

WealthDirect

Supplementary Product Disclosure Statement

18 July 2013

This is a Supplementary Product Disclosure Statement (“SPDS”) for the WealthDirect Service Guide dated 1 November 2012 (“the original Service Guide”) and must be read together with the original Service Guide.

This SPDS adds the following information to the section entitled **What assets can you hold in WealthDirect UMA?** on page 7 of the original Service Guide:

My Term Deposits

Through a fully transactional Term Deposit hub, you can invest in cash and fixed term deposit products. The Term Deposit hub is designed specifically to help remove the time consuming administration associated with moving funds between term-deposit providers in order to maximise the return.

The Term Deposit hub requires just one initial application form to be completed to allow access to a range of Australian banks, credit unions, and international banks. You can view the rates of various institutions and transact online on your behalf. The funds are always held in accounts with financial institutions in your name.

Key benefits of this service are:

- same day portability of funds between institutions
- full history of financial transactions at the end of the tax year
- reporting of income and portfolio movements and performance
- accrued daily interest for each term deposit appears in your account reports.

The Term Deposit hub is provided by Australian Money Market Pty Ltd (AMM) under the AFS licence of DDH Graham Limited ABN 28 010 639 219 AFSL 226319 or such other third party provider appointed by us from time to time.

A Term Deposit hub account will be opened for you under the Limited Power of Attorney that you sign when you apply for WealthDirect. You will then be able to access this account.

Fees for the Term Deposit Hub

FEE	AMOUNT	HOW AND WHEN PAID
Administration Fee	0.05% p.a.	Deducted from the advertised interest rate of any term deposit that you purchase.
Transaction Fee	\$22.50	Charged each time a new Term Deposit is purchased (including rollover).

The rates offered in the Term Deposit hub are net of any fee paid to the provider. We and AdviceNet may receive a portion of this fee.



WealthDirect
INVESTOR directed

WealthDirect Service Guide

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**COMBINED FINANCIAL SERVICES GUIDE,
IDPS GUIDE & PRODUCT DISCLOSURE STATEMENT**

1 November 2012

Important: This Combined Financial Services Guide (FSG) and Product Disclosure Statement (PDS) must not be distributed without a corresponding copy of the SMA Model Portfolio Guide that forms part of the PDS.

WealthDirect is promoted by AdviceNet Pty Ltd
ABN 35 122 720 512 AFSL 308200

OneVue Limited ABN 18 072 262 312 AFSL 245525 provides the financial services described in this Service Guide and is the issuer of the OneVue Managed Account described in the PDS

**POWER
TO
YOU**

Definitions

Account: an arrangement by which we accept your financial assets and hold them on your behalf.

Account Opening Application Form: accompanies this Service Guide and enables you to apply for the WealthDirect UMA and give us instructions relating to the opening of your account.

AdviceNet: refers to AdviceNet Pty Ltd ABN 35 122 720 512 AFSL 308200, the company that promotes the WealthDirect UMA service.

AFSL: means Australian Financial Services Licence.

Application Booklet: contains the Account Opening Application Form and information to assist you to complete the form.

ASX: Australian Securities Exchange.

ASX listed securities: shares, trusts, ETFs, stapled securities and hybrids and any other form of securities listed or about to be listed on the ASX. Throughout this Service Guide they will be referred to as 'securities'.

Beneficial ownership: for tax purposes the securities transferred into the WealthDirect UMA remain the property of the investor, retaining full benefits of ownership even though title is in another name such as a custodian.

Broker sponsored: securities registered on CHESS with an authorised Broker Participant.

CGT: Capital Gains Tax.

CHESS: ASX's Clearing House Electronic Sub-Registry System, providing the central register for electronic transfer of share ownership.

Custodian: a company licensed to hold a financial product in trust for another person.

Designate: having an investment administered on the WealthDirect UMA by:

- making the WealthDirect UMA the mailing address
- changing the banking details to the WealthDirect Cash Hub, and
- providing cost base details of the holding.

Exchange Traded Funds (ETFs): investment funds, traded on an exchange, that invest in a basket of securities or other assets.

Financial Services Guide (FSG): a document required by law that provides information about the financial services being offered by the holder of an AFSL.

HIN: a unique identifier of an underlying investor used in the CHESS system. Holdings are either Broker Sponsored, or Issuer Sponsored by the underlying company.

Investor Directed Portfolio Service (IDPS): a service for acquiring and holding investments that involve arrangements for the custody of assets and consolidated reporting.

IDPS Contract: a deed poll executed by the IDPS Operator that sets out the main provisions of the IDPS, as required by ASIC. Its main provisions are summarised in this IDPS Guide.

IDPS Guide: explains the main features of the IDPS including the IDPS Contract, operational requirements, and the roles and responsibilities of the parties involved.

IDPS Operator: means OneVue Limited

Imputation Credits: Tax credits passed on to a shareholder who receives a franked dividend.

Insolvency/Incapacity Event: occurs where:

- (if a party is a company) any step is taken to appoint an administrator, receiver, liquidator or other like person of whole or part of the party's assets
- (if a party is an individual) the party dies, loses capacity or any step is taken to appoint a trustee in bankruptcy of whole or part of the party's assets, and
- any step is taken to enter into any arrangement between the party and its/their creditors.

In-specie transfer: the transferring of managed funds or listed securities without a change in beneficial ownership.

Limited Power of Attorney (LPOA): is a written authorisation to represent or act on another's behalf in private affairs, business, or some other legal matter. When it is limited, as in this Service Guide, the power can only apply to the matters specified.

Listed securities management: refers to actions that may be taken in relation to a listed investment, such as taking up rights issues, voting etc.

Managed fund: a pooled investment or unit trust that is professionally managed. When you invest, you are allocated a number of units based on the amount you invest and the current unit price.

Managed Funds Wrap Service: an IDPS that allows for the investment in a variety of managed funds that are held by a custodian.

Managed Investment Scheme (MIS): a type of investment that pools the assets of multiple investors into a single vehicle with a common investment objective and strategy, as regulated by ASIC.

OneVue: collectively describes the companies contracted to provide the WealthDirect UMA service on behalf of AdviceNet, being OneVue Limited ABN 18 072 262 312 and OneVue Services Pty Ltd ACN 104 037 256.

OneVue Managed Account, or Scheme: a registered managed investment scheme ARSN 112 517 656, that holds the Separately Managed Account.

Order Pad: an online facility that enables you to place orders relating to your account.

Portfolio: the separate account or accounts for each client.

Responsible Entity: a body licensed by ASIC to operate a registered managed investment scheme.

Reduced Input Tax Credits (RITC): input GST costs that can be claimed.

Separately Managed Account, or SMA: see OneVue Managed Account.

Service Agreement: the Terms and Conditions contained in the section headed Service Agreement in this Service Guide, as amended from time to time.

Service Guide: means this Service Guide, as amended from time to time.

SMA Model Portfolio: a portfolio of securities managed by a professional investment manager in accordance with a stated objective.

SMSF: self managed superannuation fund.

SRN: a unique security identified issued by a share registry; also referred to as Issuer Sponsored.

Switch: replace one investment with another in your portfolio.

Terms and Conditions: means the terms and conditions set out in this Service Guide.

Third Party Service Providers: means any stockbroker, platform operator or service provider appointed by OneVue as an agent, supplier or in any other capacity to supply any of the WealthDirect UMA products and services.

Transfer: place investments under control of a custodian, while retaining beneficial ownership.

UMA or Unified Managed Account: a service that is able to provide reporting, transaction and administration capabilities across a wide range of assets and liabilities, tax entities and account names.

WealthDirect Cash Hub: the Cash Management Account used as your transaction account for certain services

WealthDirect Products and Services: means the products and services described in this Service Guide as varied from time to time.

WealthDirect UMA: a UMA-style service comprising the products and services more particularly described in this Service Guide as varied from time to time.

We/Our/Us: OneVue Limited or OneVue Services Pty Ltd depending on the context.

You or Your: the person or entity as identified in the Account Opening Application Form or as amended from time to time.

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Contact details

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Responsible entity:

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Sydney NSW 2000

Email: contactus@wealthdirect.com.au

Website: www.wealthdirect.com.au

Phone: 1300 245 578

Part 1: Financial Services Guide & IDPS Guide

What is the purpose of this Service Guide?

