



AGENTIA

CUSTOMISED MANAGED ACCOUNTS

Agentia Separately Managed Account

Product Disclosure Statement

1 April 2024

Separately Managed Accounts ARSN 114 818 530

Praemium Australia Limited

ABN 92 117 611 784

Australian Financial Services Licence No 297956

Agentia Separately Managed Account

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Contact details for enquiries about the Agentia Separately Managed Account

The name and contact details of the Responsible Entity are:

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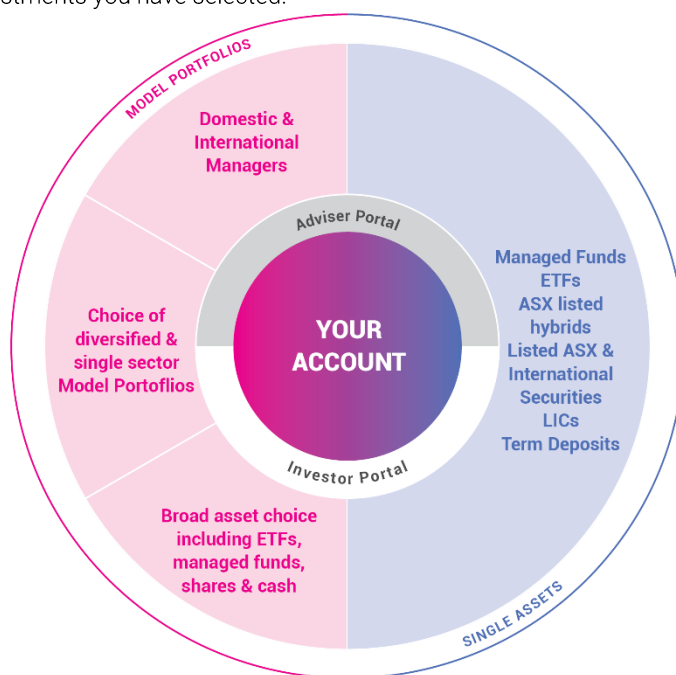
About the Agentia Separately Managed Account

The Agentia Separately Managed Account ('SMA') is a registered managed investment scheme known as the Separately Managed Accounts. Each investor has a separate 'Account' to which their investments are allocated.

Your Account can be constructed by using a range of available investments. Once you decide with your Nominated Representative (this is generally your financial adviser) which investments are best suited to your individual needs and objectives, we will purchase investments to be included in your Account so that it reflects the investments you have selected.

You will be the beneficial owner of the investments in your Account. You can view all investments in your Account as a single online account through our online portal ('Investor Portal'). We will send you an email with your log in details to provide access to the Investor Portal once your Account has been fully established.

Your investment instructions and preferences may only be communicated to us by your Nominated Representative – refer to 'Your Nominated Representative' for more information.



Flexible investment choices to tailor your personal investment portfolio

Your choice of investments

The Agentia Separately Managed Account provides you with a broad range of investment options from which you can construct your personalised Account. The available investment options are categorised as follows:

Model Portfolios

The Agentia Separately Managed Account makes available a wide range of Model Portfolios provided and managed by professional investment managers ('Model Portfolio Managers'). These include:

- Australian and international Model Portfolio Managers covering a range of different asset classes and asset types; and
- A broad range of diversified and single sector Model Portfolios catering to different investment risk profiles.

Model Portfolios are included in the daily rebalance process to ensure your portfolio matches the Model weightings for your selected Model Portfolios. Refer to page 13 for further details regarding Model Portfolios.

You can further tailor your Model Portfolios to suit your investment preferences by applying one or more of our customisation options. Refer to page 15 for further customisation details.

Single Assets

The Agentia Separately Managed Account gives you access to a broad range of single asset investment options from multiple asset classes. Single Assets can be held in your Account in 2 ways. These include:

Individual Assets

Individual Assets are excluded from the daily rebalance process and will only trade when requested by your Nominated Representative on your behalf.

Refer to page 13 for further details regarding Individual Assets.

Single Asset Models

Single Asset Models are included in the daily rebalance process to ensure your portfolio matches your selected investment strategy. Refer to page 14 for further details regarding Single Asset Models.

You can further tailor your Single Asset Models to suit your investment preferences by applying one or more of our customisation options. Refer to page 15 for further customisation details.

Key features

Contributions and withdrawals	Investments and withdrawals can be in cash (via direct debit or direct credit) or by way of transfer of investments as approved by us ('Eligible Investments') to or from you. See 'How the SMA works' for details.
Minimum Cash Holding	Currently 1% of your Account value.
Minimum initial investment, minimum withdrawal amount, minimum balance	No minimum investment amount, minimum withdrawal amount or minimum balance is required to open your Account. You should discuss with your Nominated Representative to determine an appropriate amount. Suggested minimum investment amounts may apply to Model Portfolios and are specified in the profiles in the Agentia Separately Managed Account Model Portfolios Menu ('Model Portfolios Menu').
Additional investments	You can make additional investments of any amount at any time.
Regular Contribution Plans	You can make regular contributions to your investment, either by signing up to our Regular Contribution Plan or by making your own arrangements directly with your bank, cash management account or financial institution. See 'How the SMA works' for full details.
Regular Withdrawal Plans	You can make regular withdrawals from your Account. See 'How the SMA works' for full details.
Reporting	<p>You will be provided with access to the online Investor Portal, where you can access all reporting on your Account. Applications will only be accepted from persons who agree to receive reports through this facility. Your annual statements and tax statements available each year via the Investor Portal. Other key reports available online include:</p> <p>Portfolio Report This report provides you with a full valuation of your portfolio broken down by asset class.</p> <p>Performance Report The investment performance of your Account over your selected date range.</p> <p>Transaction Report Lists all investment buys and sells, brokerage and fees and charges deducted in respect of your Account.</p> <p>Income and Expense Reporting Lists all income and expenses over your selected date range including franking credits.</p> <p>Tax Reporting Daily tax reporting is available online with tax parcel level information.</p>

How the SMA works

Opening an account

To make an investment in the SMA and open your Account, you and your Nominated Representative must complete and submit the online Application Form, which will then be processed by us.

Accessing your Investor Portal

Once your Account has been set up, your Investor Portal User ID details are provided to you, along with a link to the Investor Portal in a welcome email. The first time you log in, you will be required to change the password to access the Investor Portal.

The Investor Portal allows you to view all investments in your Account. Your Nominated Representative will also have access to view your Investor Portal and will be able to operate your Account on your behalf via the Adviser Portal.

Minimum application amount

There is currently no minimum investment amount which applies to opening an account in the SMA. You should ask your Nominated Representative what the appropriate initial investment amount is for you to invest in the SMA and/or investment options.

Regarding some Model Portfolios, an investment below the suggested minimum investment amount may result in the asset holdings and performance of the Model Portfolio differing from what the Model Portfolio Manager intends. Suggested minimum investment amounts for Model Portfolios are specified in the profiles in the Model Portfolios Menu.

Initial investment

You may choose your initial investment to be cash, in-specie transfer of Eligible Investments or a combination of both. Please note that an initial investment of cash and/or investments is required before your Account becomes active.

Application monies

Application amounts must be transferred via BPAY or direct debit into the SMA.

If you elect to use the direct debit facility, we will collect money from your Nominated bank account at 4pm AET on the day we accept your application and cash will be invested the next Business Day. Should your application be accepted after 4pm AET on a given day, the direct debit will be processed on the next business day and invested the following Business Day thereafter.

If a direct debit is rejected, we will contact your Nominated Representative to arrange alternative funding and may wait up to five (5) Business Days to receive a response. If we do not receive a response, we will sell down your Account the next trading day and **any loss will be your responsibility**. Therefore, it is important you ensure your Nominated bank account has sufficient funds available on the day your application is submitted to us.

Margin lending or investment lending

If you wish to apply using a lending arrangement, you must complete the relevant section of the Application Form as well as attaching any separate loan application forms. The terms and conditions of using lending to invest in the SMA are set out in the Application Form.

Minimum 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 SMA. This is in addition to any cash that a Model Portfolio may require. The minimum cash amount is calculated as a percentage of your Account and is set out in the table under '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 'Going below the Minimum Cash Holding' below.

The cash will be held in a bank account or invested in a cash fund selected by us. 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 Administration 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 below the Minimum Cash Holding

If the cash holding in your Account falls below the minimum required, additional investments will be automatically sold (or purchases reduced) pro-rata across your Account, starting with the investments held in your Model Portfolios and Single Asset Models (subject to any minimum holding locks), then the Individual Assets in your Account (excluding term deposits).

Where appropriate, any such transactions will not change the relative Model weightings of your Model Portfolios or Single Asset Models but will reduce the overall amount allocated to each investment. 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 Cash Administration Fee. Any cash held in accordance with a Model Portfolio or Single Asset Model will be subject to the Cash Administration Fee. Other fees also apply. See 'Fees and other costs' for details of applicable fees.

Netting

The SMA seeks to minimise transaction costs by eliminating unnecessary trading. Trading within the SMA is conducted at a pooled level. This means that each day we assess the net trading requirements of the whole Separately Managed Accounts managed investment scheme and trade investments on this basis. This process, known as netting, works to offset buy and sell trades in an investment so that only the net position is traded.

For example, if investors are selling securities in ABC Company and at the same time other investors are buying the same number of securities in ABC Company, we will transfer that security from one group of Accounts to the other without incurring any brokerage cost. The benefits (in terms of lower brokerage costs) are passed on to investors.

Netted transactions will receive the same price as the market traded transactions, and brokerage is applied pro-rata across the entire client base involved in that transaction. If there is an exact netting of transactions within the SMA and no market trade, the netted transactions will be priced at the daily volume weighted average price ('VWAP').

Occasionally, orders are unable to be fully filled on a particular day due to inadequate liquidity of an investment. If this occurs, we will continue to attempt to fill the order until it is completed. You may see small residual trades on your Account as a result of this.

In relation to managed fund orders, those orders will also be netted internally. On allocation of the netted trade, we are entitled to retain any benefits arising from the difference between the 'buy' and 'sell' price.

Contributions

Transferring in Eligible Investments

Any existing holdings of Eligible Investments may be transferred into your Account and must be in the same name under which you are applying for an Account.

Original documents relating to these transfers will be forwarded to us by your Nominated Representative who will also complete the application form to commence this Account. Your Account will only become active once transfer documents are completed and received by us, and your completed online Application Form has been submitted, together with your application amount and any Eligible Investments you are transferring to your Account.

Note that while an investment transfer is in progress, and until your Account becomes active, your Model Portfolios (if applicable) will not be included in the daily rebalance process (i.e. will not trade). The investment transfer, particularly for unlisted managed funds and international securities, may take a number of weeks or even longer depending on the investment. An investment transfer is considered 'in progress' once the transfer details have been provided to and processed by us.

Once your Account is active, Eligible Investments transferred into Model Portfolios will be automatically traded to match the Model weightings of your selected Model Portfolios.

Eligible Investments transferred as Individual Assets will sit outside of the daily rebalance process and will not trade unless requested by you and your Nominated Representative.

When transferring Eligible Investments into Model Portfolios, we will wait until we receive all components of your initial investment before we commence trading of the Model Portfolios in your Account. You will receive interest on cash balances held during this period and may also incur fees.

Making additional investments

Additional investments can be made at any time by electronic cash transfer, direct debit or by transferring Eligible Investments. The additional investments (if Eligible Investments) will be applied to your selected Model Portfolio(s) via the daily rebalance process at the next available opportunity (generally the next Business Day). If the Eligible Investments are added as Individual Assets, they will remain outside of the daily rebalance process and only trade when requested.

Note that while an investment transfer is in progress, your Model Portfolio(s) (if applicable) will not be included in the daily rebalance process (i.e. will not trade). Please note an investment transfer is considered 'in progress' once the transfer details have been provided to and processed by us.

Regular Contribution Plans

You can make regular contributions to your Account, either by signing up to our Regular Contribution Plan (where we debit an agreed amount from your Nominated bank account each month) or by making your own arrangements directly with your bank (where you instruct your bank to pay an agreed amount into your Account on a regular basis).

Option 1 – SMA Regular Contribution Plan

The minimum Regular Contribution Plan investment is \$100 per month. Under the Regular Contribution Plan, we will withdraw a regular amount from your nominated bank on or about the 15th of each month, or if the 15th falls on a weekend, the next available business day. Once you make the initial election on the Application Form you need take no further action – we will arrange for the transfer of funds each month. Note that this direct debit facility is not available on all bank accounts, and that if you change your financial institution, we require you to notify us of this change in writing. You can reduce, change or stop contributions at any time free of charge; however, two (2) Business Days' notice is required prior to a change being effected. If a direct debit is rejected, we will contact your Nominated Representative to arrange alternative funding and may wait up to five (5) Business Days to receive a response. If we do not receive a response, we will sell down your Account the next trading day and any loss will be your responsibility. We will also try to contact your Nominated Representative to notify them of the rejection. If a direct debit is rejected for two consecutive months, Praemium may cancel the direct debit without giving notice and your Regular Contribution Plan will cease operating.

Option 2 – Your Own Savings Plan

Alternatively, you can make your own arrangements directly with your bank to periodically transfer an amount into your Account via BPAY®. There is no restriction on the amount, frequency or timing of these investments. These payments should be made by electronic transfer to:



Biller Code: 347112

Ref: Your BPAY Customer Reference No.*

* You will be advised of your Account number and BPAY Customer Reference Number when your Account has been opened.

® Registered to BPAY Pty Ltd ABN 69 079 137 518

Irrespective of the arrangements, the money transferred will be invested in your selected investment(s) at the next available date for investment.

You should keep this PDS together with any updated information for future reference. You can access a current copy of this PDS and any updated information from your Nominated Representative or by logging into the Investor Portal at any time.

Withdrawals

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 must be given to us online by your Nominated Representative or delivered to us by your loan provider if you are using an investment or margin loan. Once a withdrawal instruction is received, the instruction cannot be revoked unless we give our approval. Withdrawals from the SMA can be made in cash (to your Nominated bank account that must be in the name of the investor(s)) 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.

