Operational Costs".

Please note that the total Management Costs applicable will be different based on the Portfolio you choose to invest in. Please refer to Book 2 of this PDS for the Management Costs payable for specific Model Portfolios.

Performance Fee

Any Performance Fee for a Model Portfolio is typically calculated as a percentage (%) of Outperformance and is charged on an individual account basis. "Outperformance" is the Model Portfolio return minus the benchmark return (if applicable) for a time period. The performance fee in dollar terms is calculated as the performance fee multiplied by the average Model Portfolio value over the performance fee period (after all fees but before performance fees). A high-water mark is applied to prevent a performance fee being paid if the Model Portfolio value at performance fee period end is less than the sum of the Model Portfolio value at the start of the period less the Model Portfolio value at the end of the period (excluding contributions and
withdrawals to the Model Portfolio). The high-water mark is reset to the Model Portfolio value after performance fee period end each time a performance fee is paid.

The Outperformance must be positive for a Performance Fee to be paid.

You should refer to the relevant Model Portfolio in Book 2 for full disclosure on any performance fees. Estimated performance fees where quoted for Portfolios are based on previous financial years and reasonable estimates going forward.

**Indirect costs**

Indirect costs are any amounts that the Responsible Entity knows or where required, reasonably estimates, will reduce a Portfolio’s returns (other than the Management Costs, transactional and operational costs described elsewhere in this section) or that are paid from the assets of any interposed vehicle (such as an underlying fund, ETF, LICs and LITs in which a Model Portfolio may invest.

Investment managers of the underlying funds in Model Portfolios may receive fees for their services. These types of fees are generally deducted by the investment manager before calculating the unit price for the underlying fund. It is not taken from your cash holding but will be reflected in the indirect costs that have been calculated for the relevant Model Portfolio. These fees may also change as determined by the investment manager of the underlying fund and may or may not include performance fees. These types of fees do not apply to investments in listed shares held directly in a Model Portfolio.

Please refer to the Book 2 of this PDS for the indirect costs payable for specific Model Portfolios.

**Expense Recovery Fees**

The Constitution allows for the ongoing operating expenses (such as registry, audit and taxation advice) that are reasonably and properly incurred by the Responsible Entity to be paid directly from your Portfolio. The Responsible Entity may recover costs related to audit, regulatory, production of the offer document and particular transactions.

The maximum fee that will be recovered for these types of expenses per account is $50 per annum. Operating expenses of this type in excess of this amount will be paid by Mainstream.

Abnormal costs reasonably and properly incurred by the Responsible Entity (such as costs of investor meetings, recovery and realisation of assets, changes to the Constitution, winding up and termination of a Model Portfolio, change of responsible entity and defending or pursuing legal proceedings) are paid out of the relevant Portfolio. These costs are expected to be incurred infrequently.

**Application and withdrawal fees**

Application and withdrawal fees will not be charged for your Account. There may be
application and withdrawal fees for underlying managed funds in a Model Portfolio, however these fees will be deducted before calculating the unit price for the underlying fund and will not be deducted from your cash holding. These fees will be reflected in the indirect costs that have been calculated for the relevant Model Portfolio.

**Borrowing costs**

Where short-term settlement borrowing occurs, borrowing costs such as interest on borrowings, legal fees and other related costs are payable by the Responsible Entity and may be recovered from your Account. The Responsible Entity reasonably estimates the borrowing costs that will apply for the current financial year will be zero (nil) per cent of net asset value of the relevant portfolio (adjusted to reflect a 12-month period).

**Transactional and operational costs**

Transactional and operational costs such as government taxes/duties/levies, bank charges and account transaction charges may apply to a Model Portfolio or the underlying funds that the portfolio invests in and are paid from the relevant Model Portfolio. Transactional and operational costs are an additional cost to you and are not included in the Management Costs.

The Scheme does not charge a buy/sell spread. However, some investment managers of underlying funds that a Model Portfolio may invest in do charge a buy/sell spread. This buy/sell spread allows investment managers to direct the costs involved in buying or selling assets to investors based on their transactions. The transactional and operational costs, including buy/sell spreads, for the underlying funds vary for each fund.