This Service Guide (“Service Guide”) is a Financial Services Guide (“FSG”), IDPS Guide and Product Disclosure Statement describing the WealthDirect UMA, the products and services within it, and the parties involved in providing these products and services to you.

This document provides you with information about:

- our name and contact details
- the financial services we are authorised to provide and the financial products to which those services relate
- the cost of any services that we provide
- any remuneration, commissions or other benefits that we, your Financial Adviser, or any relevant person, may be paid in relation to the financial services we offer
- any relationships we have with any other organizations affiliated with us or with product issuers, which might influence us in providing financial services to you
- details of our internal and external complaints handling procedures and how you can access them, and
- our Privacy Policy

in order to help you to decide whether to use the financial services that we offer.

We do not provide you with personal financial advice in this Service Guide because we do not know, and have not taken into account, your personal circumstances, objectives or needs. In considering the information that we provide in this Service Guide you should take your personal circumstances, objectives and needs into account before taking any action. You may wish to discuss these matters with a financial adviser.

We do not make any recommendations in respect of any of the investment products or services offered through WealthDirect UMA. The choice of investments managed through these services remains the responsibility of the investor. Neither we nor anyone else mentioned in this Service Guide guarantees the performance of any investment described in this Service Guide, or the return of your capital. You may get back less than you invest.

How to read this Service Guide

Part 1 of this Service Guide describes the WealthDirect UMA including the ASX Listed Securities Service, the Managed Funds Wrap Service and the SMA Model Portfolios.

Part 2 of this Service Guide is the Product Disclosure Statement for the OneVue Managed Account, a registered managed investment scheme through which the SMA Model Portfolios are provided. There is an additional SMA Model Portfolio Guide that forms part of the PDS and sets out the SMA Model Portfolio options available through the OneVue Managed Account.

Part 3 of this Service Guide sets out the fees and charges for each service.

Along with this Service Guide you should receive an Application Booklet containing guidance on completing the Account Opening Application Form. The Account Opening Application Form can only be completed online. You must then print a copy to sign and forward to us.

Who is providing the products and services to you?

The promoter of WealthDirect UMA is AdviceNet Pty Ltd (“AdviceNet”) ABN 35 122 720 512 AFSL 308200. AdviceNet has appointed OneVue Limited ABN 18 072 262 312 AFSL 245525 to provide the following products and services that are described in this Service Guide:

- act as Responsible Entity for the Separately Managed Account
- act as operator of the Managed Funds Wrap Service.

In addition, AdviceNet has appointed OneVue Services Pty Ltd ACN 104 037 256 to provide the other administrative services that are described in this Service Guide, including the ASX Listed Securities Service, and such other services as may be included from time to time.

AdviceNet has not selected any of the investment options that are made available through WealthDirect UMA.

OneVue Limited and OneVue Services are related companies, and are collectively described herein as OneVue. This FSG has been issued by OneVue Limited. When we say 'we', 'our', or 'us' in this Service Guide we are referring to either OneVue Limited or OneVue Services Pty Ltd, depending on the context.

Who is the promoter?

AdviceNet is an Australian Financial Services Licensee which has been providing limited licensing for various product and service offerings in the Financial Services market place in Australia since July 2007. AdviceNet is 100% Australian owned and is a wholly owned subsidiary of the PHAROS Financial Group. In its role as promoter, AdviceNet has helped to create the WealthDirect service offering for the benefit of self directed investors.

Who is the licensee and what products and services is it authorised to provide?

OneVue Limited's Australian Financial Services Licence authorises it to provide general financial product advice, to deal in certain financial products, and to operate registered investment schemes, including an Investor Directed Portfolio Service (IDPS).

OneVue is a provider of portfolio management and administration services. It does not have any relationships other than business dealings with the issuers of any other financial products. Its share register may include some parties with whom it has business relationships but OneVue's provision of financial products and services is not influenced by any such shareholdings. When OneVue provides financial services to you it is acting solely on its own behalf.

OneVue's directors are independent parties who may have relationships with issuers of products available through WealthDirect UMA. Any such relationships do not influence our provision of WealthDirect UMA to you.

How are we remunerated?

The total fees that you pay as a client (including fees to custodians, investment managers and other external suppliers and brokerage to stockbrokers) are disclosed in this Service Guide. OneVue collects these fees on behalf of AdviceNet and receives a portion of these fees for the products and services that it supplies to AdviceNet. AdviceNet may receive a portion of the fees disclosed in this Service Guide for promoting the Products and Services and OneVue accounts to AdviceNet for these promoter fees.

In addition, OneVue also collects and pays to custodians, investment managers, stockbrokers and other external suppliers their fees and charges as disclosed in this Service Guide.

How can you make a complaint?

You have the right to enquire into or complain about the way we administer your account. We have established procedures to ensure all enquiries and complaints are properly considered and dealt with. In many cases your complaint can be resolved within 24 hours. If your complaint requires further investigation, we aim to respond to you within 14 days.

If your complaint cannot be resolved to your satisfaction within 45 days, you have the right to refer the matter to an independent complaints service – Financial Ombudsman Service Limited, telephone 1300 78 08 08 or GPO Box 3, Melbourne, Victoria, 3001.

What is WealthDirect UMA?

WealthDirect UMA is an administration and reporting service that can provide you with a consolidated view of your investments. WealthDirect UMA takes care of the administration of your investments, allows online access to up to date information, provides tools for transacting, and keeps the tax records of your investments.

WealthDirect provides:

- a service that can be utilised by self managed superannuation funds, individuals, joint accounts, estates, trusts and companies
- administration of ASX listed securities, SMA Model Portfolios and managed funds including an online order pad that enables you to place buy and sell orders
- the ability to record personal assets and liabilities in your account
- online access to your account 24 hours a day, 7 days a week, and
- consolidated reporting.

By using WealthDirect UMA you can:

- reduce complexity in managing your wealth
- easily access portfolio reports, including your current tax position (available online) and
- obtain a tax report containing the information you need for your tax return.

What assets can you hold in WealthDirect UMA?

ASX Listed Securities Service

You can place orders to buy and sell listed securities using an online order pad and hold these securities in your account. We will provide you with:

- mail management
- performance reporting
- asset allocation reporting
- tax reporting, and
- corporate actions management.

SMA Model Portfolios

Through a product called a Separately Managed Account, or SMA, you can hold portfolios of listed securities chosen for you by some of Australia's leading investment managers. These are called SMA Model Portfolios. Your SMA Model Portfolios are regularly rebalanced i.e. securities are bought or sold, in accordance with the investment manager's instructions.

With an SMA Model Portfolio you get the benefit of professional investment management while retaining the beneficial ownership of the underlying securities in your portfolio. This means that you can see exactly which securities investment managers have selected for you (unlike, say, in a unitised managed fund where you lose sight of the underlying holdings). Most importantly, you retain your own tax position in relation to any of the securities in the portfolio (another contrast to a managed fund, where you buy into a pool of investments which is taxed at the pool level and the tax liability distributed to the members of the pool).

Please note: The SMA Model Portfolios are held in a registered managed investment scheme, the OneVue Managed Account, issued by OneVue Limited as responsible entity. The first part of the **Product Disclosure Statement (PDS)** forms Part 2 of this Service Guide. The SMA Model Portfolio Guide, which contains details of the available SMA Model Portfolios, is a separate document that also forms part of the PDS. You should read both parts of the PDS before making any decision in relation to this product.

Managed Funds Wrap Service

The Managed Funds Wrap Service offers you access to an extensive range of wholesale managed funds at competitive rates from many different investment managers. This gives you investment flexibility and choice, and allows you to diversify your exposure across a range of investments. Most funds are available on a wholesale basis with fees that are generally lower than those charged by retail funds.

You will find the menu of available managed funds on our website. Before you invest in any managed funds through the Managed Funds Wrap Service, you should obtain from our website a current Product Disclosure Statement (PDS) for the funds of your choice. The purpose of the PDS is to help you decide whether or not to invest in a particular fund. We are not responsible for the contents of any other PDS or disclosure documents you will receive when accessing and investing through the Managed Funds Wrap Service.

Operator: OneVue is the operator of the Managed Funds Wrap Service, and is responsible for administering your account and reporting to you.