Where applicable, the minimum withdrawal amount and minimum balance requirements which apply to your Account are set out in the 'Key features' table.

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

Transferring out 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. Please note that if you are withdrawing by way of a transfer of Eligible Investments, a written approval from your loan provider may also be required.

Requests will generally be actioned on the Business Day following receipt of your request.

If, following the transfer of investments, your Model Portfolios and/or Single Asset Models no longer reflect your selected Model Portfolios and/or Single Asset Models (excluding Individual Assets) (for example, because you requested a transfer of one security only), we will need to rebalance your Model Portfolios and/or Single Asset Models via the daily rebalance process at the next available opportunity (generally the next Business Day). The rebalancing may result in brokerage being charged to your Account.

While an investment transfer is in progress, your Model Portfolios and/or Single Asset Models will not be included in the daily rebalance process (i.e. will not trade). Please note, an investment transfer is considered 'in progress' once the transfer details have been provided to and processed by us.

If insufficient cash is available in your Account to pay the In-Specie Transfer Fee, investments may be sold to cover this cost.

Cash withdrawals

Cash withdrawals will be paid into your Nominated bank account that must be in the name of the investor(s). Any instruction to vary your Nominated bank account/s must be in writing and signed by you and accepted by Praemium. We cannot accept these instructions from your Nominated Representative.

Investments will be sold down as per your instructions. 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 (if applicable). 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.

Withdrawal amounts will accumulate as part of your cash holding until the full amount is available for transfer into your Nominated bank account.

Regular Withdrawal Plan

You can make regular withdrawals from your Account by signing up to our Regular Withdrawal Plan. Under the Regular Withdrawal Plan we will deposit a regular amount into your Nominated bank account. You can start, change or stop withdrawals at any time free of charge; however, four days' notice is required. If a direct credit is rejected, we will buy back any assets that were sold at the next trading day and any loss will be your responsibility. We will also try to contact your Nominated Representative to notify them of the rejection. If a direct credit is rejected for two consecutive payments, Praemium may cancel the direct credit without giving notice and your Regular Withdrawal Plan will cease operating.

Suspension of withdrawals

In unusual circumstances outside our control, such as the closure or disruption of a relevant security exchange or the suspension of redemptions by fund issuers, we may suspend withdrawals from Accounts for the period that these circumstances prevail.

Your Nominated Representative

When you invest in the SMA, you are required to 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, you will be authorising us to take instructions in relation to your Account from your Nominated Representative on your behalf. We may also send any communications relating to your Account to your Nominated Representative, who will be responsible for providing these communications to you. We may also be required to send certain communications to you directly.

Generally, all instructions to transact in the SMA must be made on your behalf by your Nominated Representative online, by email or in writing. However, your Nominated Representative is not able to change your bank account details for payment of any withdrawal proceeds, nor certain other personal/identification information. Refer to 'Investor authorisations, acknowledgements & agreements' for details of this authorisation.

If the Nominated Representative's appointment is cancelled or your Nominated Representative ceases to act as your representative for any reason, you will generally be required to appoint a new Nominated Representative within a reasonable timeframe. If you do not appoint a new Nominated Representative, we may at our discretion, close your Account and pay the proceeds in cash to your Nominated bank account.

Where your Nominated Representative ceases to be eligible under this branded PDS, your Account may no longer be eligible for the distributor's terms and conditions including discounting of administration and/or investment fee(s) and investment options. Typically, this will result in your investment incurring Praemium's standard fees and where applicable, a change to your investment(s).

Optional direct debit authority for fee payment

As outlined in 'Fees and other costs', fees are paid from your Account on a monthly basis. We assess the level of all cash holdings at each rebalance, and where there is insufficient cash, we will sell down investments to top up your cash holding as described above in the 'Going below the Minimum Cash Holding' section.

Alternatively, you may choose to authorise us to direct debit your Nominated bank account to top up your cash holding each time a fee payment is made. Instead of nominating a set amount per month, we will debit your Nominated bank account for the exact amount of the month's fees.

Note that this direct debit facility is not available on all bank accounts, and that if you change your financial institution, we require you to notify us of this change in writing. If you choose to authorise us to direct debit your Nominated bank account, you can ask us to discontinue this at any time; however, two (2) Business Days' notice is required prior to a change being effected.

Where you instruct us to direct debit your Nominated bank account each month by the amount of the monthly fees, we will use our best endeavours to carry out your instructions. Should the direct debit transaction fail for any reason whatsoever, we will deduct the monthly fees from your cash holding. In the event of such an occurrence we will try to contact your Nominated Representative as soon as possible so that the appropriate action can be taken before the next month-end. If a direct debit is rejected for two consecutive months, Praemium may cancel the direct debit and all future fees will be deducted from your cash holding.

Benefits of investing in the SMA

The benefits of investing in the SMA include:

Construct a unique Account using our blending facility

If a number of investments are available, you can mix them in any proportion that you choose. Your individual blend of investments will result in a single Account that you and your Nominated Representative have tailored to your needs.

Keep your trading costs down with our netting policy

Trading within the SMA is conducted at a pooled level. This means that each day we assess the net trading requirements of the whole SMA and trade investments on this basis.

For example, if investors are selling securities in ABC Company and at the same time other investors are buying the same number of securities in ABC Company, we will simply transfer that security from one group of Accounts to the other without incurring any brokerage cost. The benefits (in terms of lower brokerage costs) are passed on to investors.

In relation to managed fund orders, those orders will also be netted internally. On allocation of the netted trade, we are entitled to retain any benefits arising from the difference between the 'buy' and 'sell' price.

View the investments that make up your Account

You can log into the Investor Portal at any time to view the portfolio of investments that make up your Account.

Please note, in some circumstances, such as when trading is being conducted in respect of your selected Model Portfolio(s), your exact investment holdings will not be available for the period of the trading or longer.

Manage your own tax affairs

You can select the tax parcel accounting method for your Account which best suits your own circumstances, and you can adjust and amend the allocation method online as required, including after the trade has been completed.

Easily arrange for regular additional investments

It is easy to arrange to make a regular additional contribution into your Account. Full details are set out under 'How the SMA works'.

Easily arrange for regular withdrawals

It is easy to arrange to make a regular withdrawal from your Account. Full details are set out under 'How the SMA works'.

Move investments in or out of your Account at any time

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). Moving investments into or out of the SMA does not result in a realisation for capital gains tax purposes.

Retain the key benefits of managed investments

The Model Portfolios in the Model Portfolios Menu are professionally constructed and managed by Model Portfolio Managers. The Single Assets in the Single Assets List provide professionally managed single listed securities, managed funds, LICs, ETFs and other managed investments, giving investors access to wholesale rates of brokerage not usually available individually.

Professional Model Portfolio management

The SMA gives you access to a range of Model Portfolios provided by professional Model Portfolio Managers. Our relationship with the Model Portfolio Managers is governed by a Model Portfolio Manager Deed. This sets out the agreed investment objectives, strategy and any investment restrictions applicable to each Model Portfolio. Each of the Model Portfolios is managed by the relevant Model Portfolio Manager within these investment guidelines.

This reduces the need for you to constantly monitor and review the investments in your selected Model Portfolio(s) or make investment decisions, saving you time as well as ensuring your investments are professionally managed.

Change Model Portfolios in a tax-advantaged manner

If you change your blend of Model Portfolios (which your Nominated Representative can do at any time) we update based on the new weightings, then trade investments where required, so that your Model Portfolios match your new combination. This means that we don't unnecessarily sell down investments to adjust it to the new combination.

Your personal circumstances can be accommodated with substitution

Your Model Portfolios can be customised through investment substitution, which allows you to avoid acquiring investments that either you do not wish to hold or already have sufficient exposure to outside of your SMA.

You don't inherit other investors' capital gains

Unlike most other managed investment schemes, your tax position as a result of investing in the SMA 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 (unless you invest into managed funds and/or you hold managed funds as a Single Asset within your account), and you do not realise gains as a result of other investors' decisions to withdraw from the SMA.

Risks

Before you make an investment decision, it is important to identify your investment objectives and the level of risk you are prepared to accept. This may be influenced by factors such as:

- the timeframe over which you are expecting a return on your investment and your need for regular income versus longer-term capital growth.
- your level of comfort with volatility in returns.
- the general and specific risks of particular investments.
- risks associated with the structure through which your investments are made.

It is important for you to obtain financial product advice about your financial circumstances and needs, as well as the suitability of the SMA and investment selection before you apply to establish an Account within the SMA or select investments.

Risks associated with the SMA

Scheme risk

There are risks particular to investing in the SMA including that the SMA could be terminated, fees and charges could change, we could be replaced as Responsible Entity and investments could be closed or change.

Operational risks

In addition to the normal risks of investing, investors in the SMA are subject to certain operational risks that are inherent in the administration of the SMA, such as processing errors or delays and systems or technology failure, which may have an impact on your Account. Delays can also be experienced as a result of transaction processing delays with brokers or fund managers, or if your Nominated Representative delays submitting a request to Praemium for the purchase or sale of investments. Praemium has policies in place for managing operational risks and their consequences. Under these policies, Praemium has the discretion whether or not to compensate investors for immaterial or negligible losses arising from processing errors or systems failures.

Investment risks

The investments that you make will generally be subject to one or more of the following risks:

Concentration risk

The fewer the number of investments in your Account, the more concentrated your Account. The more concentrated your Account, the greater the risk that poor performance of a single investment may significantly affect the performance of your whole Account. Concentration risk can also occur at an investment class level, depending on the investment or combination of investments chosen. For example, if your investments are comprised primarily of Australian equities and/or managed funds that primarily hold Australian equities and there is a downturn in Australian equity markets, you will have a greater risk of negative returns than if your Account is diversified across other investment classes.

Liquidity risk

Liquidity risk is where investors are not able to realise their investment at the current market price in a timely fashion. This could occur if withdrawals from a managed fund have been restricted or suspended or, for securities, trading on the stock market is suspended for a considerable period of time.

Term deposits are generally an illiquid investment as they may not be redeemable before their maturity date, as early redemption usually results in reduced returns or a penalty for breaking the term deposit.

Leverage risk

If you have geared your Account (that is, borrowed in order to invest), you will be subject to a number of additional risks including, but not limited to, margin calls as a result of market volatility, increased losses as a result of increased exposure, and interest rate risk. If you are utilising a margin loan and a margin call is made pursuant to the terms of that loan, it may be necessary to sell investments and use the net proceeds to reduce your loan balance. You should talk to your Nominated Representative before borrowing to invest and refer to your lender's disclosure documentation for full details of the risks involved.

Regulatory risk

Regulatory risk arises if regulatory or taxation changes introduced by a government, or a regulator affect the value of investments. These regulatory or taxation changes may occur in Australia or other countries.

Market risk

Economic, technological, political or legislative conditions and even market sentiment can (and do) change and this can mean that changes in the value of investment markets can affect the value of investments. Markets have previously been impacted by global pandemics and the impact of a future pandemic on a market's performance is unknown.

If you have exposure to international assets, your Account may be more susceptible to changes in global market conditions.

Investment Manager risk

Investment Manager risk refers to the risk that an investment manager fails to deliver returns that compare favourably with their peers or with the managed fund's benchmarks. The key drivers of investment manager risk are the effectiveness of the manager's investment strategy; the implementation of the strategy; and the extent to which an investment manager is impacted by potential loss of key staff.

Underlying managed fund risk

There is a risk that investing in a managed fund may give different results than investing directly in the securities that the fund holds, because of income, capital gains or losses accrued in the managed fund, and the consequences of investments and withdrawals by other unit holders in those managed funds.

Currency risk

Changes in the value of currency exchange rates can impact the value of your investments, where your Account is exposed to international investments.

Currency foreign exchange rate risk

International investments are inherently exposed to risk associated with currency foreign exchange rate movements. The SMA does not offer foreign currency holdings and does not currently facilitate the management of exchange rate risks via derivatives. All international asset related transactions on your Account including security trades, income and corporate action proceeds will be converted to AUD by the custodian and subsequently reflected on your Account. This may impact on the value of your holdings.

Volatility risk

Changes in security and unit prices can affect the value of investments in your Account. Changes in investment prices can result from a number of factors including: the changing profitability of industries and companies, economic cycles, the volume of securities traded in a particular market, investor demand, business confidence, and changes to government and central bank policies, international events or natural disasters.

Company specific risk

The value of the investments in a particular company are subject to risks that are specific to the individual company. Risk, due to specific company factors, can mean that a company's return can be significantly lower than that of the market, which can negatively impact the value of your investments.

Interest rate risk

Changes in the general level of interest rates might have a negative impact on the value of your investments.

Portfolio investment risk

Historically, equities have offered higher returns over the long term than other asset classes; however, they are volatile and can perform poorly over the short to medium term.

Securities of smaller capitalisation companies may, from time to time and especially in falling markets, become less liquid and experience short-term price volatility. They may also be less financially secure than larger more established companies and depend on a small number of key personnel, which increases the risk of a company's failure if a product fails, management changes or if there are other adverse developments.

The value of commodity assets can be adversely affected by a range of factors including demand for and supply of the physical commodity, changing inflationary pressures, and the activity of other investors. Commodity investments are volatile and can perform poorly for extended periods.

Some Model Portfolios may only hold a small number of investments compared to their relevant benchmark index. The performance of Model Portfolios holding a concentrated portfolio of investments may be more volatile than its benchmark index across all investment timeframes. The profiles in the Model Portfolios Menu provide general guidance on the types of investments or commodities likely to be contained in each Model Portfolio.

Fixed income risks

If your Account is exposed to fixed income investments, whether directly or indirectly, this involves credit risk, interest rate risk, and liquidity risk. Credit risk is the risk that a borrower may default on interest or principal repayments. Interest rate risk and liquidity risk have been explained earlier in this section.

Inflation risk

The value of your investments may not keep pace with inflation. Broadly, this means prices may increase by more than the value of your investments. If this risk eventuates, you would not be able to buy as much with the value of your investments as you could today.