Please refer to the Book 2 of this PDS for the transactional and operational costs for specific Model Portfolios.

**Differential fees**

We may reduce both the management fee and administration fee for certain investors. Such arrangements would be subject to individual negotiation, compliance with Law and any applicable ASIC class orders.

**Related party payments**

Fees may be paid to related parties and associates of the Responsible Entity, the Model Managers or Mainstream on arm’s length commercial terms for providing services to the Scheme. For example, fees may be paid for underlying funds that are managed by the Model Manager or its related party or associate.

**Advice fees**

You may separately negotiate an advice fee with your financial adviser for the advice services provided to you. The types of advice fees are:

- One off advice fee: A one-off fee for advice and other services for your Account. There is no maximum limit
to the one-off advice fee and it may be charged multiple times a year as agreed with your adviser. The One-off Advice fee is deducted from your account at the time the request is processed.

› Adviser Service Fee: Up to 2.20% p.a. of your Account or alternatively a fixed amount p.a. If applicable, the Adviser Service Fee is calculated monthly in arrears (based on the daily Account value for percentage based fees) and is deducted directly from your Account.

› Dealer Group Service Fee: Up to 2.20% p.a. of your Account or alternatively a fixed dollar amount p.a. If applicable, the Dealer Group Service Fee is calculated monthly in arrears (based on the daily Account value for percentage-based fees) and is deducted directly from your Account. This amount is as separately agreed by you with your adviser.

There may be tax consequences where assets in your Account must be sold to meet the advice fee; refer to the Taxation Section on page 30.

**Increases or alterations to the fees**

Fees used to calculate the management costs may be varied at any time at the discretion of the Responsible Entity without consent, within the limits prescribed in the Constitution. If the variation is an increase in a fee or charge, the Responsible Entity will give 30 days’ prior written notice.

The Constitution provides for the following maximum fees (all fees and management costs specified in this PDS are GST inclusive, net of any input tax credits (including reduced input tax credits) available):

› entry fee of up to five per cent of the investment

› portfolio management fee of up to three per cent per annum of the gross value of assets of an Account

› administration fee of up to five per cent per annum of the net value of an Account

› an expense fee payable to us of up to one per cent per annum of net value of an Account

› in specie transfer fee of up to two per cent of value of assets transferred calculated and payable at the time of transfer

› transaction fee of up to on-market transactions of two per cent on the value of the transactions executed.

For the duration of this PDS we have waived the maximums above for the fees and expenses set out in this PDS or as otherwise subsequently advised in writing to you by the Responsible Entity.
HOW MANAGED INVESTMENT SCHEMES ARE TAXED

The taxation information below is a general summary of taxation implications for resident Australian individuals who hold their investment on capital account. Tax comments are made on the basis that you will have an absolute entitlement to the assets in your portfolio.

You should seek your own tax advice in relation to investment in a managed account. Neither the Responsible Entity nor Mainstream is liable for the taxation information provided herein. The Australian taxation system is complex and different investors have different circumstances; you should consider seeking professional taxation advice before investing in the managed account.

This is only a summary of the tax treatment that may apply to an investment in a managed account and should not be relied upon by investors. This information is based on the tax laws and announced Government proposals that are current at the date of this PDS. Tax laws and the Australian Taxation Office’s (ATO) and Courts’ interpretation and rulings may be altered at any time.

Where you invest in the managed account, you are the beneficial owner of the assets in your managed account. All income, capital gains and capital losses and their tax consequences pass directly to you. Income and capital gain information associated with your managed account will be aggregated and form part of the consolidated tax statement you receive each year. You can use this information to complete your tax return.

Taxation on income

Income received from investments in your account will form part of your taxable income.

Depending on your total taxable income and your income tax rate you may be liable for tax on your income distributions.

This will be the case regardless of whether income distributions are actually paid to you in the form of cash or reinvested.