Custodian: Currently the Custodian of the Managed Funds Wrap Service appointed by us is Australian Market Automated Quotation (AUSMAQ) System Limited ABN 53 062 527 575. AUSMAQ may appoint a sub-custodian. While the Custodian holds your managed funds in its name, you retain the beneficial ownership. We may also request that the Custodian transfer all assets to another custodian without your consent.

Personal assets and liabilities can be recorded too

In addition to the investment choices above, you can also record your personal assets and liabilities in your account. For example, you might include the value of your home or your car. This facility, called the Non Administered Investments Service, is available to you at no additional cost.

WealthDirect UMA at a glance

	ASX Listed Securities Service	SMA Model Portfolios	Managed Funds Wrap Service	Non Administered Investments
Online trading	✓	✓	✓	
In specie transfer		✓	✓	
Portfolio reporting	✓	✓	✓	Partial
Assets held by Custodian		✓	✓	
Minimum initial investment*	\$500	\$25,000	\$1,000	Requires minimum deposit of \$1,000 into the WealthDirect Cash Hub
Minimum additional investment		\$1,000	\$500	
Minimum withdrawal		\$1,000	\$1,000	
Minimum switch		\$5,000	\$500	

* The minimum initial investment into the WealthDirect UMA is \$1,000, which must be deposited into the WealthDirect Cash Hub. Thereafter the minimum investment for each product and service applies.

Integrated trading and reporting tools

Online order pad

The online order pad is fully integrated with the online reporting system, providing you with an up-to-date and consolidated view of all assets and liabilities held on WealthDirect UMA.

The online order pad enables you to place orders to buy and sell ASX listed securities, managed funds through the IDPS and SMA Model Portfolios through the Separately Managed Account (SMA).

The online order pad is available on the website

Direct Shares Order Pad

Order Type Buy Sell

ASX Code [Code look up](#)

COMMONWEALTH BANK OF AUSTRALIA,
ORDINARY FULLY PAID

Last price: \$45.250 Open \$45.150 ▲ \$1.40

Bid: \$45.240 Offer: \$45.250 [Market Depth](#)

As at 04.13pm Monday, 09 January 2012 (Sydney time)

Warning: This security is trading on an [Ex Dividend](#) basis.

Quantity or Value \$ Sell all

Portfolio balance	Holding	Value
CBA	250	\$8,800.00

Client Funds Available

[Refresh](#)

Bank Balance	1,000.00
Less Uncleared funds	20.00
Less Open Buy Orders	
Direct Shares	200.00
Managed Funds	100.00
SMA	0.00
Less Pending Withdrawals	0.00
Less Unsettled Direct Share (Buy)	
Trades	50.00
Available to Withdraw	630.00
Add Unsettled Direct Share (Sell)	
Trades	50.00
Available to Trade	680.00

[View Order Details](#)

Monitor and manage your portfolios – all in one place

With a single sign on you can access consolidated reporting across all of your accounts – individual, joint, SMSF, trust, and company – making it easy to see if you are unexpectedly overweight in any asset class.

Your total wealth view makes it easy to see what you are worth and how your portfolios are performing – making it easier to monitor and manage your investments.

Run your own reports

WealthDirect also provides instant reports on your portfolio throughout the year as well as a suite of reports you can run when you choose that cover all aspects of your portfolio activity, including:

- Investment holdings - lists details of all your current investments including your WealthDirect Cash Hub
- Cashbook and investment transactions - details of transactions that have occurred in your portfolio
- Income and expenses - details income received from each investment and the fees and charges deducted from your portfolio, and
- Optimised current capital gains tax liability.

Opening your WealthDirect UMA

This section explains how to open your WealthDirect UMA, including:

- using the WealthDirect UMA Account Opening Application Form
- providing us with a Limited Power of Attorney – and why
- setting up and using your WealthDirect Cash Hub
- opening an account with cash, and
- using existing investments to set up your WealthDirect UMA.

The Account Opening Application Form

To open your account and gain access to the products and services within WealthDirect UMA you will need to complete and sign the Account Opening Application Form that accompanies this Service Guide.

You will also need to sign an application for CHES participation in order to use the broking services available within WealthDirect UMA. We will forward this form on your behalf in order to open your CHES account.

Once your account has been opened you will receive information regarding your account details and will be provided with your online access details.

Please note: Your application may not be able to be processed if any of the information in the Account Opening Application Form is incomplete or if any of the required information is missing from the documentation.

Limited Power of Attorney

As part of the application process you will be asked to provide a Limited Power of Attorney which will authorise us to open and transact on all accounts required to set up and operate your WealthDirect UMA. This includes a broking account and a Cash Management Account that we will use as your WealthDirect Cash Hub (see next section).

We can only transact:

- with your direct or standing instructions, or
- under an authority provided under this Service Guide or any other offer document issued by us.

The Limited Power of Attorney authorises us to move cash to and from your WealthDirect Cash Hub and other investments as needed, in order to:

- withdraw cash to pay fees as identified in this Service Guide or other offer documents
- make withdrawals to complete transactions initiated by you either electronically or in writing, and
- complete transactions initiated by you (i.e. buy or sell settlements or corporate actions) either electronically or in writing.

The Limited Power of Attorney also enables us to:

- carry out your instructions to change payment details for your investments from a Dividend Reinvestment Plan to cash or vice versa
- update your banking details held by share or unit registries to make them consistent with your WealthDirect UMA details
- elect not to receive any annual reports associated with your WealthDirect UMA investments, and
- update or correct your address, name or any other account details.

The Limited Power of Attorney also gives us authority to set up and transact on your accounts for any future products and services that we may add to WealthDirect UMA. This eliminates the need to have new

authorities signed each time we make an improvement to the products and services available in WealthDirect UMA.

We need to have your Limited Power of Attorney in order to operate your account. You can revoke the Limited Power of Attorney at any time but this will mean that your account will be frozen after the completion of any transactions that are in progress.

Your WealthDirect Cash Hub

Your WealthDirect Cash Hub is your transactions account and must remain open for the life of your WealthDirect UMA. When you send in your Account Opening Application Form you must provide at least \$1,000 to fund your WealthDirect Cash Hub. You can either provide a cheque when you return the Account Opening Application Form or provide us with direct debit instructions.

You must maintain at least \$500 in your WealthDirect Cash Hub at all times and sufficient cleared funds to cover fees due. If your WealthDirect Cash Hub balance is insufficient to pay the whole or any part of any agreed fees owing from time to time, then you agree that we may restore your WealthDirect Cash Hub balance by withdrawing cash from any WealthDirect UMA investment that you hold.

Income will be credited to your WealthDirect Cash Hub, including distributions, dividends or other investment income received from your WealthDirect UMA investments, as well as any interest received on your WealthDirect Cash Hub.

Withdrawals may be made from your WealthDirect Cash Hub to your pre-nominated bank account without limitation.

You are not charged a fee for holding the WealthDirect Cash Hub.

Opening your account with cash

Once you have deposited sufficient cash in your WealthDirect Cash Hub you can use the online order pad to place orders to buy ASX listed securities, managed funds and other investments. The 'available to trade' amount in your WealthDirect Cash Hub will be calculated and displayed on the website.

Depending on the investments selected it may take from one to several days for your trades to settle.

Minimum Initial Investment

Listed securities	\$1,000
Managed funds	\$500
Model portfolios	\$25,000

Using existing investments to set up your WealthDirect UMA

If you wish to set your account up with existing investments, these investments must be in the exact same name as your WealthDirect UMA. If an investment is not in the exact same name as this account we suggest you change the name in which the investments are held before transferring them in.

ASX listed securities

To change details of your holdings you will need to contact the sponsoring broker if they are CHES holdings, or the issuer if they are issuer sponsored. The registered address for all your investment correspondence must be recorded as:

PO Box R1013
Royal Exchange NSW 1225.

It will assist us in the process of designating WealthDirect UMA as the address for your investments if you provide us with a copy of the latest statement for each investment that is being designated.

Transferring investments into custody

Existing holdings of ASX listed securities can also be transferred into an SMA Model Portfolio, and managed funds can be transferred into the Managed Funds Wrap Service.

In the case of managed fund investments, there may be transfer fees and stamp duty applicable. We will deduct these fees from your account before making the transfer. If there are insufficient funds the transfer will not proceed.

Transferring existing ASX listed securities to the SMA Model Portfolios

For broker sponsored holdings, please complete an ASX CHESS Transfer Request Form available on the website.