Distribution risk

There is risk that the financial product will be issued outside of the terms of the applicable target market determination in which case the financial product may be withdrawn or suspended. Where the financial product is withdrawn, your Account will be closed in accordance with our Account closing policy.

Derivative risk

A range of financial derivatives, for example futures and options, may be used to implement investment decisions and to manage risk in a Model Portfolio or Single Asset. An investment in derivatives can cause an investment to make gains or incur losses. Derivative transactions may also involve the risk (including credit risk) that the counterparty on a transaction will be unable to honour its financial obligations.

Foreign market risk

Investing internationally carries additional risk. Risks inherent in this type of investment include (but are not limited to):

- differences between countries relating to accounting, auditing, financial reporting, government regulation, securities exchanges and transactional procedures.
- foreign markets may have different levels of liquidity, pricing availability and settlement and clearance procedures.
- actions of foreign governments, exchange controls, political and social instability.

These risk considerations apply, to some extent, to all international investments, but are likely to be of greater significance in certain small or emerging markets.

Investment options in the SMA

Model Portfolios

Model Portfolios include a range of underlying investments based on the investment philosophy and decisions of a professional Model Portfolio Manager. The Model Portfolios available for investment in the SMA are listed in the Model Portfolios Menu available from your Nominated Representative or by logging into the Investor Portal. We may update the Model Portfolios Menu at our discretion.

Model Portfolios are included in the daily rebalance process. The daily rebalance process automatically reviews your Model Portfolios each Business Day to ensure they remain aligned to your selected Model Portfolios.

The profile relating to each Model Portfolio includes:

- investment objective and description;
- asset allocation ranges and performance benchmarks;
- risk level and suggested minimum time frame; and
- fees applicable to the Model Portfolio.

As certain information about the Model Portfolios may change from time to time, you should check for updated information available from your Nominated Representative or by logging into the Investor Portal.

Our relationship with the Model Portfolio Managers is governed by a Model Portfolio Manager Deed. This sets out the agreed investment objectives, strategy and any investment restrictions applicable to each Model Portfolio. Each of the Model Portfolios is managed by the relevant Model Portfolio Manager within these investment guidelines.

Any changes to a Model Portfolio are advised to us by the Model Portfolio Managers. We then buy and sell investments to implement the changes across all Accounts that invest in the affected Model Portfolios.

We reserve the right to change Model Portfolio Managers, change the Model Portfolios offered, offer new Model Portfolios or cease to offer Model Portfolios. Where a Model Portfolio ceases to be offered, we will give you prior written notice via the Investor Portal or by mail.

We do not make any representation as to the return of capital or any particular return of income or other performance by the SMA or any Model Portfolio.

You can further tailor your Model Portfolios to suit your investment preferences by applying one or more of our customisation options. Refer to page 15 for further customisation details.

Investing in Model Portfolios

When selecting Model Portfolios, you should carefully consider the number of investments held as well as your investment amount and any customisations required, as this could impact on the ability of your Model Portfolios to reflect the stated investment strategy of the Model Portfolio. You should discuss Model Portfolios in detail with your Nominated Representative before selecting them for investment.

Please note that if your Nominated Representative is employed, associated or a subsidiary of a Model Portfolio Manager, they are not acting for, or on behalf of, Praemium (as Responsible Entity) in providing any advice to you about your investment in, or the suitability of, the SMA or any Model Portfolio.

Single Assets

The Agentia Separately Managed Account provides you with access to a broad range of single asset options from multiple asset classes. Single Assets can be held in your Account as Individual Assets or as Single Asset Models as described below.

Individual Assets

The Individual Assets available for investment in the SMA are listed in the Single Assets List available from your Nominated Representative or by logging into the Investor Portal. We may update the Single Assets List at our discretion, and it is updated regularly.

Individual Assets are excluded from the daily rebalance process and will not trade unless requested by you and your Nominated Representative.

To purchase Individual Assets you must have the available cash in the Managed Account Cash model (MACAUD)¹ at the time to facilitate the purchase.

Individual Assets currently include an extensive range of:

- term deposits;
- managed funds;
- ASX listed and international exchange traded funds (ETFs);
- ASX listed hybrids;
- listed investment companies (LICs);
- ASX listed securities;
- international listed securities; and
- other managed investments approved from time to time.

Term deposits

The term deposits that are available for investment in the SMA can be accessed by your Nominated Representative and purchased on your behalf.

To purchase a term deposit, you must have the available cash in the Managed Account Cash model (MACAUD) at the time to facilitate the purchase.

The term deposits currently available are issued by authorised deposit-taking institutions approved by Praemium.

Term deposits are generally an illiquid investment as they may not be redeemable before their maturity date, and early redemption usually results in reduced returns or a penalty for breaking the term deposit.

Treatment of term deposits upon maturity

Upon maturity of a term deposit, the proceeds, including any interest received, will be transferred to the Managed Account Cash model (MACAUD) in your Account and will remain in the Managed Account Cash model (MACAUD) until you make an investment decision.

¹ For further information regarding the Managed Account Cash model (MACAUD) refer to the Model Portfolios Menu available on our website.

Single Asset Models

The Single Asset Models available for investment in the SMA are listed in the Single Assets List available from your Nominated Representative or by logging into the Investor Portal. We may update the Single Assets List at our discretion, and it is updated regularly.

Single Asset Models are included in the daily rebalance process. The daily rebalance process automatically reviews your Single Asset Models each Business Day to ensure they remain aligned to your selected Single Asset Models.

Single Asset Models currently include an extensive range of stand-alone:

- managed funds;
- ASX listed and international exchange traded funds (ETFs);
- ASX listed hybrids;
- listed investment companies (LICs);
- ASX listed securities; and
- international listed securities.

You can further tailor your Single Asset Models to suit your investment preferences by applying one or more of our customisation options. Refer to page 15 for further customisation details.

Investing in Single Asset Models

There are important differences between investing in managed funds, ETFs, ASX listed hybrids, LICs, ASX listed securities and international listed securities ('stand-alone investment options') via Single Asset Models and acquiring these stand-alone investment options as Individual Assets (as described above).

Single Asset Models invest in the relevant stand-alone investment option and are included in the daily rebalance process.

In most cases, a Single Asset Model will not trade unless requested by you or your Nominated Representative via a switch or withdrawal, or there is a deposit made into your Account. Occasionally, small trades will occur due to Single Asset Models being included in the daily rebalance process. This may include the buying or selling of investments to bring your Single Asset Models back to your chosen strategy resulting in Single Asset Model trades.

Compulsory corporate actions in Single Asset Models

Compulsory corporate actions, such as stock splits, dividends, mergers and acquisitions, rights issues and spin-offs, occur, where appropriate, within a Single Asset Model. In some cases, a corporate action will result in another asset or assets being included in a Single Asset Model. These other assets (which could be cash or other assets) will remain in the Single Asset Model until they are removed by us.

For example, if there is a second asset in a Single Asset Model, we will move the second asset to the correct Single Asset Model, and both will be made available for investment allocations separately.

Additional information

Investing in international securities

The SMA offers a selection of Model Portfolios and Single Assets for those looking to diversify their investment portfolio into international markets.

The SMA does not offer foreign currency cash holdings in your Account. All international asset related transactions on your Account including security trades, income and any corporate action proceeds will be converted to AUD by the custodian and reflected accordingly on your portfolio.

Investments with exposure to international securities, as traded via an international securities exchange, are available only to Australian residents for tax purposes. When you apply for investments with international securities, you confirm that you are an Australian resident. Please notify Praemium at the earliest should your circumstances change and seek advice on switching to new investments. Where you cease to be an Australian resident, your international holdings will be sold down.

You can only use customisations to substitute a security with an international security in a Model Portfolio that is mandated to hold international direct securities.

Investing in wholesale investments

The SMA may offer a selection of wholesale Model Portfolios and Single Assets for Wholesale investors looking to diversify their investment portfolio.

More information regarding Wholesale investors and how you qualify to be a Wholesale investor is outlined under 'General information'.

How your investments are held

The Responsible Entity has appointed a custodian to hold the assets of the scheme. All assets held within the SMA, including those held in your Account, are held by the appointed custodian. Records of individual investment holdings by each investor are retained by us within the SMA.

Praemium will (by directing the custodian of the managed investment scheme) hold any cash not required for settlements in a cash account with Australia and New Zealand Banking Group Limited, ABN 11 005 357 522. Praemium will not withdraw, or direct the custodian to withdraw, funds from this account other than in accordance with your direction (including a standing instruction) or where necessary to meet your Minimum Cash Holding or where otherwise directed by a regulatory body or court order.

Labour standards, environmental, social and ethical considerations

Unless otherwise indicated, we do not take into account labour standards or social, environmental or ethical considerations in the context of making investments available.

Unless otherwise indicated in the Model Portfolios' profile in the Model Portfolios Menu, Model Portfolio Managers may not take into account labour standards or social, environmental or ethical considerations in the context of making investment decisions. For Single Assets refer to the relevant disclosure.

Selecting investments

We recommend that you obtain advice from your Nominated Representative before making your investment selections. Praemium accepts no liability or responsibility for any advice given to you by your Nominated Representative or any Model Portfolio Manager in relation to Model Portfolios.

Your initial application amount will be invested, and your Account established, in accordance with your selection of investments. Generally, this will occur on the next day (after your Account becomes active)* on which we buy and sell investments for the SMA, which will usually be each Business Day.

* Your Account will only become active once details are completed and your Application Form has been submitted together with your application amount and any investments that you are transferring to your Account.

Please note that Individual Assets can only be selected online after your Account has been established.

Switching investments

You can switch between Model Portfolios, Single Assets or alter the combination of Model Portfolios and Single Assets at any time. Your instruction to switch will generally be acted upon during the next Business Day following receipt of such instructions from your Nominated Representative.

Receiving income²

As part of your Application Form, you must select from one of the following options regarding income received from your Model Portfolio and/or Single Asset Model investments:

- instruct us to target income from your Model Portfolios and/or Single Asset Models into the Managed Account Cash model (MACAUD) where it will remain until a further investment instruction is received; or
- select to apply income pro-rata across your Model Portfolio and/or Single Asset Model investments via the daily rebalance process; or
- if you would like income from your Model Portfolios and/or Single Asset Models to be paid periodically into your Nominated bank account, please ask your Nominated Representative to select this option for you.

If a direct credit to your Nominated bank account is rejected for a particular month, we will try to contact your Nominated Representative to notify them of the rejection. If a direct credit is rejected for two consecutive months, Praemium may cancel the direct credit and all future income and dividends received will form part of your cash holding within your Account.

Income derived from Individual Assets will be targeted into the Managed Account Cash model (MACAUD) where it will remain until a further investment instruction is received.

A description of how cash is managed is set out under 'How the SMA works'.

Model Portfolio and Single Asset Model customisations

The SMA allows you to customise your Model Portfolios and Single Asset Models in accordance with your requirements. The table below sets out the customisations available. It is the responsibility of your Nominated Representative to manage any customisations.

Please note, if your Model Portfolios are customised, they may not perform in the same manner as the actual Model Portfolios you hold due to the different nature of the holdings.

The below customisations only apply for Model Portfolios and Single Asset Models (where applicable) in your Account. You should discuss these in detail with your Nominated Representative.

Customisations available

Minimum holding lock	You have the option to lock a specific investment holding in a Model Portfolio at a level of your choice. When rebalancing in accordance with your chosen Model Portfolio selection we will ensure that, for the nominated investment, the holding is maintained at or above your selected level. You should be aware that the use of the minimum holding lock facility may result in the performance of the Model Portfolios in your Account deviating from the performance of the actual Model Portfolio(s).
Substitution	You may substitute individual investments with other Eligible Investments or cash. Alternatively, you can reinvest what would have been invested in the excluded investment evenly across the other investments in the Model Portfolio from which the exclusion is made. You should be aware that substitution may result in the performance of the Model Portfolios in your Account deviating from the performance of the actual Model Portfolio(s).
Minimum trade size	<p>You may select a minimum trade size. This means that investments in your Model Portfolios will generally only be traded if the trade size is greater than or equal to that of the specified minimum trade size.</p> <p>A minimum trade size is applied per investment, per trade. If you have not set a minimum trade size of your own, a default minimum trade size will be applied. For Accounts with Model Portfolio holdings under \$75,000, the default is 0.20% of the value of your Model Portfolios per investment, per trade. For Accounts with Model Portfolio holdings of \$75,000 and above, the default minimum trade size is \$150 per investment, per trade.</p> <p>Setting a minimum trade size per investment for your Model Portfolios will generally ensure that trades (buys or sells) of a value less than the nominated amount will not be executed. Setting a minimum trade size may also result in the performance of the Model Portfolios in your Account deviating from the performance of the actual Model Portfolio(s). A low minimum trade size may result in an increase to the number of transactions.</p>

² Income can include dividends, interest, gains on the disposal of investments and other types of income.

Customisations available continued

Model weighting: fixed or floating?	<p>If you select more than one Model Portfolio in your Account, you have the choice of applying the Model weightings on a fixed or floating basis. This is explained in more detail below. You may change the basis at any time. If you have elected to use the floating basis you may reset your Model weightings to your selected fixed percentages at any time, and then revert to a floating basis again.</p> <p>Additional investments into and withdrawals out of your Model Portfolios are allocated to align with your current Model weights. For Model Portfolios with fixed Model weightings, this will be your nominated weighting, and for Model Portfolios with floating Model weightings, this will be the weights implied by your current balances and cashflow instructions. If no selection is made, your Model Portfolios will default to floating.</p>
Environmental, social and governance (ESG) screening	<p>A number of ESG screening options allow you to customise your Model Portfolios and/or Single Asset Models so they align with your ethical beliefs and values. You should speak with your Nominated Representative about setting up the ESG screening options.</p>
Income targeting	<p>Income received from investments held in your Model Portfolios and/or Single Asset Models must be targeted to one of the following options:</p> <ul style="list-style-type: none"> • the Managed Account Cash model (MACAUD) where it will remain until a further investment instruction is received; or • pro-rata across your Model Portfolio and/or Single Asset Model investments via the daily rebalance process; or • pay income periodically into your Nominated bank account.