Any tax you pay depends on the nature of the distributions. The types of distributions you may receive include:
income such as dividends and interest
net capital gains from the sale of investments
tax credits such as franking credits attached to dividend income and credits for tax paid on foreign income.

Buying or selling investments

Depending on your total taxable income and your income tax rate, you may be liable for tax when changes are made to the underlying holdings of your Model Portfolio(s) or you withdraw from a Model portfolio(s). Australian residents who hold their investments on capital account are generally subject to capital gains tax (CGT) when they withdraw or transfer their shares or units to another person or entity.

Depending on your tax payer classification type and how long you have held your listed securities or units, you may be entitled to a CGT concession. Sell trades from within the account will be recorded on a first in first out (FIFO) basis.

Tax on foreign investments

Income sourced from overseas may be subject to foreign taxes. You may be entitled to a foreign income tax offset in respect of foreign taxes paid.

Quoting your Tax File Number (TFN) within the Mainstream SMA

When you invest in the Scheme you will be asked to provide us with your TFN. If you do not quote your TFN or your exemption, and you are an Australian resident, we will deduct tax from income received by you at the highest marginal tax rate plus Medicare levy and other applicable levies.

Goods and Services Tax (GST)

The Scheme is registered for GST. No GST should be payable by the Scheme in respect of dealings in units, investment in cash and cash equivalents or in respect of distributions received from investments. GST may be payable by the Scheme under the reverse charge provisions for acquisitions it makes from suppliers outside of Australia that relate to its input taxed activities.

Some of the acquisitions made by the Scheme are likely to be subject to GST (and have an embedded GST component in their cost). This includes third party costs for goods and services acquired in connection with its operations (to the extent that they are connected with Australia), and the Responsible Entity’s fees and certain administration expenses. It is expected that the Scheme will be entitled to claim back some or all of this GST from the ATO by way of input tax credits or reduced input tax credits.

Changes to the taxation of Managed Investment Trusts (MITs)

The underlying managed funds which you may have exposure to through your account are generally structured by their investment manager’s as Managed Investment Trusts
Legislation has been passed which changes how MITs will be taxed. Under the changes, the fund manager of an eligible MIT will be able to elect into the attribution regime for the taxation of MITs. The legislation took effect from 1 July 2016, but in some cases might apply to income distributed by MITs from 1 July 2015. If you invest in a MIT that elects into the attribution regime, that MIT may attribute income to you without paying a cash distribution for that income. This means that you may have to pay tax on the attributed income, even though you have not received a cash distribution for that income. Where applicable, TFN withholding tax and non-resident withholding tax may also apply to attributed income.

**Foreign Account Tax Compliance Act (FATCA)**

The United States of America (USA) has enacted rules known as FATCA. FATCA could result in an underlying managed fund becoming subject to a 30 per cent withholding tax on part or all of the payments it receives from USA sources (from 1 January 2014) or from financial institutions or investment bodies with US assets (from 1 January 2017). On 28 April 2014, Australia entered into an Intergovernmental Agreement (IGA) with the USA to improve international tax compliance and implement FATCA. The Australian Government has introduced legislation to give domestic effect to Australia’s obligations under the IGA.

Investors should seek their own advice regarding the possible implications of FATCA on their investment in the Scheme and the information that may be required to be provided and disclosed to us, and in certain circumstances, to the Internal Revenue Service.

**Common Reporting Standards (CRS)**

The CRS is the single global standard for the collection, reporting and exchange of financial account information of non-residents, which applies to calendar years ending after 1 July 2017. The CRS is similar to FATCA, whereby the Responsible Entity will need to collect and report similar financial account information of all non-residents to the ATO. The ATO may exchange this information with the participating foreign tax authorities of those non-residents.
OPERATING A MANAGED ACCOUNT

How are managed accounts valued?

The Responsible Entity is not to be regarded as having any special expertise in valuation. The Responsible Entity may cause your Portfolio to be revalued from time to time at its discretion in accordance with the requirements noted in the Constitution.