In some instances an Australian Standard Transfer Form will be required. We will contact you if necessary and request the forms to be completed.

For issuer sponsored holdings, please complete an Australian Standard Transfer Form for each holding, also available on the website.

Transferring existing managed funds to the Managed Funds Wrap Service custodian

Complete an Australian Standard Transfer Form available on the website for each investment.

At any time you can transfer additional assets into WealthDirect UMA using the process above.

Please note that if you have investments held in the name of an external custodian there will be additional requirements – please contact us for details of what is required.

Establishing your taxation history

If you are establishing your WealthDirect UMA with existing investments it is very important that a complete and accurate taxation history is provided for each of the investments you wish to transfer into WealthDirect UMA. Tax law requires investors to keep records of “every act, transaction, event or circumstance” that can reasonably be expected to be relevant to working out whether an investor has made a capital gain or a capital loss from a CGT event. These include original purchase dates and costs, corporate actions (like dividends and share splits), current tax year income details and any prior years’ tax-free or tax-deferred components for listed securities and managed funds.

Where records are not maintained, the law requires investors to reconstruct the history or have someone else reconstruct the history so capital gains tax can be calculated. It is therefore important that you provide complete, accurate and supported investment taxation history where possible as part of your portfolio establishment process.

To build your portfolio history we need all tax parcel details for each investment in your portfolio. To assist you in gathering all the information needed, we have provided a schedule containing all the details needed in both the online application and the Account Opening Application Form.

You can obtain this information from:

- financial statements from prior financial years
- unrealised capital gains reports from other providers
- tax return CGT schedule from your accountant
- portfolio management CGT schedules from software providers, and
- source documents, i.e., confirmations and/or transaction statements from brokers or investment providers.

Operating your account

Making additional investments

You can use the online order pad to provide us with instructions to sell investments provided you have sufficient cleared funds in your WealthDirect Cash Hub.

You can also make additional investments at any time by transferring funds directly to your WealthDirect Cash Hub. If you wish to make additional transfers of ASX listed securities or managed funds you should look on the website for details of what is required.

Cash withdrawals

Cash withdrawals can be made using the online cash withdrawal facility and will only be accepted if there are cleared funds available to withdraw. Cash that has already been committed to an investment purchase is excluded from the cleared funds available to withdraw.

Cash withdrawals can be made by direct deposit into the bank account you have nominated on the Account Opening Application Form. If received by 9.00am on a Sydney business day, cash withdrawals are usually completed on the day the request is received.

Where there are not sufficient funds available to withdraw, you have the option to sell some of your existing investments. When cleared funds are available in your WealthDirect Cash Hub, you will be able to withdraw these using the online cash withdrawal facility.

Investment Transactions

You can use the online order pad to provide us with instructions to sell investments. Proceeds from investments sold will be settled to your WealthDirect Cash Hub and will be available to withdraw when they are cleared funds.

Minimum Investment Sell amounts

Managed funds	\$1,000
SMA model portfolios	\$1,000

Withdrawals can be delayed

Withdrawals that require selling securities may be delayed for such time as considered reasonable in our view if:

- we cannot easily sell your investments due to a lack of liquidity in the market, or
- an event outside of our control prevents us from properly valuing assets (for example cessation of trading on the ASX) – we can delay payment for so long as the event continues.

In the event that we are unable to sell all portfolio assets in the normal course of trading, you will be notified 10 trading days after we receive your request.

In specie transfers out of your account

You can make an *in specie* transfer of direct shares out of your account at any time. You will need to provide us with instructions as to where the shares are to be transferred and your new address and banking details. The receiving account must be in exactly the same name as your WealthDirect UMA.

When we may refuse to act on your instructions

We may refuse to act on your instructions if:

- we suspect that you are in breach of any of the provisions contained in this Service Guide
- we doubt that the instructions are genuine
- your instructions are unclear or incomplete
- you do not have sufficient cleared funds in your nominated bank account to carry out your instructions
- your instructions conflict with the law, relevant market practices or this Service Guide
- we decide to stop accepting investments into particular managed funds, including funds in which you have an existing holding, or
- you don't have sufficient assets to execute the instruction.

Where, in our opinion, your instructions are incomplete or unclear in relation to an investment in WealthDirect UMA, we may place all of the relevant funds on hold in your WealthDirect Cash Hub while we try to obtain your instructions. We are not liable for any loss that may result from delays occurring.

Changes to your personal details

When you change any of your personal details (including your address and bank account) you must notify us in writing as soon as possible. You can send us a letter or complete the Change of Details form available online. We will verify your signature against your original Account Opening Application Form.

When sending the new details to us please quote your name and account number.

Closing your account

To close your account you must notify us in writing and detail:

- the address to which you would like your investment correspondence and confirmations redirected, and
- instructions for closing your Managed Funds Wrap Service (if applicable). See details below.

How long does it take to close your account?

It takes 30 days from receipt of written notification to close your account. During that time we will endeavour to record all outstanding transactions in your portfolio, including buys, sells, income, expenses and any taxation matters reported within that period.

Please be aware however that we may not have received all correspondence relating to your account as some investment managers can take several weeks to send us information related to transactions. Information not received within the 30 days will be redirected to the mailing address provided in your written account closure request.

Once your account has been finalised we will send you a final statement including the current financial year's substantiation documents (e.g. correspondence, confirmations, income statements, etc). We will change your address from your UMA to the address you have advised. Mail will be forwarded to your new address for two months after your account has been closed; after that, it will be returned to sender.

When will you receive a tax report on termination of your account?

Non-custodial services	Custodial services
If you only use non-custodial services, you will receive a tax report for each completed financial year in which you held an account but not for the financial year in which you close your account.	If you use custodial services for all or part of a financial year, you will receive a tax report for that year.

Closing your Managed Funds Wrap Service

If you hold investments through the wholesale managed funds service, you will need to either sell or transfer your investments within the 30-day notice period. If this is not done we will be unable to complete the closure of your account and fees will have to be applied. When you close your account, the service fees will be calculated up to the date your account is closed, and then deducted from your WealthDirect Cash Hub before the final proceeds are paid to you.

Final fees

Prior to closing your account and providing you with your final report we will debit your final outstanding fees from your account. If we are unable to debit your account, we will be unable to complete your account closure until payment of those fees has been received. **Note:** Fees will have to be applied until such payment is received.

Other information about WealthDirect UMA

What risks do you need to know about?

Administration

The performance of the WealthDirect UMA is dependent on the accuracy and efficiency of our administration and computer systems and those of the people we rely on. We take risk management and security seriously and have procedures in place designed to ensure that our systems work effectively. We are also dependent on the accuracy and efficiency of the administration and computer systems of the investment issuers who operate the investments you invest in. They should have their own risk management procedures in place and are responsible to you. We do not accept any responsibility for their systems.

Taxation

The tax implications for investments through the WealthDirect UMA will differ between investors and given the complex nature of the Australian tax and social security systems, we strongly recommend that you seek your own professional tax and social security advice.

Anti-Money Laundering and Counter Terrorism

We are required to comply with the Anti-Money Laundering and Counter Terrorism Financing Act 2006 ("AML/CTF Act"). This means we may need to collect additional identification information and verification documentation from you before you can be registered on the WealthDirect UMA or if you change your details. You undertake to provide us with all additional information and assistance that we may reasonably require.

We may decide to delay or refuse to act on your instructions if we deem that the request may cause us to breach any obligations, or cause us to commit or participate in an offence under the AML/CTF Act, and we will not incur any liability to you.

Service Agreement

Please carefully read the section below which contains the terms and conditions for use of the products and services comprising the WealthDirect UMA.

By signing a WealthDirect UMA Account Opening Application Form you are accepting the following terms and conditions of use for the products and services comprising the WealthDirect UMA and enter into a Service Agreement with OneVue Limited and OneVue Services Pty Ltd (we/our/us) on the following terms and conditions.

Appointment

You hereby appoint us to provide you with the products and services in the WealthDirect UMA for the fees set out in Part 3 Fees and other charges section of this Service Guide and on the following terms and conditions.

Term

We will provide the WealthDirect UMA Products and Services to you during the term of this Service Agreement which starts on the date you sign your WealthDirect UMA Account Opening Application Form and continues until terminated in accordance with this Service Agreement.