Minimum holding lock and investment substitution facilities

You should be aware that use of the minimum holding lock and investment substitution facilities may result in the performance of the Model Portfolios in your Account deviating from the actual Model Portfolio(s) performance.

If a company changes its name and thus the investment code changes, we will apply the change to any customisations you have involving the investment. You need to be aware that corporate actions such as takeovers may require you or your Nominated Representative to review your customisations.

Minimum trade size

You may specify a minimum trade size for investments held in a Model Portfolio and/or Single Asset Model if you do not wish small trades to be undertaken. We will endeavour to ensure that trade sizes are within the limits specified; however, in some circumstances (such as market movements) this may not always be possible.

A minimum trade size is applied per investment, per trade. If you have not set a minimum trade size of your own, a default minimum trade size will be applied. For Accounts with Model Portfolio holdings under \$75,000, the default is 0.20% of the value of your Model Portfolios per investment, per trade. For Accounts with Model Portfolio holdings of \$75,000 and above, the default minimum trade size is \$150 per investment, per trade.

Setting a minimum trade size per investment for your Model Portfolios will generally ensure that trades (buys or sells) of a value less than the nominated amount will not be executed. Note: If you select your own minimum trade size, this will override the default minimum trade size described above. When you select a minimum trade size with multiple criteria, the system will apply the largest (in dollar terms) of any nominated criteria.

Setting a minimum trade size may also result in the performance of the Model Portfolios in your Account deviating from the performance of the actual Model Portfolio(s). A low minimum trade size may result in closer alignment with the actual Model Portfolio but is also likely to increase the number of transactions.

Where there is insufficient cash to fund a regular or one-off withdrawal request, we will sell down assets pro rata across your Account (excluding Individual Assets, Term Deposits and assets locked via a customisation). In doing so, it will attempt to restore the positive cash balance by excluding trades that fall below the minimum trade size. Where this is not possible, we will typically select from the largest excluded trades first and then move to the smaller trades until the amount required is obtained. In this way, we will attempt to prevent smaller trade sizes where possible.

The dealer group of your Nominated Representative can also instruct us to apply a minimum trade size for your Model Portfolios. For more information and to confirm if the dealer group has applied a minimum trade size, please speak to your Nominated Representative.

Model weightings – fixed or floating?

If you select more than one Model Portfolio, you have the choice of applying the Model weightings on a fixed or floating basis. If no selection is made, Model weightings will default to floating.

Applying your Model weightings on a floating basis means that when your selected Model Portfolios perform differently from each other, the relative proportion attributable to each Model Portfolio will move (float) away from the weights that you originally selected.

For example, if you originally invested \$100,000, allocating 50% to Model Portfolio 1 and 50% to Model Portfolio 2, they would notionally be broken down as:

	Model Portfolio 1	Model Portfolio 2	Cash	Total
Weighting	49.5%	49.5%	1%	100%
Value	\$49,500	\$49,500	\$1,000	\$100,000

If after one day Model Portfolio 1 had a performance of -5% and Model Portfolio 2 had a performance of +5% and you chose to apply the Model weights on the above floating basis, your approximate breakdown would be:

	Model Portfolio 1	Model Portfolio 2	Cash	Total
Weighting	47%	52%	1%	100%
Value	\$47,025	\$51,975	\$1,000	\$100,000

* All values are approximate and indicative only, displayed purely to illustrate the effect of the fixed or floating basis for applying Model weightings. It should not be inferred from this example that either basis is preferred or will result in higher value added.

Applying the Model weights on a floating basis means that we will not act to adjust the relative values of the Model Portfolio—they will continue to move independently from each other according to each option's relative performance.

If you choose to fix the weightings at every rebalance, the proportion attributable to each Model Portfolio will remain the same as the weights that you originally selected. In the above example, this would involve selling down \$2,475 of investments from Model Portfolio 2 to apply to investments in Model Portfolio 1, restoring each to equal weightings.

You should be aware that choosing the fixed basis may mean that investments attributable to a highly performing Model Portfolio are sold in order to purchase additional investments attributable to a Model Portfolio with lower performance.

You may change the basis at any time. If you have elected to use the floating basis you may reset your weightings to your selected fixed percentages at any time, and then revert to a floating basis again.

Additional contributions and withdrawals to or from your Model Portfolios are allocated to align with your current Model weights. For fixed weightings this will be your nominated weighting, for floating weightings this will be the weights implied by your current Model Portfolio balances.

If no selection is made, this will default to floating.

Environmental, social and governance (ESG) screening

Working with your Nominated Representative, you can automatically apply a number of ESG screening options on your Model Portfolios and Single Asset Models (if applicable). The available screening categories to choose from include:

- Adult Entertainment (production)
- Alcoholic Beverages
- Animal Testing (pharma)
- Animal Testing (non-pharma)
- Controversial Weapons (significant ownership)
- Gambling
- Oil & Gas
- Oil Sands

- Thermal Coal
- Tobacco Products

This allows your Nominated Representative to tailor your Model Portfolios and/or Single Asset Models so they align with your own ethical beliefs and values. For further information please log in to your Account and select the help centre or contact your Nominated Representative.

Investment process and the daily rebalance process

Rebalancing is an automatic process whereby Model Portfolios and Single Asset Models are compared against Model Portfolio and Single Asset Model holdings in investors' Accounts.

The daily rebalance process within the SMA will be undertaken generally each Business Day. If an instruction to acquire or withdraw investments from Model Portfolios and/or Single Asset Models is received after 9:30am on each Business Day, it will be actioned on the next Business Day.

Your Model Portfolios and Single Asset Models will only be affected in the following circumstances:

- a Model Portfolio Manager advises us of a change to a Model Portfolio in your Account;
- you make an investment in or withdraw cash and/or investments from your Model Portfolios and Single Asset Models;
- you switch Model Portfolios or Single Asset Models or make other alterations to your Account;
- as a result of market movements, for those investors who have chosen to fix their Model weights; and
- where your cash holding has moved away from the minimum required as a result of income received, or fees paid.

Model Portfolio Managers may review their Model Portfolios and advise us of changes at any time.

A Minimum Cash Holding of 1% of your total investment will be retained. Interest is paid on any cash that is retained in your Account. From time to time, subject to the minimum trade size, your Model Portfolios and Single Asset Models may be rebalanced to reflect the changing values of the Model Portfolio and Single Asset Model investments you own, or to retain your 1% cash holding. This will be undertaken automatically through the buying or selling of investments within your Account.

Individual Assets are not included as part of the daily rebalance process.

Dealing in investments for Model Portfolios

Dealing in investments for Model Portfolios will be undertaken by us on the advice of the relevant Model Portfolio Managers and instructions from your Nominated Representative. Dealing will occur on an aggregate basis across all investments within the SMA to take advantage of scale and netting opportunities. All investments will be allocated to the relevant Accounts on a pro rata basis.

In order to minimise the amount of brokerage paid, we will generally use a single execution-only broker. However, we may use other brokers if market conditions and security-specific factors warrant it and may use a combination of one or more brokers at any time. Note that we are entitled to retain the netting benefits of any managed fund trades (see 'Netting' on page 6).

Corporate actions

As the Responsible Entity for the SMA, Praemium will receive communications relating to corporate actions affecting the investments held in your Account. For example, the issuers of the investments will send any notices of meetings relating to the investments, and any offers of dividend or distribution reinvestment plans, to our custodian.

In dealing with corporate actions, we will act in the best interests of investors but will generally not be obliged to act on any individual investor's directions. Our policy regarding corporate actions affecting investments held in the SMA is that generally:

- we will elect to receive dividends and distributions in cash, which will be credited to your cash holdings within your Account;
- we will generally adopt a neutral position and not vote at meetings of holders of investments, although we may exercise our discretion and vote depending on the particular circumstances; and
- we will deal with other corporate actions using our discretion and will generally not participate in conditional events.

In certain limited circumstances, entitlement to corporate actions may be subject to externally imposed limits or caps or operational requirements of the managed investment scheme, which may result in your entitlement to participate in the corporate action through your Account holding being less than an entitlement of an individual investor holding the same number of the investments directly.

Fees and other costs

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 fees. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** Moneysmart website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

Fees and other costs

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from returns on your investment or from the assets of the managed investment scheme as a whole.

Taxes are set out in another part of this document.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

Fees and other costs for particular investment options are set out in the relevant PDS or other disclosure document for that investment option.

All fees are in Australian dollars and are inclusive of Goods and Services Tax (GST) where applicable and net of any reduced input tax credit.

Fees and costs summary

Agentia Separately Managed Account														
Type of fee or cost	Amount	How and when paid												
Ongoing annual fees and costs														
Management fees and costs The fees and costs for managing your investment The fees and costs disclosed in this PDS relate only to gaining access to investments offered by the scheme and do not include fees and costs that relate to investing in those investments	Administration Fee[^] The fee for operating the SMA	The Administration Fee is calculated monthly in arrears based on the daily value of your Account and is deducted directly from your Account. This fee is paid to Praemium.												
	<table><tr><th>Balance</th><th>% Amount</th></tr><tr><td>First \$250,000</td><td>0.33% p.a.</td></tr><tr><td>\$250,001 – \$500,000</td><td>0.25% p.a.</td></tr><tr><td>\$500,001 – \$1,000,000</td><td>0.15% p.a.</td></tr><tr><td>\$1,000,001 – \$2,500,000</td><td>0.04% p.a.</td></tr><tr><td>More than \$2,500,000</td><td>0.00% p.a.</td></tr></table> The minimum Administration Fee is \$180 p.a.	Balance	% Amount	First \$250,000	0.33% p.a.	\$250,001 – \$500,000	0.25% p.a.	\$500,001 – \$1,000,000	0.15% p.a.	\$1,000,001 – \$2,500,000	0.04% p.a.	More than \$2,500,000	0.00% p.a.	A minimum Administration Fee of \$180 p.a. (\$15 per month) will apply to each account. Where family group account aggregation applies, linked accounts will be treated as one Account for the purposes of the minimum Administration Fee.
	Balance	% Amount												
	First \$250,000	0.33% p.a.												
	\$250,001 – \$500,000	0.25% p.a.												
\$500,001 – \$1,000,000	0.15% p.a.													
\$1,000,001 – \$2,500,000	0.04% p.a.													
More than \$2,500,000	0.00% p.a.													
Cash Administration Fee³ Up to 1.40% on funds held in cash	The Cash Administration Fee is the amount that Praemium charges to arrange for the establishment of, and effect transactions relating to your cash holdings held with interest earning accounts. This fee is deducted from interest you earn on your cash holdings and is not separately deducted from your Account.													
International Securities Administration Fee³ 0.15% p.a.	The International Securities Administration Fee is calculated monthly in arrears based on the daily value of the international securities, as traded on an international securities exchange, held in your Account and is deducted directly from your Account. This fee is paid to Praemium.													

[^] The Administration Fee is tiered – for example a balance of \$2,500,000 would be charged at 0.33% for the first \$250,000 and 0.25% for the next \$250,000 and 0.15% for the next \$500,000 and 0.04% for the next \$1,500,000. Refer to 'Additional explanation of fees and other costs' for details.

³ Refer to 'Additional explanation of fees and other costs' for further details.

Ongoing annual fees and costs (cont.)		
	Account Keeping Fee \$8 per month (\$96 p.a.) Expense Recovery Fee³ Up to \$150 p.a. Investment Fee³ The fee for investing in a Model Portfolio. For the Investment Fee that applies to a particular Model Portfolio, refer to the Model Portfolios Menu. Indirect Costs³ For the Indirect Costs that apply to a particular Model Portfolio, refer to the Model Portfolios Menu.	<p>The Account Keeping Fee is paid monthly in arrears and deducted directly from your Account. This fee is paid to Praemium.</p> <p>Praemium is entitled to reimbursement of expenses such as audit, legal, tax consulting fees, expenses and liabilities relating to the management and operation of the Scheme. Payable annually from the account.</p> <p>The Investment Fee, if applicable, is calculated monthly in arrears based on the daily value of the particular Model Portfolio(s) selected. It is deducted directly from your Account. This fee is paid to the Model Portfolio Manager.</p> <p>Deducted by the underlying managed fund/ETP prior to striking a unit/trading price, this fee is not separately deducted from your Account.</p>
Performance fees Amounts deducted from your investment in relation to the performance of the product	Nil ^{3,4}	Not applicable.
Transaction costs The costs incurred by the scheme when buying or selling assets	Refer to the 'Additional explanation of fees and costs' section for further information.	Refer to the 'Additional explanation of fees and costs' section for further information.
Member activity related fees and costs (fees for services or when your money moves in or out of the product) ⁵		
Establishment fee⁶ The fee to open your investment	Up to 4.40%	The Establishment Fee, if applicable, is deducted from the amount invested to establish your Account. This fee is paid to your Nominated Representative at your direction for services that your Nominated Representative provides to you. This amount may be negotiated with your Nominated Representative.
Contribution fee⁶ The fee on each cash amount contributed to your investment	Up to 4.40% of each cash contribution	The Contribution Fee, if applicable, is calculated as a percentage of each cash amount you contribute and is paid to your Nominated Representative at your direction. This fee is deducted immediately after each cash contribution and is based on the value of the contribution. This amount may be negotiated with your Nominated Representative.
Buy-sell spread An amount deducted from your investment representing costs incurred in transactions by the scheme	Nil ⁷	Not applicable.
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable. However, the In-Specie Transfer Fee may apply.
Exit fee The fee to close your investment	Nil	Not applicable. However, the In-Specie Transfer Fee may apply.
Switching fee The fee for changing investment options	Nil	Not applicable.

⁴ For Performance fees that apply to investments refer to the relevant PDS or other disclosure document for that investment.