Your Account value will be based on the market value of the underlying investments held within your Model Portfolios plus the value of your cash holding. Prices will be based on the end of day price of each of your holdings. The Responsible Entity will adopt a valuation method which is consistent with the range of ordinary commercial practice. Assets acquired must be valued at cost until revalued. The Responsible Entity may determine the value of any Portfolio as at any time (not limited to once a day) but must do so at least once a month, on the basis of the most recent valuation of each item comprising the Portfolio,

Target investment allocation ranges

The Model Managers aim to maintain each portfolio within target investment allocation ranges (refer to the relevant profile for the target investment allocation within Book 2 of this PDS). The actual asset allocation may vary from the target investment allocation. The target investment
allocation for each Model Portfolio should only be used as a guide.

Your investment in a Model Portfolio may vary from the target investment allocation if:

› there are minimum requirements for cash holdings or trade size, or minimum holding requirements, or

› the settlement price was different to the price used to value the Model Portfolio you have selected.

The Model Managers will actively manage the Model Portfolio according to market changes and any other opportunities they deem will be optimal. This may at times involve an allocation of the Model Portfolio’s assets to cash. For some Model Portfolios, this may be a significant departure from the target investment allocations provided.

For the target investment allocation ranges relating to the portfolios refer to the Model Portfolio list in Book 2 of this PDS.

Model Managers reserve the right to add or remove underlying investments within their portfolio anytime they see fit without consultation, in order to maintain their investment strategy.

**Account cash holding**

In order to ensure there is sufficient cash to pay fees and satisfy charges in connection with the settlement of trades that are carried out in respect of your Account, you must maintain a minimum amount of cash in the Scheme. This is in addition to any cash that a Model Portfolio may require to be maintained in your Account. The minimum cash amount is calculated as a percentage of your Account and is set out in the table under “Other key features”.

If at any time the cash in your Account falls below the required minimum, we may sell some of the investments in your Account to bring your cash back up to the required minimum level. Please refer to the section below “Going above or below the Minimum Cash Holding” on page 34.

Any interest or income earned on any cash that is held in respect of your Account will be credited to your Account as and when it is received by us, less the Cash Holding Fee. If your Account has a negative cash holding (i.e. your cash holding is overdrawn as a result of trades carried out for your Account), your Account will be charged interest on the negative cash holding.

**Going above or below the Minimum Cash Holding**

Where cash in excess of the Minimum Cash Holding accumulates, (for example from the receipt of income or dividends) it will be invested on the next Rebalancing Date subject to minimum trade sizes being achieved. To the extent practicable the funds will be invested in proportion to your current Model Portfolio(s) weights.

If the cash holding in your Account falls below the minimum required, additional investments will be sold (or purchases reduced) pro-rata across your Account (subject to any minimum holding locks). Any such transactions will not change the
relative weightings of the Model Portfolios that your Account was constructed on but will reduce the overall amount allocated to each Model Portfolio. Alternatively, you can elect to top up your cash holding from your nominated bank account, as outlined under “Making Additional Investments”.

**Fees attributable to your Minimum Cash Holding**

The minimum cash holding held in your Account will be subject to the Management Costs and any cash held in accordance with a Model Portfolio will be subject to the Management Fee and Performance Fee applicable to that Model Portfolio. See “Fees and other costs” for details of applicable fees.

**Portfolio rebalancing**

The asset allocations and target weights of each Model Portfolio are monitored by the Model Managers on an ongoing basis. A Model Portfolio may be rebalanced by Mainstream as the administrator at the Model Manager’s instruction. Rebalancing involves buying and/or selling underlying investments of a Model Portfolio in order to achieve the desired weightings in line with the relevant portfolio. The rebalances may be made to take advantage of opportunities arising from market movements or in other circumstances the Model Managers believe appropriate. The rebalancing of a Model Portfolio will usually occur under the following scenarios:

- market movements in the underlying holdings causing the target weights to differ by more than an acceptable range; or
- a material change is made to the underlying investment allocation of a portfolio by the Model Manager.