Performance of the WealthDirect UMA

We will perform our functions honestly and with reasonable care and diligence and although we can contract others to assist, we are responsible for our subcontractors to deliver the WealthDirect UMA to you.

We are not obliged to verify the authenticity of documents, messages or instructions received from you. We are not responsible for instructions properly acted on, or reliance on a document or message that we have

no reason to believe was not authentic, or reliance in good faith on information or notice provided to us by you.

Your access to the WealthDirect UMA

You agree that:

- we do not guarantee continuous uninterrupted access to the WealthDirect UMA and that, despite our reasonable endeavours, access may be temporarily interrupted or permanently cease due to force majeure events partially or completely outside our reasonable control, and should such an event occur, we do not accept responsibility or liability to you or any other person for your inability to access the WealthDirect UMA during that downtime
- where, in our opinion, your instructions are incomplete or unclear in relation to any application for the WealthDirect UMA or any investment in any of the products or services comprising the WealthDirect UMA we may seek to clarify your instructions. We are not liable for any loss you may suffer (including caused by delays) as a result of us clarifying your instructions
- you will use the WealthDirect UMA only if permitted by us for legitimate purposes, and you will not copy or otherwise interfere with or damage any part of the WealthDirect UMA including any code, data or software, and you will not attempt to do any of those things, and you will tell OneVue immediately in writing if you become aware of any other person's attempt to do any of those things
- we exclusively own the intellectual property rights in the WealthDirect UMA and you will not do anything to challenge or diminish those rights or in any way use those intellectual property rights in any way other than as expressly permitted by this Service Agreement, and
- you are responsible for keeping confidential and secure the User Name, Password and Trading Password that we provide you to access the WealthDirect UMA and also the information that you extract from the WealthDirect UMA.

Indemnities

You will indemnify us:

- against all claims made against us and all claims, expenses, losses, damages and costs suffered by us as a direct or indirect result of you failing to comply, or failing to comply in sufficient time, with any of your obligations under this Service Agreement or any applicable law or as a result of any wilful misconduct or any unlawful or negligent act or omission on your part, and
- for any fees, expenses, damages and taxes occurred by us in relation to our carrying out your instructions or otherwise in relation to the WealthDirect UMA or any of its products and services.

The indemnities you give us are continuing obligations, separate and independent from your other obligations. Such indemnities survive termination of this Service Agreement. We need not incur expenses or make a payment before enforcing an indemnity.

Limitation of Liability

We will act on your instructions without determining their accuracy or authenticity. We are not responsible for any errors or delays in the provision of instructions to us.

In addition, we do not have to meet any of our obligations to you if you fail to provide us with such reasonable assistance, information and documents as we request to enable us to meet our obligations.

We hold professional indemnity insurance which satisfies the requirements to compensate retail clients for losses suffered as a result of breach by a holder of an AFSL of its obligations under Chapter 7 of the Corporations Act. This professional indemnity insurance includes cover for claims in relation to the conduct of representatives and employees who no longer work for us but who did at the time of the relevant conduct.

Except for any losses suffered by you as a result of a breach by us of our obligations under Chapter 7 of the Corporations Act, you agree that our maximum aggregate liability to you whether arising in contract, tort

(including negligence), statute, or otherwise in relation to the WealthDirect UMA, any products and services comprising the WealthDirect UMA, the Service Guide and the Service Agreement is limited to the sum of the fees paid by you to us in the six (6) months immediately prior to the notice of the claim.

We exclude all liability to you for loss of actual or anticipated profits, revenue, savings, contracts and business opportunity, and all consequential or indirect loss arising out of, or in connection with, the performance of our obligations in relation to the WealthDirect UMA, the products and services comprising the WealthDirect UMA, under the Service Guide and under the Service Agreement, whether arising in contract, tort (including negligence), statute, or otherwise.

Except for the express conditions and warranties given under the Service Guide and this Service Agreement, we do not give any representation, warranty, condition, or undertaking, express or implied, whether implied by statute, general law or otherwise, as to the condition, quality, performance, merchantability or fitness for purpose of any products and services provided pursuant to the Service Guide and this Service Agreement, and we expressly exclude from the Service Guide and this Service Agreement all such representations, warranties, conditions and undertakings.

Notwithstanding any other provision of this Service Guide and the Service Agreement, nothing in this Service Guide or Service Agreement excludes, restricts or modifies:

- any condition or warranty implied in the Service Guide or the Service Agreement under relevant legislation (including the Competition and Consumer Act); or
- any right expressly granted under relevant legislation, to the extent that such exclusion, restriction or modification may contravene any relevant legislation or causes any part of this Service Guide or Service Agreement to be void.

To the extent that any relevant legislation permits us to limit our liability for breach of any such condition or warranty implied in the Service Guide or Service Agreement by relevant legislation, we limit our liability to the extent permitted under that legislation. All provisions of the Service Guide and Service Agreement are to be read subject to this clause.

We reserve the right to refuse to administer any asset at our discretion.

You acknowledge and agree that the limitation on liability and the exclusions contained in this section are fair and reasonable.

Confidentiality and privacy

We collect information in order to allow us to administer your portfolio(s) and are bound by the National Privacy Principles. We will not use or disclose personal information about you other than for a purpose set out in our privacy policy, a purpose you have authorised or would reasonably expect, or a purpose required by law. We disclose client information when dealing with external parties necessary to help us carry out our duties.

Information, including online information, is kept secure. You can gain access to your personal information by contacting us. Availability of this information is subject to some exceptions allowed by law. You will be given reasons if your request for access is denied.

Our privacy policy does not apply to acts or practices that are directly related to employee records of current or former employees.

Suspension/Termination of the WealthDirect UMA

While this would be unusual, we may at times need to suspend the supply of the WealthDirect UMA and the products and services comprising the WealthDirect UMA on reasonable grounds including where we need to service our computer systems, or where you do not pay fees owing.

We may terminate this Service Agreement at any time by giving you thirty (30) days' notice in writing; or immediately if you have failed to pay any fees or otherwise breach your obligations under this Service Agreement or if an Insolvency/Incapacity Event happens to you.

You may terminate this Service Agreement at any time by giving us thirty (30) days' notice in writing. We will cease to provide the WealthDirect UMA 30 days from receipt of your notice.

Upon termination of this Service Agreement for any reason and subject to the provisions of this clause, both you and we will be regarded as discharged from any further obligations under this Service Agreement and all fees due to us become immediately due and payable.

Termination of this Service Agreement does not affect our rights under this Service Agreement which have arisen prior to the effective date of termination.

Variations and Assignment

We may vary the terms and conditions of this Service Guide and Service Agreement at any time. This includes changes to the fees for the WealthDirect UMA and any of the products and services comprising the WealthDirect UMA. You will be notified of any material changes 30 days in advance.

We reserve the right to change the way we supply or operate the WealthDirect UMA. We will communicate important changes to you, generally before they occur. You can not assign or attempt to assign any of your rights or obligations under this Service Guide or Service Agreement without our prior written consent. Without this, any purported assignment is void.

General

Our rights, powers and remedies under this Service Guide and Service Agreement are cumulative and are not exclusive of those provided by law. We are not liable for any loss caused by the exercise or attempted exercise of these rights, or by a delay or failure in exercising them.

If part of this Service Guide or Service Agreement (or its application to any person or circumstance) is or becomes invalid or unenforceable, then the other provisions are not affected.

Nothing in our agreement with you causes us (or our agents) to be your partner, agent, or legal representative or creates any partnership, agency or trust, and you cannot bind us in any way.

This Service Guide and Service Agreement are governed by the laws in force in New South Wales.

Words and phrases defined in the Definitions section of this Service Guide shall have the same meaning in the Service Agreement.

Online Order Pad Conditions of Use

By signing the Account Opening Application Form you are accepting the following Terms and Conditions for use of the Online Order Pad.

The Online Order Pad is the secure internet service which enables you to operate the products and services within your account. These are the conditions of use which apply when the Online Order Pad is used to operate your account. (Please note that these conditions of use may be varied by us with at least 14 days notice).

You accept the current Online Order Pad Conditions of Use each time that you enter instructions into the Online Order Pad.

You:

- may only use the Online Order Pad for legitimate purposes
- must not interfere with or damage (or attempt to interfere or damage) any code, data or software associated with the Online Order Pad service
- will keep confidential and secure any non-public information or data obtained at any time by using the Online Order Pad service, and
- must keep all account details, logins and passwords secure.