⁵ Refer to 'Additional explanation of fees and costs' for information regarding Service fees (including advice fees) and other fees and costs.

⁶ This fee includes an amount payable to your Nominated Representative. Refer to 'Member activity related fees and costs' in 'Additional explanation of fees and costs'.

⁷ For Buy-sell spreads that apply to investments refer to the relevant PDS or other disclosure document for that investment.

Example of annual fees and costs for a balanced investment option

This table gives an example of how the ongoing annual fees and costs in the balanced investment option for this product can affect your investment over a 1-year period. You should use this table to compare this product with other products offered by managed investment schemes.

EXAMPLE – BlackRock Concentrated Australian Share 1 Model (BR0001)		BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING YEAR
Contribution Fees	Up to 4.40% of each cash contribution	For every additional \$5,000 you put in, you will be charged between \$0 and \$220
PLUS Management fees and costs	Administration Fee[^] 0.33% p.a. Cash Administration Fee[#] Up to 1.40% p.a. on cash holdings Account Keeping Fee \$96 p.a. Expense Recovery Fee up to \$150 p.a. Investment Fee 0.40% p.a. Indirect Costs⁸ 0.00% p.a.	And , for the \$50,000 you have in BlackRock Concentrated Australian Share 1 Model (BR0001), you will be charged or have deducted from your investment \$180 each year. And , a Cash Administration Fee of \$7.00 And , an Account Keeping Fee of \$96 And , an Expense Recovery Fee of \$150 And , an Investment Fee of \$200 And , Indirect Costs of \$0
PLUS Performance fees	0.00% p.a.	And , you will be charged or have deducted from your investment \$0 in performance fees each year
PLUS Transaction costs	0.01% p.a.	And , you will be charged or have deducted from your investment \$5 in transaction costs
EQUALS Cost of BlackRock Concentrated Australian Share 1 Model (BR0001)		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year you would be charged fees and costs in the range of: \$638 to \$858* What it costs you will depend on the investment option you choose and the fees you negotiate.

[^] The minimum Administration Fee of \$180 p.a. applies.

[#] Based on a Model cash weighting of 1%.

The fees and costs disclosed in this PDS relate only to gaining access to investments offered by the scheme and do not include fees and costs that relate to investing in those investments. Additional fees and costs will be charged by the issuers of the investments that you decide to invest in.

Cost of product for 1 year

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

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

You should use this figure to help compare this product with other products offered by managed investment schemes.

Name of product*	Cost of product*
The list of the investments available is set out in the Model Portfolios Menu and Single Assets list available on our website.	For cost of product information that applies to a particular investment, refer to the relevant PDS or other disclosure document for that investment.

*Given the large number of investments available, we have determined that including the full list in this PDS would be unhelpful to investors. The list of investments available is set out in the Model Portfolios Menu and Single Assets list available on our website. For cost of product information that applies to a particular investment, refer to the relevant PDS or other disclosure document for that investment.

⁸ This fee varies. For the Indirect Costs that apply to a particular Model Portfolio, refer to the Model Portfolios Menu.

Additional explanation of fees and other costs

Management fees and costs

Management fees and costs include fees and costs incurred by Praemium in managing your investments and fees and costs charged by Model Portfolio Managers. Management Costs represent both direct and indirect costs.

For the purposes of this PDS, the Management fees and costs are set out in the 'Fees and costs summary' table above.

Administration Fee

The Administration Fee is paid to the Responsible Entity, Praemium, to cover the costs of administering the SMA. The fee is based on your total Account balance, including any cash. The fee is calculated daily and paid monthly in arrears from the cash holding in your Account.

Cash Administration Fee

Praemium has entered into an arrangement to deposit a portion of your cash in an omnibus account with an Australian bank, which attracts an interest rate on your cash holdings. The Cash Administration Fee is the fee Praemium charges for the additional tasks associated with managing your cash holdings in this way, including establishing and allocating the cash accounts and giving instructions (including deposits and withdrawals). The Cash Administration Fee is deducted from interest earned on your cash holdings prior to being credited to your Account and will not be deducted from your Account.

International Securities Administration Fee

The International Securities Administration Fee is paid to the Responsible Entity, Praemium, to cover the costs of administering the international securities, as traded on an international securities exchange, within the SMA. The fee is based on the balance of the international securities, as traded via an international securities exchange, held within your Account and is in addition to the Administration Fee. The fee is calculated daily and paid monthly in arrears from the cash holding in your Account.

Foreign Exchange Margin

We will manage foreign exchange trades. A margin of 0.20% will be applied to executed trades.

Account Keeping Fee

The Account Keeping Fee is paid to the Responsible Entity, Praemium, to cover the costs of administering your Account within the SMA. The fee is a fixed amount of \$8 per month or \$96 p.a., per account. The fee is paid monthly in arrears from the cash holding in your Account.

Expense Recovery Fee

We are entitled to be reimbursed from the SMA for all expenses which we properly incur or become liable for in connection with administering the SMA, including audit, legal and tax consulting fees, compliance committee costs, expenses and liabilities. We expect to recover up to \$150 p.a. per account depending on actual expenses incurred in the financial year. The Expense Recovery Fee is charged to your Account once per financial year.

We may be entitled to input tax credits for certain costs or expenses that we incur in our capacity as Responsible Entity of the SMA. If any claim for input tax credits results in us, in our capacity as Responsible Entity, receiving a payment from the Australian Taxation Office (ATO), in addition to the expense recovery deducted from investors' Accounts, the amount of the ATO payment will be applied towards costs and expenses that we may incur in our capacity as Responsible Entity (and which we are otherwise entitled to deduct from investors' Accounts).

To the extent that the costs, expenses and charges are attributable to a particular investor, they are deducted from that investor's Account. Otherwise, these amounts are allocated equitably amongst all SMA investors as we determine.

Model Portfolio Managers' fees

Each Model Portfolio has its own separate fee structure, as agreed with the Model Portfolio's Manager. These fees may have multiple components, as set out in the Management Costs section of the 'Fees and costs summary' table: a base fee, referred to as the 'Investment Fee', an underlying indirect cost, referred to as the 'Indirect Costs' and a performance-based fee, referred to as the 'Performance Fee'. Individual Model Portfolios may charge none, one or all of these fees. These fees are charged on the percentage of your Account that is linked to the Model Portfolio, including locked investments, and are calculated based on the daily value of your Model Portfolios.

Full details of the fees applicable to each Model Portfolio can be found in the profile in the Model Portfolios Menu.

Investment Fee

The Investment Fee, if applicable, represents the base fee component of the Model Portfolio Manager's Fee. This fee is calculated monthly in arrears based on the daily value of the particular Model Portfolio(s) selected and is not linked to performance of the Model Portfolio. It is deducted directly from your Account and paid to the Model Portfolio Manager.

Indirect Costs

Indirect costs include costs which Praemium ought reasonably to be aware of or may reasonably estimate as reducing the return on your investment other than fees charged directly on your investment in interposed vehicles. Indirect costs generally attract most non-fee costs, but do not include the buy-sell spread or other costs associated with the acquisition or disposal of over-the-counter derivatives, used primarily for hedging. Indirect costs exclude amounts directly charged to members as fees.

There are no indirect costs for investing in the Scheme, however, some Model Portfolios invest in Exchange Traded Products (ETPs) and managed funds which have their own management costs (which are set out in their relevant disclosure documents).

The indirect costs for managed funds and ETPs are taken into account in the unit price of the investment. The indirect cost varies and depends on the investments you select. Refer to the disclosure document for the managed fund or ETP.

For the Indirect Costs that apply to a particular Model Portfolio, please refer to the Model Portfolios Menu.

Performance fees

A 'performance fee' is not payable for your investment in the Scheme, however, performance fees may be payable to a Model Portfolio Manager where the relevant Model Portfolio adds value over a benchmark. The benchmark may be an index, an amount in excess of an index, zero or a specified return (for example 2% or the RBA Cash Rate).

The value added for each Model Portfolio relative to the benchmark is calculated for each Account each day of the performance period. Performance periods are calendar months unless otherwise stated in the profile in the Model Portfolios Menu.

If the total value added for the period is negative, no Performance Fee is payable, and this amount is carried forward to the next period. A Performance Fee is only paid at the end of the performance period if the total value added for the period, plus any value added or carried forward from previous performance periods, is positive. Value added for a Model Portfolio includes all dividends but excludes any franking credits unless otherwise stated (for details on which Model Portfolios include franking credits please see the profiles in the Model Portfolios Menu).

This means you will not pay a Performance Fee unless the total value added relative to the benchmark since inception for your Account is higher than at the end of any previous performance period.

Some Model Portfolios may impose an additional condition, which is that a Performance Fee is only paid where the return of the Model Portfolio, after payment of Performance Fees (absolute return), is positive. Where the return of the Model Portfolio is negative, the Performance Fee otherwise payable is carried forward. For details on which Model Portfolios only pay a Performance Fee where there are positive returns, refer to the profiles in the Model Portfolios Menu.

The Performance Fee calculation is specific to each Account, so for any particular Model Portfolio over a performance period, some Accounts may be charged a Performance Fee while others are not, depending on the circumstances applicable to each investor's particular Account. For example, the timing of when the Account invested in a Model Portfolio will influence what, if any, Performance Fee is charged to the Account in respect of its allocation to that Model Portfolio. For Performance Fee calculation purposes, we consider only the Model Portfolio's performance and the weighting of your Account to the particular Model Portfolio. We ignore individual customisations and exclude the minimum cash component.

Examples of calculation of Performance Fee

The following examples are simplistic and for illustrative purposes only and may not reflect the actual Performance Fee charged. For details of the Performance Fee, benchmark and performance period applicable to each Model Portfolio, refer to the profile in the Model Portfolios Menu.

Example 1. Value added over a benchmark

Assume an amount of \$100,000 is invested for 12 months, and the Performance Fee is calculated annually.

If the Model Portfolio's return for the year is 25% and the benchmark return is 20% then the excess performance is 5% and the Performance Fee would be calculated as follows:

- investment return achieved is 25% of \$100,000 = \$25,000
- benchmark return is 20% of \$100,000 = \$20,000

- value added (excess performance above benchmark) is $(\$25,000 - \$20,000) = \$5,000$

If the Performance Fee is 25% of excess performance above benchmark, then the fee charged by the Responsible Entity would be 25% of \$5,000 = \$1,250.

If the Performance Fee is 10% of excess performance above benchmark, then the fee charged by the Responsible Entity would be 10% of \$5,000 = \$500.

Example 2. Value added over an amount in excess of a benchmark

Assume an amount of \$100,000 is invested for 12 months, and the Performance Fee is calculated annually.

If the Model Portfolio's return for the year is 25% and the benchmark return is 20% and the performance fee is based on the benchmark plus 2% then the excess performance is 25% - (20% + 2%) = 3% and the Performance Fee would be calculated as follows:

- investment return achieved is 25% of \$100,000 = \$25,000
- benchmark return plus 2% is (20% + 2%) of \$100,000 = \$22,000
- value added (excess performance above benchmark) is $(\$25,000 - \$22,000) = \$3,000$

If the Performance Fee is 25% of excess performance above the benchmark plus 2%, then the fee charged by the Responsible Entity would be 25% of \$3,000 = \$750.

If the Performance Fee is 10% of excess performance above the benchmark plus 2%, then the fee charged by the Responsible Entity would be 10% of \$3,000 = \$300.

Example 3. Performance must be greater than zero (absolute return)

Assume an amount of \$100,000 is invested for 12 months and the Performance Fee is calculated annually.

If the Model Portfolio's return for the year is -3% and the benchmark return is -5% then the excess performance is 2%. No Performance Fee would be payable as the Model Portfolio's return is less than 0%. However, the Performance Fee would be carried forward as follows:

- investment return achieved is -3% of \$100,000 = -\$3,000
- benchmark return is -5% of \$100,000 = -\$5,000
- value added (excess performance above benchmark) is $(-\$3,000 - [-\$5,000]) = \$2,000$

At the end of the next performance period \$2,000 will be added to the value added calculated for the new period. Though calculated daily the Performance Fees are assessed monthly, therefore you will only pay Performance Fees in respect of a Model Portfolio which added value over the month.

Transaction costs

Transaction costs cover our costs of buying and selling investments in your Account, primarily brokerage but may include Government taxes, bank charges and stamp duty (if any). These costs are incurred when transactions are effected. Where transaction costs such as brokerage, Government taxes, bank charges and stamp duty are incurred in relation to more than one investor Account, they will be allocated pro rata across all affected investor Accounts.

Where for operational reasons there is insufficient cash for the settlement of a trade within the SMA, an overdraft facility is available for which interest and other expenses may be charged. Interest expenses will be allocated on a pro-rata basis across all investor Accounts with a negative cash holding. This is intended as a short-term arrangement only.

A brokerage charge of approximately 0.099% is applied to trades in ASX listed securities. In addition, a settlement fee of \$0.55 per ASX listed security transaction will be deducted from the cash holding of your Account.

For unlisted managed fund trading, Praemium does not charge any brokerage or settlement fee.

Fees on international security transactions

All international security trades will incur brokerage, exchange specific taxes and duties, and currency conversion costs. A brokerage charge of approximately 0.1364% is applied to trades on all available international exchanges, and foreign exchange rates and spreads apply. In addition, a standard settlement fee of \$2.64 per international trade transaction will be deducted from your cash holding. GST does not apply to this fee.

In-Specie Transfer Fee

This is the amount that we deduct from your Account each time you In-Specie transfer investments in or out of your Account. The In-Specie Transfer Fee will be deducted from your Account at the time the transfer request is received by us.

No fee is payable when Australian domiciled investments are transferred into your Account, however a fee of \$29.00 per domestic stock line is charged when these are transferred out of your Account. An In-Specie Transfer Fee of \$22.00 per stock line will apply to direct international securities transferred in and an In-Specie Transfer Fee of \$44.00 per stock line will apply to direct international securities transferred out of your Account.