There may be periods where, due to the timing of rebalancing determined by the Model Manager, a Model Portfolio may differ from its target investment allocation.

A rebalance can only be performed or suspended by a Model Manager or if required by the Responsible Entity. A rebalance cannot be initiated by you or your adviser.

The allocation to assets in your Portfolio will adjust with movements in the value of the assets and reflect income and management fees that apply to each Model Portfolio.

**Corporate actions and voting rights**

The underlying investments in the Model Portfolio(s) may be subject to corporate actions and voting resolutions. Mainstream will provide the Model Manager with information about corporate actions, with any decisions subject to the voting rules under the Constitution. This may result in buying or selling investments to participate in the corporate action.

**Changes to Model Portfolios**

The Responsible Entity may vary or discontinue a Model Portfolio at any time. If the Responsible Entity discontinues a Model Portfolio, you will be provided with
at least 30 days’ notice and will receive information about whether each relevant affected managed account portfolio will:

› be redeemed (with the proceeds returned), or
› be switched to another Model Portfolio.

Please refer to Book 2 of this PDS available for up-to-date information on Model Portfolio’s available for investment.

Constitution of the Mainstream Separately Managed Account

The Scheme is governed by a Constitution. Together with the Law, the Constitution sets out the terms and conditions under which the Scheme operates and the rights, responsibilities, powers, discretions and duties of the Responsible Entity, or its agents.

The Constitution allows the Responsible Entity a broad discretion about what investments are held in each Model Portfolio. The investments intended to be held are outlined in the strategy of the relevant Model Portfolio and Model Manager. Any changes will be advised as soon as practicable. A copy of the Constitution can be requested from Mainstream.

The Constitution deals with a number of issues including:

› the rights of Investors under the Scheme;
› termination of the Scheme; and
› the Responsible Entity’s broad powers to invest, borrow, receive fees and other payments and generally manage the Scheme.

The Constitution is binding on all Investors and the Responsible Entity. Each Investor has separate beneficial ownership or a beneficial interest in that part of the property, rights and income held solely for the benefit of an investor in the Scheme, and the Responsible Entity holds the property, rights and income of the Investor as their nominee.

The Constitution states that the Investor’s liability is limited to the property, rights and income for their Account, but the courts are yet to determine the effectiveness of provisions of this kind.

Subject to the Law, the Responsible Entity may amend the Constitution by deed.

Rights and obligations

The Constitution provides that the Responsible Entity:

› may refuse applications for investment, in whole or in part, at
the Responsible Entity’s discretion and without giving reasons

› may permit an Investor to transfer all or part of their Account in such manner as the Responsible Entity from time to time determines

› will determine, and may from time to time vary, a Model Portfolio

› may set a minimum investment, a minimum withdrawal and a minimum balance to be held in the Scheme

› may suspend or delay the issue of interests in respect of an Account or withdrawals from the Account for a period of 90 days in certain circumstances

› is indemnified out of each Investor Account for any liability incurred by the Responsible Entity in properly performing its duties or exercising any of its powers for an Account or the Scheme as a whole

› will not be liable to Investors beyond the amount which the Responsible Entity is entitled to and does recover through its right of indemnity from the Scheme

› may charge a remuneration fee for providing certain administration services as set out in the Constitution (clause 26.2 of the Constitution)

The Responsible Entity may alter the Constitution in accordance with the Law, if the Responsible Entity reasonably considers the amendments will not adversely affect Investors’ rights. The Responsible Entity may retire or be required to retire as Responsible Entity (if Investors, representing at least 50% of the total votes for the Scheme, approve the Responsible Entity’s removal and replacement with a new responsible entity).

The Investors’ rights to requisition, attend and vote at meetings are contained in the Act and the Constitution. Except where the Constitution provides otherwise, or the Act requires otherwise, a resolution of Investors must be passed by Investors who have at least 50 per cent of the votes entitled to be cast at a meeting.

A resolution passed at a meeting of Investors held in accordance with the Constitution and the Law binds all Investors.

The Responsible Entity may wind up the Scheme at any time with prior notice to investors.