Each time the Online Order Pad is used we are entitled to assume that any user has your authority, including account, login and password, except for any use occurring after you have given notice to the contrary.

We will use all reasonable efforts to provide (but do not guarantee we will provide) access to the Online Order Pad at all reasonable times. From time to time, the Online Order Pad service may be unavailable to allow maintenance or for reasons beyond our control. We also reserve the right to suspend or terminate use of the Online Order Pad service without notice, at any time and for any reason.

We will use reasonable efforts to provide (but do not guarantee that we will provide) reliable data and information, to the extent that it is within our control. We take no responsibility for the reliability of data and information outside our control.

Subject to conditions and warranties implied by legislation, we exclude:

- liability for any delay, interruption or unavailability of the Online Order Pad and for any inaccuracy or incompleteness of data provided by any person and available via the Online Order Pad; and
- all terms implied by statute, general law or custom except ones that may not be excluded. If any condition is breached or warranty implied by legislation in a contract with a consumer, liability for that breach is limited to a re-supply of the goods or services in respect of which the breach occurred.

You can request us to cancel your authority to access your account via the Online Order Pad at any time. We will require written confirmation of this request.

We may cancel your access to the Online Order Pad at any time and in our absolute discretion.

Other information about the Managed Funds Wrap Service

Comparing Direct vs. Indirect Investment

It is important that you understand the differences between investing in managed funds through the Managed Funds Wrap Service and investing in managed funds directly. The key differences are set out in the following table:

Investing through the Managed Funds Wrap Service	Investing Directly
You receive regular consolidated reports and other information on all managed funds held in your account.	You receive reports and statements from each fund manager and you need to consolidate them yourself.
You choose from a range of mostly wholesale managed funds.	You generally only have access to retail managed funds.
Investments in managed funds are held in the name of our Custodian.	You hold investments directly.
Investor communications such as notices of meetings, or notices of changes in fees, are not sent directly to you and we will charge you a fee for sending them to you.	You receive investor communications directly from each fund manager.
All distributions are deposited in your Bank Account.	You may be able to participate in a distribution reinvestment plan.
Distributions are received in aggregate from fund managers and allocated by us to your account.	Distributions are credited directly to your Bank Account.
You have no cooling off rights.	You are legally entitled to withdraw your investment within 14 days of your application (cooling off period).

Access to information

You have the right to ask us for copies of fund manager documentation that is given to a direct investor but we will charge a fee to provide you with copies.

When we can redeem your investments without your specific instructions

You irrevocably instruct us to redeem your investments in the Managed Funds Wrap Service (in an order determined by value, starting with your holding of highest value) in these circumstances:

- if you do anything which suggests you can't satisfy the requirements of the Managed Funds Wrap Service when required, then we can close your account and sell your investments
- if we decide to stop offering the Managed Funds Wrap Service, or decide to stop offering it to you, we can sell your investments as one option available to us for closing your account
- if you have a liability to us, we can sell some or all of your investments to recover the amount of the liability, and pay you any remaining net proceeds after deducting the liability and our costs of sale
- if we decide to stop holding certain managed funds through the Managed Funds Wrap Service, or
- we are required to redeem your investments under the law.

You agree not to vary this instruction. Whenever investments are redeemed there are likely to be tax consequences. We will not be liable for any adverse tax or other consequences of redeeming your investments or from closing the service or your account.

We may offset instructions to redeem investments against instructions from various clients, including clients of other services, to apply for investment so that only the 'net' transactions need to be acted on.

The IDPS Contract

The Managed Funds Wrap Service is provided under the terms of an IDPS Contract which you accept when you sign your application for WealthDirect UMA. You can obtain a copy of the IDPS contract from us free of charge. The main provisions of this contract are summarised in this Financial Services Guide and IDPS Guide and include:

- Our obligation not to acquire assets for you unless we are reasonably satisfied that the proper disclosure regarding those assets has been made to you
- Our obligation not to acquire investments in an unregistered managed investment scheme
- Your right to receive reports relating to your investments
- Our power to amend the IDPS Contract at any time, in writing
- Provisions governing our right to retirement as operator of the service and our replacement with a new operator, and
- Our right to be indemnified by you for charges and expenses incurred in relation to the service, including reimbursement of expenses from assets we buy for you.

Part 2: SMA Product Disclosure Statement

Important: This document is only part of the Product Disclosure Statement (PDS) for the OneVue Managed Account and must be read in conjunction with the SMA Model Portfolio Guide that forms part of this PDS.

This PDS is issued by OneVue Limited ABN 18 072 262 312 AFSL 245525 as Responsible Entity for the OneVue Managed Account ARSN 112 517 656 (“Scheme”, “Separately Managed Account” or “SMA”). Details about OneVue are provided above in the Financial Services Guide page 6.

What financial products are made available through this PDS?

Model portfolios: portfolios of listed securities where you retain the beneficial ownership of the underlying investments and investment managers, who are separate companies to the Responsible Entity, provide the initial and subsequent security selections and weightings in accordance with the stated investment parameters. Details of the SMA Model Portfolios available are provided in the SMA Model Portfolio Guide.

Roles of the parties involved in the SMA

Responsible Entity: we are legally responsible to you for the operation of the SMA. We administer your account and report to you. In the SMA Model Portfolios, the investment managers provide us with investment instructions which we implement as they relate to your individual account.

Custodian: while you retain the beneficial ownership, the Custodian holds the securities on your behalf. The Custodian of the SMA is Citibank Pty Ltd ABN 88 004 325 080. Citibank may appoint a sub-custodian.

Investment managers: in the SMA Model Portfolios, your chosen investment managers select and manage the asset allocation and security selection on your behalf to meet the investment objective. Details about the investment managers that we have selected for this purpose are contained in the SMA Model Portfolio Guide.

Benefits and risks of the SMA

Benefits

You have a customised investment experience: to customise your investment you can create an asset mix that is tailored to your needs, and place buy and sell orders online. You can blend investment managers and SMA Model Portfolios in any proportion that you choose, subject to the \$25,000 minimum investment in each model portfolio.

Administration is handled for you: the SMA administers your investment on your behalf, including security purchases and sales, dividend receipt, corporate actions, tax treatments, regular savings and withdrawals. The Custodian safeguards your investments by holding them on your behalf.

Your transaction costs may be lower: all listed securities are registered in a single HIN, enabling us to combine all buy and sell transactions (pool) on a given day and create the potential for buyers to be offset against sellers. When we do this we may take the opportunity to ‘net’ transactions and deliver to you lower transaction costs. Pooled dealing and ‘netting’ of trades among investors creates efficiencies but in no way affects your ownership of the underlying investments.

Better tax optimisation: traditional managed funds generally carry unrealised capital gains and losses that you may inherit when investing in the fund. When you invest in an SMA Model Portfolio you do not have this issue as your accounts and tax records are maintained individually - you do not inherit other people’s tax issues and will not be burdened by paying tax on gains that you have not made.

You directly benefit from franking credits, imputation credits and dividends: you own your franking credits so they cannot be diluted by the actions of other investors as they might be in a managed fund.

Risks

All investments carry risk. Different strategies may carry different risks depending on the assets that make up the strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk.

The level of risk for each person will vary depending on a range of factors, including age, investment time-frames, the person's risk tolerance, and where other parts of the person's wealth are invested.

Capital risk: the Responsible Entity and the relevant investment managers do not and cannot guarantee the return of your capital invested or any particular rate of return from the investment of your capital. The underlying assets of an SMA Model Portfolio may rise and fall in value over time and there is a risk that you could lose some or all of your capital. Future returns may differ from past returns.

Liquidity risk: in some circumstances, such as when there is a freeze on withdrawals, members may not be able to withdraw their funds within the usual period upon request. The section on 'Withdrawals' describes the circumstances in which withdrawals may be delayed.

Market risk: due to economic, technological, political or legislative conditions market sentiment can change. This can result in changes in the value of investments. Although securities have historically offered higher long-term returns than certain other asset classes, returns from securities may be volatile and performance may be poor over the short and/or medium term.

Leverage risk: leverage allows investors to acquire more assets by means of borrowed funds or by contracting other liabilities. Consequently, leverage results in higher losses if asset values fall. Investors should be aware of disclosed leverage (acquiring assets with borrowed funds) and embedded leverage (involved in assets such as partly-paid securities, warrants and Stock Price Index contracts).