Member activity related fees and costs

Establishment fee

An Establishment fee may be payable on the amount invested in the SMA. This fee is paid to your Nominated Representative at your direction for services that your Nominated Representative provides to you. The Establishment fee is calculated as a percentage of your initial investment amount and set as a dollar fee.

The Establishment fee is currently negotiable up to a maximum of 4.40% of your initial investment amount; however, it should be stated as a dollar figure. You should contact your Nominated Representative to discuss the quantum of this fee.

Contribution fee

A Contribution fee may be payable on each cash amount invested in the SMA. This fee is paid to your Nominated Representative at your direction for services that your Nominated Representative provides to you.

The Contribution Fee is currently negotiable up to a maximum of 4.40% of each cash contribution. You should contact your Nominated Representative to discuss the quantum of this fee.

Buy-sell spread

For a Buy-sell spread that applies to a particular investment option refer to the relevant PDS or other disclosure document for that investment option.

Withdrawal fee

A Withdrawal fee may be payable on amounts withdrawn from the SMA.

The Withdrawal fee is nil; however, the In-Specie Transfer Fee may apply where investments are transferred out of your Account.

Exit fee

An Exit fee may be payable on an amount withdrawn from the SMA when you close your investment.

The Exit fee is currently nil; however, the In-Specie Transfer Fee may apply where investments are transferred out of your Account.

Switching fee

A Switching fee may be payable on amounts switched in the SMA.

The Switching fee is currently nil.

Service Fees

Adviser Service Fee⁹

An Adviser Service Fee may be payable to your Nominated Representative for their services. The Adviser Service Fee, if applicable, is calculated monthly in arrears (based on the daily value of your Account for percentage-based fees) and is deducted directly from your Account.

The Adviser Service Fee is currently negotiable up to a maximum of 5.50% p.a. and/or can be a fixed dollar amount p.a. Please note, fixed dollar fees are pro-rated for the first and last month of the investment.

The Adviser Service Fee can also be set as a fixed term fee which allows you to select a start and end date. Fixed term fees are flexible in that they allow you to set the fee as a percentage amount (per annum) or flat dollar amount (per term) and terms can be fixed for up to twelve months.

One-off Advice Fee⁹

A One-off Advice Fee may be payable to your Nominated Representative each time you make a request for specific advice and for other services in relation to your account.

The One-off Advice Fee is deducted from your cash account at the time the request is processed and paid to your Nominated Representative.

This fee may be charged multiple times in a financial year up to \$5,000 p.a. and is agreed to between you and your Nominated Representative.

Dealer Group Service Fee⁹

A Dealer Group Service Fee may be payable to your Nominated Representative's dealer group to facilitate the provision of the SMA to their Nominated Representatives and investors.

⁹ If you are a retail client, we will only continue to deduct this fee from your Account where we have been provided with your written consent as set out in ASIC Corporations (Consent to Deductions—Ongoing Fee Arrangements) Instrument 2021/124. If you would like to withdraw or vary your consent, please contact your Nominated Representative directly. We will stop deducting this fee from your Account where you advise us that you have terminated your consent with your Nominated Representative.

The Dealer Group Service Fee, if applicable, is calculated monthly in arrears (based on the daily value of your Account for percentage-based fees) and is deducted directly from your Account.

The Dealer Group Service Fee is currently negotiable up to a maximum of 2.20% p.a. or can be a fixed dollar amount up to a maximum of 2.20% p.a. Please note, fixed dollar fees are pro-rated for the first and last month of the investment.

Research Fee⁹

A Research Fee may be payable to dealer groups for the provision of research which is conducted by them and/or third-party contractors as part of the provision of financial product advice to you. The Research Fee is calculated monthly in arrears (based on the daily value of your Account for percentage-based fees) and is deducted directly from your Account.

The Research Fee is currently negotiable up to a maximum of 2.20% p.a. or can be a fixed dollar amount up to a maximum of 2.20% p.a. Please note, fixed dollar fees are pro-rated for the first and last month of the investment.

Other fees and costs

Unless we determine otherwise, costs, expenses and charges (other than the Expense Recovery Fee described above) are allocated to SMA investors in proportion to their Account value expressed as a percentage of the total value of investors' Accounts with the resultant cost debited from your Account. We can also invoice you for the amount, or any part of the amount, allocated to you and this is a debt due to us notwithstanding that there may be insufficient funds in your Account to pay the debt.

You also indemnify us against any liability we may incur as a consequence of acting on your instructions.

We are also entitled to deduct from your Account abnormal expenses, which are expenses that are not generally incurred during the day-to-day operations of the SMA and are not necessarily incurred in any given year. They are due to abnormal events such as the cost of running a meeting of the SMA or legal costs incurred by changes in the SMA constitution or defending legal proceedings. We may also charge our reasonable costs incurred in making changes to your Account including where there is a change to the underlying beneficial ownership. We will continue to seek reimbursement from your Account in relation to those expenses should they arise.

In relation to managed fund orders, those orders will also be netted internally. On allocation of the netted trade, we are entitled to retain any benefits arising from the difference between the 'buy' and 'sell' price.

Investment Manager Service Fees

Where permitted by law, we may charge a service fee to Model Portfolio Managers whose Model Portfolios are available within the SMA. These service fees are our reasonable costs relating to the services that we as the Responsible Entity provide to Model Portfolio Managers and managed fund providers ('investment managers') for the review, ongoing monitoring, management, maintenance, administration and compliance of the options available through the SMA.

The fee is up to the greater of \$11,000 p.a. per Model Portfolio or 0.22% p.a. of the total funds invested that are linked to the Model Portfolio. We may also charge a service fee of up to \$11,000 p.a. per managed fund to the responsible entities whose managed funds are available through the SMA.

These service fees are paid to us directly from the investment manager and are not an additional cost to you.

Taxes

We may charge taxes to your Account. Refer to 'Tax information' for further details.

Can fees and charges change?

Yes, all fees and charges can change. They may vary over time as a result of changes to the product, the Constitution of the SMA, changing economic conditions and changes in regulations.

The Constitution sets the range of fees we are entitled to charge and the maximum level of those fees.

These are (inclusive of GST):

Administration costs:	up to 3.3% p.a.
Investment costs	
Management Fee:	up to 3.3% p.a.
Performance Fee:	up to 55% of out-performance of a benchmark

We have the power to change our fee structure, however we have no present intention to do so. We will, however, provide a minimum of 30 days' notice to your Nominated Representative if any existing fees are to be increased.

We are unable to charge more than the Constitution permits (to change the Constitution in this way, we would usually need to have investors' approval). Full details are set out under 'Constitution'.

Individual fee arrangements and service provider arrangements

Where permitted by law, we may enter into individual fee arrangements and/or service provider arrangements. We may pay some of our fees to 'wholesale investors' including 'professional investors' (as defined in the Corporations Act) so that in effect they pay lower overall fees. This is generally because they invest very large amounts of money in the SMA.

We may also, at our discretion, enter into a variety of arrangements with service providers such as master trusts, managed discretionary account ('MDA') operators and investor directed portfolio services ('IDPS') operators which may involve us making payments to, and providing services to, these operators in return for the promotion of the SMA.

Such payments may be one-off payments or on-going payments based on a percentage of funds under management. These payments are paid out of our fees and are not an additional cost to the investor. Further details on these payments (if any) may be obtained directly from your Nominated Representative, master trust, MDA operator or IDPS operator.

Additionally, we may provide alternative forms of remuneration which include professional development, sponsorship and entertainment to licensed financial advisers, dealer groups and master trusts, MDA operators or IDPS operators. Where such benefits are provided, they are payable by us and not an additional cost to you. We maintain a public register of alternative forms of remuneration in accordance with FSC/FPA Industry Code of Practice on Alternative Forms of Remuneration. Please contact us if you wish to inspect this register.

Differential Fees

In accordance with the Corporations Act, we may individually negotiate fees with investors classed as 'wholesale' or 'professional' investors.

We may also offer reduced fees to employees of the Responsible Entity and its related bodies corporate or come to different fee arrangements with different classes of interests.

The constitution allows for more than one class of interest to be issued and there are currently a number of classes on issue. For more information, please speak to your Nominated Representative or contact the Responsible Entity.

We cannot enter into individual fee arrangements with other investors unless otherwise permitted by law.

Family Group Account Aggregation

Family Group Account Aggregation allows you to link your SMA account(s) for the purpose of aggregating your family's account balances, which may reduce the overall Administration Fee payable on each 'linked' account. Administration Fees are charged on a tiered basis and therefore, higher account balances can achieve lower Administration Fees.

Family Group Account Aggregation allows you to link:

- your Account(s) within the SMA or SuperSMA;
- your Account(s) with those of your immediate family members (such as husband, wife, son, daughter, de facto, partner, father, mother) who also have accounts in the Scheme;
- a maximum of six accounts. Each account must have the same Administration fee structure and each person applying to be linked must have the same Nominated Representative;
- The linked accounts will be treated as one Account for the purposes of the minimum administration fee (accounts are not aggregated for the purpose of the Account Keeping Fee);
- any account(s) in the Scheme held in the name of a trust or company, provided that either a director or trustee has a linked account in their own name, or the director or trustee is an immediate family member with another 'linked' account.

Family Group Account Aggregation is only applicable to the Administration Fees payable, and no other types of fees charged under this PDS nor any advice fees.

Family Group Account Aggregation is only applicable at the time of the fee calculation period. Where an account in a Family Group is closed prior to this fee calculation period, the Family Group Account Aggregation discount is not applied to the final fee calculation for that account.

Example:	Account A	Account B	Account C	Combined
SMA	\$100,000	\$500,000	\$600,000	\$1,200,000
Investment administration fee calculation – without linking				
Fee per annum	\$330.00	\$1,450.00	\$1,600.00	\$3,380.00
Fee per month	\$27.50	\$120.83	\$133.33	\$281.67
Investment administration fee calculation – with linking				
Fee per annum	\$190.00	\$950.00	\$1,140.00	\$2,280.00
Fee per month	\$15.83	\$79.17	\$95.00	\$190.00

Step 1: Add up the value of all linked accounts

Account A (\$100,000) + Account B (\$500,000) + Account C (\$600,000) = \$1,200,000

Step 2: Calculate the total investment admin fee for the group (based on a combined balance of \$1,200,000)

$(\$250,000 \times 0.0033) + (\$250,000 \times 0.0025) + (\$500,000 \times 0.0015) + (\$200,000 \times 0.0004) = \$2,280.00$

Step 3: Calculate this month's investment admin fee for the group by dividing the total by 12.

$\$2,280 / 12 = \190.00

Step 4: Calculate the pro rata investment admin fee for each account

Investment admin fee for Account A for this month
 $= \$190.00 \times (100,000 / 1,200,000) = \15.83

Investment admin fee for Account B for this month
 $= \$190.00 \times (500,000 / 1,200,000) = \79.17

Investment admin fee for Account C for this month
 $= \$190.00 \times (600,000 / 1,200,000) = \95.00

Investor reporting

Online reporting

All investor reporting is available online from the Investor Portal.

Once your Account has been set up, your Investor Portal User ID and password details are provided to you in a welcome email. The first time you log in, you will be required to change this password.

By applying for an Account, you consent to receiving reports and notices electronically. You may withdraw your consent at any time. Once your Account is activated, you will be able to access your Account information and view your Account valuations online.

For terms and conditions relating to your password access, please refer to 'Investor authorisations, acknowledgements & agreements' below.

Account information available includes:

- your Account details including a list of your selected investments;
- daily valuations of your Account;
- cash account transactions;
- investment purchases and sales;
- distribution and dividend details;
- brokerage paid;
- fees and other charges deducted.

Please note, in some circumstances, such as when sensitive trading is being conducted in respect of your selected Model Portfolio(s), your exact security holdings will not be available for the period of the trading or longer at the discretion of the Model Portfolio Manager.

Confirmations of transactions

By completing the Application Form, you agree that confirmation of transactions involving your Account will be provided to you by means of your Account which you access online using your password.

Your Account will indicate the date and details, including the amount paid for the investments and any associated fees and charges, of each transaction made in respect of your Account.

Annual Statements

We will issue your Account annual statements to you after the end of each financial year, when they have been finalised. These will be made available to you via the Investor Portal.

Valuing your Account

Updated valuations of your Account will generally be available each Business Day. ASX listed securities will be priced at previous close of market prices. Other assets will generally be valued at the offer/exit price for the relevant asset. Upon their disposal, such assets will be realised at the actual sell price for those assets, and accordingly, the realisation proceeds may be less than the value recorded in your Account for those assets.

Tax reporting

Indicative tax reports are available online at any time to assist you with your tax planning or in the preparation of your tax return. However, please note tax reporting updates are required to be made to income and other corporate events after each financial year end. Final tax reports will be issued once these updates have been completed year end, depending on the investments held.

Performance reporting*

Daily performance of your entire Account is available online.

Model Portfolio performance information is also available online daily. Model Portfolio performance is shown based on \$1,000,000 invested at the inception of each Model Portfolio.

* Performance reporting is not always up to date on the website and tax reports may not be correct for months after the end of the financial year depending on the investments held, due to the reliance on third-party information.

Separately Managed Accounts financial information

As the Separately Managed Accounts is a registered managed investment scheme, we are required to produce annual audited financial statements. These reports cover the overall activities and holdings of the Separately Managed Accounts and are separate from reports of financial information relating to your Account (which are available to you online at any time).

You may elect to receive free of charge, a copy of the Separately Managed Accounts Annual Financial Report (Report). The Report will be sent to you electronically unless you request a hard copy. The Reports may be accessed at www.praemium.com/resources.

Responsible Entity reporting requirements

The Separately Managed Accounts is a 'disclosing entity' as defined under the Corporations Act. As a disclosing entity, the Separately Managed Accounts is subject to additional regular reporting and disclosure obligations. Any continuous disclosure notices required pursuant to the Corporations Act will be available at www.praemium.com.

You have a right to request us to provide to you free of charge the half yearly condensed financial report, the audited annual financial report and any continuous disclosure notices.