**Compliance plan**

The Responsible Entity has prepared and lodged a compliance plan for the Scheme with ASIC. The compliance plan sets out how the Responsible Entity will ensure that it continues to comply with the Act and the Constitution. In accordance with the Law, the compliance plan, and the Responsible Entity’s compliance with the compliance plan, will be independently audited on an annual basis and the auditor’s report will be lodged with ASIC.
Compliance committee

The Responsible Entity’s compliance committee’s functions include:

› monitoring the Responsible Entity’s compliance with its compliance plans and reporting its findings to the Responsible Entity
› reporting breaches of the Act or the Constitution of which the compliance committee becomes aware or that it suspects to the Responsible Entity
› reporting to ASIC if the compliance committee is of the view that the Responsible Entity has not taken or does not propose to take appropriate actions to deal with breaches reported to it by the compliance committee, and
› assessing at regular intervals the adequacy of the compliance plan, recommending any appropriate action and reporting these to the Responsible Entity.

Custody

A professional custodian generally holds the assets of each Portfolio. The custodian is appointed by the Responsible Entity and is responsible only to it. The custodian may be changed from time to time and the Responsible Entity may change the custodian where it is satisfied that the proposed new custodian meets all regulatory requirements. You will not be notified of a change in custodian. The custodian may appoint sub-custodians.

How is your personal information dealt with?

Privacy

We collect personal information from you in the application and any other relevant forms to be able to process your application, administer your investment and comply with any Law. If you do not provide us with your relevant personal information, we will not be able to do so.

Privacy laws apply to our handling of personal information and we will collect, use and disclose your personal information in accordance with our privacy policy, which includes details about the following matters:

› the kinds of personal information we collect and hold;
› how we collect and hold personal information;
› the purposes for which we collect, hold, use and disclose personal information;
› how you may access personal information that we hold about you and seek correction of such information (note that exceptions apply in some circumstances);
› how you may complain about a breach of the Australian Privacy Principles (APP), or a registered APP code (if any) that binds us, and how we will deal with such a complaint;
› whether we are likely to disclose personal information to overseas...
recipients and, if so, the countries in which such recipients are likely to be located if it is practicable for us to specify those countries.

Our privacy policy is publicly available at www.perpetual.com.au or you can obtain a copy free of charge by contacting us. Your personal information will also be used in accordance with the Administrator’s privacy policy. You may obtain a copy of the Administrator’s privacy policy at: www.mainstreamgroup.com.

Anti-money laundering and counter terrorism financing laws

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act) and other applicable anti-money laundering and counter terrorism laws, regulations, rules and policies which apply to the RE (AML Requirements), regulate financial services and transactions to detect and prevent money laundering and terrorism financing. The AML Act is enforced by the Australian Transaction Reports and Analysis Centre (AUSTRAC). In order to comply with the AML Requirements, the RE is required to, among other matters:

› 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; and

› where you supply documents verifying your identity, keep a record of this documentation for 7 years.

The RE and the Scheme’s administrator as its agent (collectively the Entities) will request such information as is necessary to verify your identity and the source of payments. In the event of delay or failure by you to produce this information, the Entities may refuse to accept an application and the application monies or may suspend the payment of withdrawal proceeds if necessary to comply with AML Requirements applicable to them. Neither the Entities, nor their delegates shall be liable to you for any loss suffered by you as a result of the rejection or delay of any subscription or payment of withdrawal proceeds.