Investment manager risk: any investment manager may under-perform at any stage of an investment cycle. Managers may lose key people or manage risk poorly. A manager may lose its license to operate or become unable to perform its duties.

Different styles of SMA Model Portfolios have different objectives and perform better at different times. Any SMA Model Portfolio may under-perform, even when the general market performs well. You can manage SMA Model Portfolio style risk by investing in more than one SMA Model Portfolio.

Regulatory risk: at all times there exists the risk that a government or regulator, such as the tax office, may by their actions affect the value of your investments.

Derivative risk: the use of derivatives varies between investment managers. See the SMA Model Portfolio Guide for details of how investment managers may utilise derivatives in managing SMA Model Portfolios and the associated risks.

Important features

Rebalancing SMA Model Portfolios

Rebalancing involves comparing the market value weights of portfolio holdings with the SMA Model Portfolio's model weights supplied by the investment managers and executing the transactions necessary to bring the portfolio weights in line with the models.

Your individual portfolio will normally be rebalanced when:

- an investment manager advises us to rebalance
- you make an investment in or a withdrawal from your SMA Model Portfolios, or
- you instruct us to switch between SMA Model Portfolios or make other alterations to your account.

Each rebalance ensures interest and dividends are invested. Sometimes, the size of transactions necessary to produce the required SMA Model Portfolio's structure will be too small to take to market. If this occurs, we may transfer the securities to or from holdings held on our own account or we may choose not to execute transactions until the next rebalance date.

Netting of trades

We assess the net trading requirements of the SMA and transact on this basis daily (if necessary). All securities will be allocated to the relevant accounts on a pro-rata basis. We use a selected panel of brokers to maximise trade efficiencies. Where transactions are netted the buyer will acquire the securities at the offer price and the seller will sell at the bid price that is available in the market.

We incur costs of keeping a holding in the underlying investments which facilitates the transfer of small trades and the management of rounding. We will be entitled to any profit and subjected to any loss on these transactions.

Investment management agreements

We have an investment management agreement with each investment manager. Investment managers do not hold any assets on your behalf nor are they responsible for executing trades in the underlying investments.

Unless indicated otherwise, the investment managers do not take into account labour standards, environmental, social or ethical considerations when making investment decisions relating to their relevant SMA Model Portfolios, except to the extent that those investment managers consider that all or any of those issues may potentially impact on the merits of their investment decisions.

Valuation of your SMA holdings

At the end of each day each of your investments will be valued by using the last quoted sale price for each of the securities held in your SMA Model Portfolio(s). Daily valuation reports are available online.

Income from cash or from securities that you hold, such as dividends, is credited to your SMA when received, and accruals shown on reports when announced.

Opening an SMA

Who can invest?

The WealthDirect SMA is available to Australian residents including individuals over the age of 18; trustees (including trustees of Self Managed Super Funds); partnerships; associations and companies.

Investment minimums

Minimum initial investment	\$25,000
Minimum initial investment in each selected SMA Model Portfolio	\$25,000
Minimum additional investment	\$1,000
Minimum account balance	\$20,000
Minimum withdrawal	\$1,000
Minimum switch	\$5,000

Setting up an SMA Model Portfolio with cash

See page 11.

Transferring existing assets to set up a portfolio

See page 11.

Where securities are transferred into the SMA, we aim to complete the transfer within 5 business days but this will depend on the processing procedures of the relevant security issuers and brokers.

Where securities are transferred into an SMA Model Portfolio we will generally rebalance to the selected SMA Model Portfolio within 5 business days of receiving the last security transfer. This may mean selling some of the securities that you have transferred in.

If you are transferring from a margin lending account, authority from the margin lender is also required.

Cooling-off period

Investors can change their mind within a 14-day period of their initial investment. If received by 2:00 pm on a Sydney business day, the refund can usually be completed within 5 business days including the time for any security sales to settle. In the event that liquidation of securities in the portfolio is delayed for one or more of the reasons specified in this PDS, the refund may be deferred until the funds are available.

The current realisable market value of your investment at the time the trade can be actioned, less a fee to cover our reasonable administration costs including brokerage, will be refunded.

Since investment in the SMA Model Portfolios is subject to all or any of the risks described in this PDS from the moment the investment is made, the proceeds received during the cooling-off period may be less or greater than the amount invested.

Operating your SMA

Switching SMA Model Portfolios

You can make full or partial switches between SMA Model Portfolios at any time by sending us your request in writing. The minimum switch is \$5,000, and in the case of a partial switch, a minimum account balance of \$20,000 must be maintained in the SMA Model Portfolio you are switching from. Switching out of an SMA Model Portfolio can be subject to a delay in the same manner as a withdrawal.

Making a full switch

- (a) You can elect to switch from one SMA Model Portfolio to another for the full portfolio value and all holdings will be transferred to the new SMA Model Portfolio along with their CGT history.
- (b) Alternatively you can sell the entire holdings of an SMA Model Portfolio and reinvest the proceeds in the new SMA Model Portfolio.

A switch under option (a) may require that we sell down some securities and buy others to bring your investments into line with the new SMA Model Portfolio(s) you have selected in which case brokerage will be incurred and capital gains or losses may be realised. A switch under option (b) will definitely incur brokerage and trigger capital gains and/or losses.

Making a partial switch

A partial switch is achieved by selling, on a pro rata basis, holdings in one SMA Model Portfolio and reinvesting the cash into the new SMA Model Portfolio. **Important:** In-specie security transfers cannot be used for partial switches. When you request a partial switch you must quantify the value of the original SMA Model Portfolio to be switched to the new SMA Model Portfolio, e.g. the dollar value or percentage of the existing SMA Model Portfolio that you wish to switch.

A partial switch will incur brokerage and trigger capital gains and/or losses.

Withdrawals (see page 13 above)

There is minimum \$1,000 withdrawal amount. However, if a withdrawal request causes the account value to fall below the minimum account balance of \$20,000, we may treat this as a total withdrawal.

Important: If you transfer securities out of an SMA Model Portfolio please be aware that your SMA Model Portfolio will be rebalanced as matter of course and the appropriate number of those securities will be repurchased to maintain the asset allocation of the SMA Model Portfolio.

Closing your SMA

If you would like to close your SMA, you may elect from the following options:

- sell down your holdings and ask to transfer the proceeds into the WealthDirect Cash Hub; please note that such a sale may trigger a capital gains event, or
- transfer some or all security holdings into a nominated account in your name. Note: A transfer fee is deducted for each security transferred.

If your SMA Model Portfolio has accrued dividends or interest, these amounts will be paid upon receipt.

When you close an SMA you will receive a complete tax summary only after the end of each financial year, once the annual audit is completed.

Other information

Our responsibilities and obligations as the Responsible Entity of the Scheme are governed by the Scheme Constitution, as well as 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. You will be able to obtain a copy of the Constitution from us free of charge on request.

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

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

Assets held on behalf of each investor will not be encumbered except at the express direction of the investor. This could occur if an investor has a margin loan or has selected an SMA Model Portfolio that uses derivatives, such as exchange traded options, to protect or generate additional income. To this end the Responsible Entity will not enter into security lending arrangements or grant security over any other assets of individual investors.

Security holder benefits and rights: with regard to the underlying investments, you are not entitled to security holder benefits such as a discount card nor will you receive annual reports or invitations to annual general meetings of any company in which investments are made. We reserve the right to choose if and how to vote in security holder meetings or on behalf of investors.

Portfolio termination: under the Constitution, we have the right to terminate an investment in the SMA after 14 days notice and without stating reasons.

Corporate actions: for securities held in an SMA Model Portfolio, the investment manager has total discretion over corporate actions (whereas, for example, in the ASX Listed Securities Service you make decisions around any corporate actions relating to securities you hold).

Complaints resolution

See page 6 above.

Taxation

Registered managed investment schemes do not pay tax on behalf of members. Members are assessed for tax on any income and capital gains generated by the scheme.

The tax information set out below is based on the assumption that the investor is an individual Australian resident investing on a capital account. This information is of a general nature and based on our understanding of current tax laws.