Tax information

Investing, and dealing with investments, often has tax implications which can be complex, and which are invariably particular to your circumstances. The tax information set out below is a broad overview of the possible Australian income tax consequences for Australian Residents who invest through the SMA. As the taxation consequences of investing differ between investors, it is important that you seek your own professional advice before you make investment decisions.

Taxation of the SMA

The SMA is not taxed since all investments are beneficially held by investors directly in their separate Accounts. You have a vested and indefeasible interest in your assets held through the SMA. All income and gains on the investments and other assets in your Account accrue directly to you.

Tax on Income

Depending on the types of investments made, your Account can derive income in the form of dividends, interest, gains on the disposal of investments and other types of income. Generally speaking, such income is taxable, but tax credits (for example, franking credits or foreign income tax offsets) may be available to offset part or all of any resulting tax liability.

If you receive franking credits, your entitlement to use those credits to offset tax or obtain a refund of tax may be affected by your holding of the underlying investments which resulted in the credits. Generally speaking, you must hold the relevant investments at risk for more than 45 days (90 days for preference shares) to be entitled to the credit. Please see your tax adviser for further information, as some exceptions do apply. Tax reporting available online includes an estimate of the available tax credits in relation to your Account.

Tax on Capital Gains

The disposal of investments in your Account may result in a taxable gain or loss under the capital gains tax provisions of the Income Tax Assessment Act 1997 (Cth). These disposals may be triggered by the investment decisions of a Model Portfolio Manager or by you in the case of a withdrawal or switching (transferring) investments.

A feature of the SMA is that when you choose to move between Model Portfolios, your investments move with you to the extent that there is commonality between the Model Portfolios. This means that, where an investment is held in both your old and new Model Portfolio, there will be no sale or disposal of the investment in your Account for capital gains tax purposes, to the extent that the holdings offset each other.

Capital gains will be calculated based on the nominal gain on disposal of investments. Where the asset disposed of was held for 12 months or more, eligible investors may be able to claim concessional tax treatment.

The SMA allows you to manage your own capital gains tax affairs. For investments transferred into your Account from outside the SMA, your existing cost base can be maintained (usually where there is no change to the beneficial ownership). You can select the tax parcel accounting method which best suits your own circumstances, and you can adjust and amend the allocation method online as required, including after the trade has been completed.

Should a disposal result in a capital loss, the loss may be able to be offset against capital gains arising in that year or subsequent years but is not permitted to be offset against other income. This includes gains or losses realised outside the SMA; gains and losses are consolidated based on your overall tax position and are not isolated to or quarantined to your Account.

In some cases (e.g. you are in the business of trading in investments), gains and losses on the disposal of some investments may be taxed on revenue account and not be subject to the capital gains tax rules. You should consult your tax adviser in this regard.

Foreign Investments

Foreign income (e.g. foreign dividends) may be subject to withholding tax in the country from which the income is derived. All foreign income and corporate action transactions are also converted from base currency to Australian dollars by the custodian. Generally speaking, this income will be taxable in Australia with a foreign income tax offset available for the foreign withholding tax paid.

Taxation Reform

The Federal Government can change taxation laws at any time. This could result in change to the taxation treatment of your investment. We strongly recommend that investors monitor reforms closely and seek their own independent professional advice on the potential application of those reforms to their specific circumstances.

Providing your Tax File Number

The Application Form includes provision to quote your Tax File Number (TFN), Australian Business Number (ABN) or exemption. As outlined there, you may choose not to do so; however, if you do not quote your TFN, ABN or exemption we will be obliged to deduct tax at the highest marginal rate plus the Medicare Levy on your behalf.

Goods and Services Tax

GST will be charged on or incorporated in various expenses paid by the SMA including the fees charged for managing the investments and administering the SMA.

All fees in this PDS are quoted inclusive of GST where applicable and net of reduced input tax credits.

Tax Reporting

Various reports are available to assist you with determining the tax status of your Account. These reports are generally available for you to view and print from the Investor Portal at any time.

Downloads are available for many accounting packages to assist you in the preparation of your tax return.

General information

The SMA Constitution and the Corporations Act govern an investor's rights. Under the SMA Constitution, an investor has the beneficial interest in the assets held in that investor's Account.

The legal interest is held by us or any custodian that we appoint. The table below summarises the differences between an investor's rights as an investor in the SMA and their rights if they were to invest directly in the investments.

Investing through SMA	Investing directly in the investment
<p>The investor is the beneficial owner of the investments, but they are registered in our name or any custodian that we appoint. Consequently, the investor does not automatically:</p> <ul style="list-style-type: none"> - receive notices from the issuer of the underlying investments; or - have voting rights in relation to the underlying investments. 	<p>The investor receives notices about the investments, including notices of meetings and annual reports, and retains full discretion to exercise voting rights.</p>
<p>The investor has online access to a single report consolidating the relevant information regarding the performance of underlying investments.</p>	<p>The investor receives reports and accounts from the issuer of each investment, not a single consolidated report.</p>
<p>The timing of payments, rate of return (due to fees or taxes payable), timing of distributions and price of investments may differ from those available to direct investors.</p>	<p>The investor receives direct payment, rate of return and pricing of investments.</p>
<p>The time to acquire or withdraw from an underlying investment may be delayed by SMA administrative requirements.</p>	<p>Investments and withdrawals are made in accordance with the parameters of the particular investments.</p>
<p>A corporate action may impose a limit or cap on the number of entitlements per holding, which may result in an investor receiving fewer securities/units or a lesser entitlement than a direct investor.</p>	<p>The investor's entitlement under a corporate action is determined by their individual holding and is not affected by the holdings of others.</p>
<p>Generally, investors holding investments through the SMA will not be able to access shareholder discount cards and other similar schemes.</p>	<p>The investor has full access to any shareholder discount schemes.</p>

Wholesale investors

You are classified as a Wholesale investor if you meet the definition of a wholesale client as per the Corporations Act.

You must meet the relevant requirements for you to qualify as a Wholesale investor for the purposes of your investment in the SMA. If you do not maintain your Wholesale Client status (i.e. valid qualified Accountant Certificate), your ability to access or make further investments into wholesale only investments, may be revoked or suspended.

It is important that you understand the differences between operating as a wholesale investor rather than as a retail investor because the advice process, compliance process, cooling off rights, trading restrictions and notifications may differ.

Cooling-off rights

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, or 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.

No cooling off period applies to a wholesale only investment offer made to Wholesale investors.

The Responsible Entity's legal relationship with you

Praemium is the Responsible Entity of the SMA. Praemium holds AFSL No. 297956 which authorises it to operate the SMA.

As the Responsible Entity we may, at our discretion, reject applications for membership of and investment in the SMA.

We can retire as Responsible Entity on the provision of 30 days' notice, or we can be removed in accordance with the Corporations Act.

Constitution

Our responsibilities and obligations as the Responsible Entity of the SMA are governed by the Constitution for the SMA, the Corporations Act and general trust law.

The Constitution contains a number of provisions relating to the rights, terms, conditions and obligations imposed on both investors and us. Your Nominated Representative will be able to obtain a copy of the Constitution for you from us free of charge on request.

The Constitution contains a provision that investors and all persons claiming through them are bound by the terms of the Constitution.

The main provisions which relate to your rights under the Constitution include:

- your absolute entitlement to the assets and cash credited to your Account;
- your right to withdraw from the SMA and what you are entitled to receive when you withdraw, or if the SMA is wound up;
- your rights to attend and vote at meetings of the SMA – these mainly reflect the requirements of the Corporations Act which also deals with investor rights to requisition or call a meeting; and resolutions passed by a requisite majority at a meeting of investors are binding on all investors; and
- your ability to transfer or register investment interests (where accepted by us) over your Account.

There are also provisions governing our powers and duties, some of which are discussed elsewhere in this PDS.

Other provisions include:

- when we can terminate the SMA and what happens if we do. The SMA will terminate 80 years less one day after it was established unless terminated earlier. We can terminate the SMA by giving the required notice, and if we do, you share pro rata in the net proceeds from us selling the investments;
- our right to be paid by, or receive a benefit from, an incoming Responsible Entity, and not be required to account to investors for such payment or benefit;
- when we can amend the Constitution. Generally, we can only amend the Constitution where we reasonably believe that the changes will not adversely affect your rights as an investor. Otherwise the Constitution can only be amended if approved by special resolution at a meeting of investors;
- our right to refuse to accept application for interests without giving any reason;
- our right to determine minimum application, withdrawal and holding amounts and powers in support of these minimums;
- our ability to terminate your participation in the SMA on 14 days' notice or if you breach any terms and conditions of the SMA Constitution or your Account;
- our right to deduct amounts you owe us from withdrawal proceeds; and
- our broad powers, including to act on properly authorised instructions, invest, and generally manage the SMA.

In particular, your Account will be credited with:

- all monies you pay into the SMA;
- all other monies and assets that we receive from you or on your behalf;
- any investments acquired on your behalf; and
- such other amounts and assets that we determine to be appropriate to credit to the Account.

Your Account will be debited with:

- all monies paid out to you or your Nominated Representative;

- any monies required to settle an investment transaction for you;
- any monies required for the payment of fees, charges, expenses and taxes associated with your Account or instructions;
- any assets disposed of on your behalf; and
- such other amounts as we determine to be appropriate to debit to the Account.

In some circumstances we need not act on your instructions (such as where your Account does not include sufficient funds or where it is impractical or impossible to do so – for instance when markets are closed or disrupted).

The Constitution provides that the liability of each investor is limited to its investment in the SMA. An investor is not required to indemnify us or our creditors in respect of the SMA. However, no complete assurance can be given in this regard as the ultimate liability of a member has not been finally determined by the courts.

All liabilities, which in our opinion are attributable to a particular investor or investor's Account, are to be satisfied either or both:

- from that investor's Account; and/or
- by you upon receipt of an invoice from Praemium.

No limitation of liability applies for such liabilities.

The Constitution also deals with our liabilities in relation to the SMA and when they can be reimbursed to us out of the SMA's assets, for example, subject to the Corporations Act:

- we are not liable for acting in reliance and in good faith on professional advice;
- we are not liable to investors for any loss provided we did not act negligently, or we believed we acted in good faith in accordance with the law and the Constitution; and
- we can be reimbursed for all liabilities we incur in connection with the proper performance of our duties in respect of the SMA.

Compliance Plan

We have lodged a Compliance Plan for the SMA with ASIC. The Compliance Plan sets out the measures we will take to ensure we comply with the Corporations Act and the Constitution for the SMA.

To oversee compliance with the Compliance Plan, we have established a Compliance Committee. The Compliance Committee is required to report breaches of the Constitution and the Corporations Act to the directors of the Responsible Entity and in some circumstances to ASIC.

Auditor

The current auditor of the Separately Managed Accounts is Deloitte Touche Tohmatsu of 447 Collins St, Melbourne VIC 3000.

Custody

Praemium has appointed HSBC Bank Australia Limited (HSBC) as custodian for all domestic assets within the SMA and J.P. Morgan Chase as custodian for all international asset holdings. We may change these custodians at our discretion from time to time. Whilst both custodians hold the legal title to respective assets and investments, investors retain the underlying beneficial interest.

The custodians do not perform any supervisory role and are required to act in accordance with proper instructions received from us and meet prescribed regulatory and financial requirements.

Neither HSBC nor J.P. Morgan Chase have been involved in the preparation of this document or caused or otherwise authorised the issue of this document. The custodians have not independently verified the information contained in this document and, accordingly, accept no responsibility for the accuracy or completeness of the information. The custodians do not guarantee the success or the performance of the SMA nor the repayment of capital or any particular rate of capital or income return.

Enquiries and complaints

If you have a complaint, you can either call Praemium on 1800 571 881 or write to our Complaints Handling Officer at Praemium, PO Box 322, Collins Street West, Melbourne VIC 8007; or send it by email to complaints@praemium.com.au. Please provide us with all information relevant to the complaint that is in your possession or control. We will acknowledge receipt of the complaint and aim to resolve as soon as practicable.

During this time we may ask you for further information and keep you informed on the progress of your complaint. If we cannot resolve the matter within 30 days of receiving your complaint, we will provide a written response to explain our assessment.

If your complaint is not dealt with to your satisfaction or has not been dealt with within 30 days, you may refer your complaint to the Australian Financial Complaints Authority ('AFCA'). AFCA provides fair and independent financial services complaint resolution at no cost.

The AFCA contact details are:

Mail: GPO Box 3, Melbourne, Victoria, 3001
Telephone: 1800 931 678
Website: www.afca.org.au
Email: info@afca.org.au

If you have a complaint about advice that you have received from a financial adviser, you need to contact the adviser or their AFS Licensee.

For complaints relating to Individual Assets, it may be more effective to contact the product issuer directly.

Privacy

The information requested on the Application Form is used by us for the primary purpose of establishing and administering your Account. We may be unable to process your Application and provide you with the requested investment without this information.

Our Privacy Policy detailing our handling of personal information is available on our website or upon request. You may request access to the information held by us about you and your investment, and we ask that you advise us of any changes to such information you may have provided.

We may disclose information to related overseas entities for the purpose of providing internal support for our service and product offering. These entities are currently located in Armenia and India and comply with Australian privacy requirements. We may also disclose your information to external parties on your behalf,

such as your Nominated Representative. Unless otherwise provided by law, we will not retain personal information received via unsolicited third parties which is not relevant to, or directly related to, the operation of our business. Such information will be destroyed or deidentified as soon as reasonably practicable.

We may use your information on occasion, to advise you about other services or products offered by us or by Praemium Limited and its related bodies corporate, but you may elect to stop receiving such information by giving us notice to that effect at any time by contacting support@praemium.com.au.

Please note that, in accordance with the requirements of the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (Cth) ('the AML/CTF Legislation'), we may be requested to disclose your personal information to the Australian Transaction Reports and Analysis Centre (AUSTRAC).

You may contact our Privacy Officer on 1800 571 881 if you wish to update or request access to your information or if you have any queries regarding our Privacy Policy.

Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standards (CRS)

FATCA was enacted in 2010 by the United States Congress to target non-compliance by US taxpayers using foreign accounts. CRS is a broader OECD-led framework for the collection, reporting and exchange of financial account information between revenue authorities across jurisdictions. FATCA and CRS have important implications for financial institutions globally, including an obligation to identify foreign accounts and report information relating to foreign accounts to the foreign tax authorities or, under FATCA, to withhold 30% tax on US connected payments to non-participating foreign financial institutions. To comply with the FATCA and CRS requirements, Praemium will collect additional information from you and will disclose such information to the ATO. This information may ultimately be shared with revenue authorities in other jurisdictions under the various exchange of information agreements that Australia has entered into with other jurisdictions.

Anti-Money Laundering and Counter-Terrorism Financing

We are required to comply with the AML/CTF Legislation. The AML/CTF Legislation requires us to (amongst other requirements) verify the identity of investors making applications into the SMA.

We cannot accept an application to invest in the SMA until satisfied that the identity of the investor has been verified in accordance with the AML/CTF Legislation. The processing of applications may be delayed until the requested information is received in a satisfactory form and the identity of the investor is verified.

By completing the Application Form or any AML/CTF forms requested by Praemium during the application process, you agree that:

- you do not make an application for investment in the SMA under an assumed name;
- any money used by you to invest in the SMA is not derived from or related to any criminal activities;
- any proceeds of your investment will not be used in relation to any criminal activities;

- upon request, you will provide us with additional information we reasonably require for the purpose of AML/CTF Legislation; and
- we may obtain information about you or any beneficial owner of an investment from third parties if we believe this is necessary to comply with AML/CTF Legislation.

In order to comply with AML/CTF Legislation, Praemium may be required to take action, including:

- delaying or refusing the processing of any application or redemption; or
- disclosing information that we hold about you or any beneficial owner of investments to our related bodies corporate or relevant regulators of AML/CTF Legislation; or
- request additional identification/verification documentation or other information from an investor or their Nominated Representative to verify the investor's identity or comply with the AML/CTF Legislation. Where documentation provided is not in English, an English translation must be provided by an accredited translator (who is accredited by the National Accreditation Authority for Translators and Interpreters Ltd at the level of Professional Translator or above).

Investor identification requirements

We intend to rely on Nominated Representatives* to verify the identity of their investors in accordance with the AML/CTF Legislation. The Application Form requires a Nominated Representative to confirm that they have verified the identity of the investor and agree that Praemium may access any document that has been used by the Nominated Representative to verify their identity.

Unless requested, we do not require original documents or certified copies used by the Nominated Representative to verify the identity of the investor. Where document(s) verifying the investor's identity are provided to us by a Nominated Representative, Praemium will still (as permitted under the AML/CTF Legislation) be relying on the Nominated Representative to verify the identity of the investor.

If the identity of an investor has not been verified, the Nominated Representative must advise Praemium in the Application Form. The Investor Identification Form which can be found at www.praemium.com must be completed and provided with the completed and submitted Application Form. This will enable Praemium to verify the identity of the investor and accept the investor's application to invest in the SMA.

* Nominated Representatives include an Australian Financial Services (AFS) Licensee or a representative of an AFS Licensee.

Appointed representatives

Praemium is required to verify the identity of legal representatives and agents appointed to act on behalf of an investor. We cannot proceed to act on the instructions of a nominated legal representative until such time as we verify the identity of that representative.

Appointed legal representatives include, but are not limited to, an attorney (appointed under power of attorney) and executors of estates.

Investor authorisations, acknowledgements & agreements

Authorisations

Authorisations to your Nominated Representative

To invest in the SMA, you are required to appoint a Nominated Representative (who is generally your financial adviser) to provide instructions on your behalf to us (although we may waive this requirement for certain investors).

By appointing your Nominated Representative, you are also giving us the authority to provide your Nominated Representative with information about your Account on your behalf. You acknowledge that your Nominated Representative will be responsible for providing this information to you.

Appointment of a Nominated Representative

This appointment is subject to the following terms and conditions. Please read them carefully.

Your Nominated Representative will be permitted to:

- make applications on your behalf;
- provide all instructions relating to your Account and all investments of your Account including (without limitation) selecting and switching Model Portfolios and Single Assets, making additional applications, making withdrawals from your Account, and changing your Account details;
- make enquiries regarding your investments and obtaining information about your Account and all assets held;
- provide instructions to the Responsible Entity of the SMA on your behalf including the above and any transactions incidental to any of the above; and
- receive any communication regarding your Account in the SMA on your behalf.

Directions or an enquiry from a person who we have no reason to believe is not your Nominated Representative shall be deemed to be your personal acts.

We will continue to act upon any instructions from your Nominated Representative until we receive a written cancellation of the appointment. If you cancel your Nominated Representative appointment, you will generally be required to appoint a new Nominated Representative within a reasonable timeframe. If you do not appoint a Nominated Representative, we may close your account and pay the proceeds in cash to your nominated account.

We may cancel or vary the terms of this appointment by giving you 30 days' notice.

You release, discharge, and indemnify us and all of our successors and assigns from and against all losses, actions, liabilities, claims, demands, and proceedings arising from your appointment of a Nominated Representative and all acts, omissions, matters and things done, not done or purported to be done by a Nominated Representative even if not authorised by you and neither you, nor any person claiming through you will have any claim or right against us or any of our successors and assigns in relation to any act, omission, matter and thing done, not done or purported to be done by your Nominated Representative or any person purporting to be your Nominated Representative provided that we do not have reasonable grounds to believe that they are not your Nominated Representative.

Online, email and written instructions by your Nominated Representative

Instructions may be given to us by your Nominated Representative online, by email or in writing. Please be aware that fraudulent or other unauthorised instructions can be made by persons with access to your Account details. Accordingly, you agree to release and indemnify the Responsible Entity against all claims and demands arising as a result of our acting on what appeared to us to be instructions given by your Nominated Representative on your behalf.

If Praemium receives instructions online or in writing from your Nominated Representative, Praemium will act in accordance with the written instructions to the extent of any inconsistency.

Investment authority to the Responsible Entity

- By investing in the SMA you are providing us with a standing instruction to make investments on your behalf in accordance with what you/your Nominated Representative have nominated on your Application Form.
- Under this authority, we will rebalance your Model Portfolios by buying or selling investments in accordance with changes made to your selected Model Portfolios as advised by Model Portfolio Managers (if applicable) and subject to any customisations you have selected.
- Instructions to change investments or to customise your Account will be accepted from your Nominated Representative on your behalf.
- Additionally, you authorise us to move funds within your Account as instructed by your Nominated Representative and as described in the PDS to facilitate the payment of fees and settlement of trades.
- This authority will continue until your Account is closed.

Online terms and conditions

Your Nominated Representative will be provided with online access to the SMA when your Account is established. Your Nominated Representative is responsible for providing you with read-only access to your Account. Access to your personal Account details will be password protected.

Your password must be used in conjunction with your User ID. If your password is used by someone without your authority, we will not generally be liable for any loss incurred by you. Do not store your password with your SMA records. When using your password, you release, discharge and agree to indemnify us from and against all actions, proceedings, claims and liabilities arising out of the use of your password, except to the extent that such liability is attributable to our own neglect.

Wholesale investors

To be recognised as a Wholesale investor and invest in wholesale only investments, you are required to provide a valid Wholesale Investor Certificate issued by a qualified accountant, or a Professional Investor Declaration.

If you do not provide and maintain a valid Certificate, your ability to access and make further investments into wholesale only investments may be revoked or suspended.

General declarations

I/We:

- agree to be bound by the provisions of the Constitution (as may be amended from time to time) which governs the operation of the SMA.
- acknowledge and agree that the fees set out under 'Fees and other costs' will be deducted directly from my/our Account.
- acknowledge and agree that neither the performance of any specific investment offered through the SMA nor any particular rate of return from, nor any repayment of capital invested in any investment is guaranteed by Praemium, Praemium Limited or any of its associates or subsidiaries, nor Model Portfolio Managers where applicable.
- acknowledge that my/our Account will be managed in accordance with the relevant investments I/we have selected and notified to the Responsible Entity; therefore, in regard to Model Portfolios, investments will be purchased and sold from my/our Account to reflect any changes made to the Model Portfolio(s) from time to time in accordance with the process outlined in the PDS.
- acknowledge that during any period I/we have instructed my/our Nominated Representative to customise my/our Account on a basis that doesn't reflect the Model Portfolio(s) set out in the profiles in the Model Portfolios Menu, my/our Account will not be managed in accordance with the relevant Model Portfolio(s) until such time as alternative instructions are received by the Responsible Entity from my/our Nominated Representative to make my/our Account reflect the Model Portfolio(s) exactly. During such time I/we acknowledge that the Responsible Entity has no liability for any loss incurred due to my/our decision to customise my/our Account.
- acknowledge that an investment may cease to be offered at any time at the Responsible Entity's discretion and further contributions discontinued or the investment terminated, and all assets held as part of the investment realised.
- represent that I/we have access to the internet on a substantial and continuous basis.
- agree to receive any PDS and other information by email or by a hypertext link sent by email, via my/our Nominated Representative and to access and read this information/PDS, except that all confirmations of any transactions in connection with my/our Account, including the establishment of my/our Account in the SMA, will be provided to me/us by my/our logging onto my/our Account and using my/our password.

- agree that Praemium will not be responsible for any failure of a Nominated Representative to provide any such email or other communications to me/us.
- agree to notify the Responsible Entity in writing of any change in my/our email address before or as soon as possible after the change.
- agree to the disclosure and use of information as contemplated in the section titled 'Privacy'.
- authorise the Responsible Entity to provide my/our Nominated Representative with information regarding my/our investments.
- agree to provide a valid Wholesale Investor Certificate and maintain the status of the Certificate to qualify as a Wholesale investor. I further agree to provide an updated Certificate when requested by the RE and when I/we are no longer a Wholesale investor, we will promptly notify the RE. Where I/we do not provide evidence of my/our Wholesale investor status, I/we acknowledge that I/we may not be able to make further investments into wholesale only investments.

Direct debit request service agreement

This section outlines the terms and conditions of the direct debit request arrangement between yourself and Praemium Australia Limited ('Praemium' or 'us').

Praemium's responsibilities

Praemium will only make direct debits from your Nominated bank account. If you elect to use the direct debit facility, your initial contribution amount will be processed on the day Praemium accepts your Application Form.

Praemium will not disclose your bank account details to any other party, unless:

- such disclosure is for the purpose of this agreement (including disclosing information in connection with any query or claim);
- you have agreed in writing that it can; or
- the law requires Praemium to do this.

If a payment date is a weekend or public holiday, your account will be debited on either the Business Day preceding or the Business Day following the weekend or public holiday. If you are unsure about which day your account has been debited, you should ask your financial institution.

Praemium reserves the right to cancel the direct debit arrangement without notice if any debits are returned unpaid by your nominated financial institution.

Praemium will give at least 30 days' notice to your Nominated Representative if it proposes to change these terms and conditions.

Your responsibilities

Before making a direct debit request you should:

- check with your financial institution that the account you want to nominate can support direct debits. Additional charges may also be applied by your financial institution for this service. We recommend that you contact them for further details.
- confirm that the account details that you have provided are correct.
- ensure that you have sufficient cleared funds in your account to cover payment when due. Your financial institution may charge a fee if payment cannot be met.

- ensure that the direct debit request is signed in the same way as the account signing instruction held by the financial institution for the nominated accounts.

You must tell us in writing if you close or change the account that you have previously nominated.

You may cancel your direct debit request, stop or defer an individual debit or request a change to the debit amount online through your Nominated Representative, in writing or by fax.

It is your responsibility to arrange with Praemium a suitable alternative payment method if the direct debit arrangements are cancelled, either by you or the nominated financial institution. You should check your account statement from your financial institution to verify that the amounts debited from your account are correct. If you believe that a debit has not been correctly processed, you should immediately contact our Client Services Team at support@praemium.com.au or on 1800 571 881.

Glossary

Account means your interest in the SMA that is issued under this PDS.

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 completed and submitted online.

Business Day means an ASX trading day.

Eligible Investment means any ASX listed CHESS-eligible security, any unlisted investment or other investment given prior approval by Praemium.

ETF means Exchange Traded Fund.

ETP means Exchange Traded Product, which is the family name for the group of products comprising exchange-traded funds (ETFs), managed funds and structured products.

Individual Assets means the investment options available as a single asset that do not use a model construct. Individual Assets are excluded from the daily rebalance process.

Model Portfolios Menu means the list of Model Portfolios that are available for investment in the SMA.

Minimum Cash Holding means the cash held in your Account in addition to any cash held in the Model Portfolios and/or Single Asset Models.

Model Portfolio(s) means the investment model portfolio(s) offered under the SMA that may be applied to your Account.

Model Portfolio Manager(s) means the person(s) responsible for providing and administering the relevant Model Portfolio(s) for your Account.

Nominated bank account means a bank account with an Australian domiciled bank.

PDS means this Product Disclosure Statement, unless otherwise indicated.

Praemium, us, we or our means Praemium Australia Limited ABN 92 117 611 784, AFSL No 297956, the Responsible Entity of the SMA.

Regular Contribution Plan is the arrangement where we direct debit regular monthly contributions from a linked bank account to your Account.

Responsible Entity is Praemium Australia Limited.

Separately Managed Accounts means the registered managed investment scheme which is known as the Separately Managed Accounts ARSN 114 818 530.

Single Asset Models means the investment options available as a single asset which are included in the daily rebalance process.

Single Assets means the range of stand-alone single managed funds, exchange traded funds (ETFs), ASX listed hybrids, listed investment companies (LICs), ASX listed securities and international listed securities available in the SMA as Individual Assets or Single Asset Models.

Single Assets List means the list of Single Assets that are available for investment in the SMA.

Term deposit(s) means the range of term deposits available in the SMA.

Important information

Issued by Praemium Australia Limited ABN 92 117 611 784 AFS Licence No 297956.

Contact

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