The Entities have implemented measures and controls to ensure they comply with their obligations under the AML Requirements, including identifying and monitoring investors. As a result of the implementation of these measures and controls:

› transactions may be delayed, blocked, frozen or refused where an Entity has reasonable grounds to believe that the transaction breaches the law or sanctions of Australia or any other country, including the AML Requirements;

› where transactions are delayed, blocked, frozen or refused the Entities are not liable for any loss you suffer (including consequential loss) caused by reason of any action taken or not taken by them as contemplated above, or as a result of their compliance with the AML Requirements as they apply to the Scheme; and
the Entities may from time to time require additional information from you to assist it in this process. The Entities have reporting obligations under the AML Requirements and are prevented from informing you that any such reporting has taken place. Where required by law, an Entity may disclose the information gathered to regulatory or law enforcement agencies, including AUSTRAC. The Entities are not liable for any loss you may suffer as a result of their compliance with the AML Requirements.
OTHER INFORMATION

What are the Responsible Entity’s reporting requirements?
The Scheme is subject to regular reporting and continuous disclosure obligations. Copies of documents lodged with ASIC to fulfil these obligations may be obtained from, or inspected at, an ASIC office.

You may obtain the following documents from the Responsible Entity:

› the annual report most recently lodged with ASIC in respect of the Scheme
› any half-year financial report lodged with ASIC in respect of the Scheme after the lodgement of the above mentioned annual report and before the date of this PDS, and
› any continuous disclosure notices given in respect of the Scheme after the lodgement of the abovementioned annual report and before the date of this PDS.

Managing conflicts of interest
Any related party transactions relating to the Scheme are conducted on arm’s length terms. Any conflict of interest or potential conflict of interest is managed in accordance with the relevant party’s conflicts of interest policy.

A Model Portfolio may include securities or other financial products issued by the Responsible Entity or managed by a Model Manager. For example, your Account may be managed or include investments which are also managed by Perpetual, as Model Manager, who also acts as the Responsible Entity, or by an entity related to Mainstream. As a result, the other activities of these parties may have an effect on your Account.

Neither the Responsible Entity, the Model Managers, Mainstream, nor any other person, make any representation as to the future performance of any underlying investments held in a Model Portfolio.

The Responsible Entity, the Model Managers, Mainstream and their directors and employees may hold, buy or sell shares or other financial products in the underlying funds or listed entities forming part of a Model Portfolio. These parties may have business relationships (including joint ventures) with each other or any of the underlying funds or listed entities included in a Model Portfolio. In addition, the parties may from time to time conduct business with each other or the Model Managers or advisers of underlying funds or listed entities included in a Model Portfolio in relation to activities unconnected with the Scheme.

The directors and employees of the Responsible Entity, the Model Manager, Mainstream and members of their corporate groups may hold directorships in the listed entities or underlying funds or entities included in a Model Portfolio. Any confidential information received by these parties and their directors and employees as a result of the business relationships, advisory roles and directorships discussed
above will be handled in accordance with applicable law.

Is there a cooling-off period?
You have a 14-day cooling-off period in which to decide if the investment is right for you. The 14-day period commences from the earlier of the time your investment is confirmed by us and the 5th Business Day after your Account is activated.

Your refund will be paid by either an in-specie transfer of investments or cash following the sale of investments (at your request) commencing at the next Rebalance Date following receipt of your instructions to exercise your cooling-off right.

Irrespective of whether you choose to be paid in cash or by having the individual investments returned to you, the value of your investment is likely to have changed over the period due to market movements. For this reason, depending upon the circumstances, the amount returned to you may be greater or less than the amount you initially invested.

What happens if you change your mind?
If you cancel your investment, you will receive back the amount you invested, adjusted for any changes in valuations due to market movements and less any adjustments we are required to deduct on your behalf including transaction costs.

Complaint resolution
The Responsible Entity has established procedures for dealing with complaints. If an Investor has a complaint, they can contact the Responsible Entity during business hours at the contact details shown on the inside cover.

The Responsible Entity will use reasonable endeavours to deal with and resolve the complaint within a reasonable time but in any case, no later than 45 days after receipt of the complaint.

If an investor is not satisfied with the outcome, the complaint can be referred to an independent external dispute resolution scheme, the Australian Financial Complaints Authority (AFCA). AFCA is the external dispute resolution scheme for complaints involving financial services and products. You can contact AFCA on 1800 931 678, or by writing to:

**Australian Financial Complaints Authority**

**Mailing Address:**
GPO Box 3
Melbourne VIC 3001

✉️ [info@afca.org.au](mailto:info@afca.org.au)
📞 [www.afca.org.au](http://www.afca.org.au)
Where can you obtain the latest information about the Mainstream Separately Managed Account?

It is important to keep up-to-date with the latest information on the Scheme. Information that is not materially adverse is subject to change from time to time, may be updated online and can be accessed at any time by visiting www.mainstreamgroup.com/SMA. You can also refer to your adviser for this information.

When we become aware of new material information, we will ensure this is made available as soon as practicable on www.mainstreamgroup.com/SMA. If you would like hard copies of this information, call Mainstream on 1300 133 451 and it will be sent to you free of charge.

On request, your adviser or the administrator can provide you with up-to-date details of the investments for your Account without charge.

Electronic instructions

If you or your Authorised Representative instructs us by electronic means, such as facsimile or internet, you release us and Mainstream from, and indemnify us and Mainstream against, all losses and liabilities arising from any payment or action we or Mainstream make on our behalf based on any instruction (even if not genuine) received by an electronic communication bearing your Account details and which appears to indicate to us that the communication has been provided by you. You also agree that neither you nor anyone claiming through you has any claim against us, Mainstream or the Scheme for these payments or actions.
CONTACT DETAILS

Sydney, Australia Office

Mainstream Fund Services Pty Limited
Level 1, 51 - 57 Pitt Street
Sydney NSW 2000
AUSTRALIA

Mailing Address:
GPO Box 4968
Sydney NSW 2001
AUSTRALIA

📞 1300 133 451
📞 +61 2 9251 3525
✉️ sma.au@mainstreamgroup.com
🌐 www.mainstreamgroup.com

The Trust Company (RE Services) Limited
(Perpetual, Responsible Entity, RE, we, us or our), part of the Perpetual Group

ABN 45 003 278 831
AFSL No 235150
Level 18, 123 Pitt Street
Sydney NSW 2000
📞 +61 2 9229 9000
🌐 www.perpetual.com.au
Account means your interest in the Scheme that is issued under this PDS.

Account value means the value of your Portfolio determined by the Responsible Entity as set out in the section, How are managed accounts valued, on page 33.

Adviser, Financial Adviser or Nominated Representative means the person nominated by you on your Application Form as your nominated representative and who is authorised by you to provide instructions to us and receive certain information and communications from us on your behalf.

Application Form means the application form which accompanies this PDS.

Business Day means any day on which Australian banks are open for business in Sydney other than Saturday or Sunday.

Custodian and Administrator is Mainstream Fund Services Pty Ltd ABN 81 118 902 891 (AFSL No 303253).

Eligible Investment means any ASX listed CHESS-eligible security and any unlisted investment as listed in the Investment Menu; or other investment given prior approval by the Responsible Entity.

Investor means an investor in the Scheme.

Investment Menu means the list of Model Portfolios that are available for investment as outlined in Book 2 of the PDS.

Law means any legislation and related regulations, including the Corporations Act 2001 (Cth), Regulatory Guides and Class Orders issued by the Australian Securities and Investments Commission and law applying to the Scheme and its operation.

Minimum Cash Holding or cash holding means the cash held in your Account in addition to any cash held in the Model Portfolio(s) which may be used to maintain your Account.

Model Portfolio(s) or Model(s) means the investment model(s) offered under the Scheme that are applied to your Account.

Model Portfolio value means the value of a Model Portfolio as determined by the Responsible Entity (see How are managed accounts valued, on page 33).

Model Manager(s) means the person(s) responsible for providing investment management services to the relevant Model Portfolio(s) for your Account.

PDS means Book 1 and Book 2 of this Product Disclosure Statement.

Portfolio means the total of your Model Portfolios plus any Minimum Cash Holding.

Rebalancing Date is generally each Business Day.

Responsible Entity is The Trust Company (RE Services) Limited ABN 45 003 278 831(AFSL No 235150).

Scheme, SMA or Separately Managed Accounts means the registered managed investment scheme which is known as the Mainstream Separately Managed Accounts ARSN 631 635 473.