Income and expenses: dividends, interest and other assessable income will be taxable in the hands of the investor as though they held the investments directly and derived the income themselves. Similarly, imputation credits and any other tax credits are for the benefit of the investor. To obtain that benefit you must generally hold the relevant securities at risk for more than 45 days (90 days for preference securities) to be entitled to the credit.

Generally, expenses incurred for the purposes of deriving assessable income are considered deductible for tax purposes. Brokerage incurred on the acquisition or disposal of securities forms part of the cost base of securities. Management expense recovery (if any), audit, custodian and transfer fees are treated as deductible expenses.

Security transfer treatments and capital gains tax: provided there is no change in underlying beneficial ownership of the securities transferred, the transfer of a security holding to or from the SMA would not ordinarily crystallise a gain or loss on that holding. Each parcel of securities retains its capital gains tax cost base upon transfer into the SMA.

Following transfer, all subsequent capital gains history is maintained electronically as transactions occur. On transfer out, a current capital gains position for each parcel transferred out can be provided.

The accuracy of the information provided in the capital gains reports depends on the accuracy of the initial information provided by the investor when transferring parcels into the SMA.

Tax report: we provide an annual taxation statement that identifies your taxable income and tax credits and provides information to assist you to complete your tax return.

We aim to provide the taxation summary report by the 30th of September each year. However, as we are reliant on information from third parties, this may be delayed due to the nature of the underlying assets (for example property trusts, stapled securities and infrastructure funds which often take an extended period to issue their taxation reports).

Independent auditors audit the accounting system and the controls applied to produce that summary. Their report is included with the taxation summary report.

GST: GST is payable on most fees and expenses. Unless stated otherwise, all fees and expenses outlined in this PDS are quoted inclusive of GST.

Tax File Number: the Account Opening Application Form makes provision for the quotation by the investor of their Tax File Number, Australian Business Number or details of any exemption from the need to quote. Quotation is optional. If an investor does not choose to provide one of these alternatives, then we may be obliged to deduct tax at the highest marginal tax rate plus the Medicare Levy from any income received on the investor's behalf.

Part 3: Fees and other charges

All fees and charges shown include GST.

Differential fees

In accordance with the Corporations Act, we may individually negotiate fees with investors classed as “wholesale” or “professional” investors on the basis of the value of their investments. We may also offer reduced fees to our employees, and those of any related bodies corporate.

1. Account Fee

Account Fee p.a.	Amount
This fee covers the cost of providing you with comprehensive tax reporting on your portfolio, and is in addition to the other fees shown.	\$100

2. ASX Listed Securities Service

Fee	Amount
Administration Fee per security per annum*	\$139
Transaction Fee Charged per security bought or sold.	Greater of \$25.00 or 0.15% of the transaction value
Listed Securities Management Fee Charged when documents are processed in relation to a transaction including: <ul style="list-style-type: none"> ▪ corporate actions ▪ tax statement processing and excluding: <ul style="list-style-type: none"> ▪ cash dividend payments, and ▪ purchase and sale transactions covered by the Transaction Fee. 	\$25.00

* This is a flat fee that is not dependent on the size of the holding in each security. For example, if you held two securities – say, 10,000 BHP and 5,000 TLS – your annual fee would be \$278.

3. Fees for the SMA Model Portfolios

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 Fund 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 investor services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. 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) website, www.moneysmart.gov.au, has a managed investment fee calculator to help you check out different fee options.

The above consumer advisory warning is required under Australian law.

This section shows the fees and costs that you may be charged. These fees and costs may be deducted from your money or from returns on your investment. Taxes are set out in another part of this Service Guide.

You should read all the information about fees and costs because it is important to understand their impact on your investment. You may wish to discuss this information with your financial adviser.

Fees and costs for particular investment options are set out in the SMA Model Portfolio Guide, a separate document that forms part of this PDS.

Fee summary

Fee type	Amount	How and when paid
Fees when your money moves in or out of the account		
Establishment fee	Nil	Not applicable.
Transfer in fees	Nil	Not applicable.
Withdrawal fee*	Nil	Not applicable.
Termination fee* #	Nil	Not applicable.
Security transfers out of the SMA (per CHESS security)	\$29	Paid when you transfer securities and deducted from your account.

* Brokerage will be incurred when buying and selling securities to meet withdrawal and termination requests.

Any accrued fees will be deducted at the time you close your account.

Fee type	Amount	How and when paid										
Management costs p.a.												
Administration fees are the costs associated with administering your investment.	<table border="1"> <tr> <td>Up to \$100,000</td> <td>0.550%</td> </tr> <tr> <td>\$100,001 - \$500,000</td> <td>0.495%</td> </tr> <tr> <td>\$500,001 - \$1m</td> <td>0.350%</td> </tr> <tr> <td>\$1m to \$2m</td> <td>0.250%</td> </tr> <tr> <td>Above \$2m</td> <td>0.035%</td> </tr> </table>	Up to \$100,000	0.550%	\$100,001 - \$500,000	0.495%	\$500,001 - \$1m	0.350%	\$1m to \$2m	0.250%	Above \$2m	0.035%	Calculated daily on the Net Asset Value and paid from your account monthly in arrears.
Up to \$100,000	0.550%											
\$100,001 - \$500,000	0.495%											
\$500,001 - \$1m	0.350%											
\$1m to \$2m	0.250%											
Above \$2m	0.035%											
Investment Manager fee is the fee payable to the investment manager.	See details in the SMA Model Portfolio Guide.	Calculated daily on the Net Asset Value and paid from your account monthly in arrears.										
Audit and Compliance fee	\$150 per account.	Paid from your account quarterly in arrears. Paid from your account quarterly in arrears. If you close your account, the balance of that year's fee will be deducted from your closing account balance.										
Custodian fee. Is additional to and not paid out of our administration fee.	The Custodian may charge up to 0.055% per annum.	Calculated daily on the Net Asset Value and paid from your account monthly in arrears.										
Service fees												
Switching fee - fee for changing investment options.◊	Nil	Not applicable.										
Brokerage for securities (This fee is incurred when we buy and sell listed securities.)	0.33% of the value of each transaction	Brokerage fees are paid for in the price of each transaction.										
Brokerage for netting (This fee is incurred when we net purchases against sales.)	Brokerage fees may apply to transactions at the rate of 0.22% of the value of each transaction.	Brokerage fees are paid for in the price of each transaction.										

◊ The cost of switching between SMA Model Portfolios is the cost of selling down securities and buying other securities to bring your investments into line with the new SMA Model Portfolios you have selected. In this instance, brokerage will be incurred and capital gains or losses may be realised.

Additional explanation of fees

Brokerage

Brokerage costs cover buying and selling investments in your SMA and may include Government taxes, bank charges and stamp duty (if any). We implement all transactions on behalf of the Scheme and earn brokerage rebates on some transactions we directly implement. These rebates vary up to 0.275% (including GST) of the value of each security transaction and can be received by way of non cash services and are not returned to investors.

In some cases, the transactions required to produce the required SMA Model Portfolio's structure will be too small to take to market (in many cases, brokers do not want to deal in parcels with a value below \$2,000). If this occurs, we may transfer securities to or from holdings held on our own account. When this occurs, a netting fee will be charged and this will be 0.22% of the value of each security transaction. In some cases, it may be appropriate to 'cross' securities between SMA Model Portfolios and this may result in a benefit to us.

Investment Manager fee

A proportion of the investment management fee may be paid to AdviceNet and may vary according to the agreement in place, which in turn reflects the contribution to the distribution process. Any payment is made by the investment manager and is not an additional charge against your SMA.

Treatment of recoverable expenses

Fees charged for the SMA may be eligible for GST reduced input tax credits (RITCs). We have the right to claim any RITCs in respect of these fees and you agree we can retain the benefit of the credits. We are entitled to be reimbursed for disbursements which are properly incurred in connection with administering the service including audit, legal, compliance and tax consulting fees. We will absorb any such expenses we incur out of the fees we receive and any RITC we receive. If abnormal expenses do become payable by you then they will be allocated to your SMA when they are incurred and you will be notified accordingly.

Commissions

We may receive commissions, based on the value of investments, from the issuers of products which make up assets of the Scheme. Such products may include managed funds. Additionally, where an investor takes out a margin loan to invest in the Scheme, we may receive commissions based on the value of the loan. The rates of commission payable on these financial products are set by the issuers. Where a trailing commission is paid to us, the trail is paid from the product provider and is not deducted from the investor's account.

Variation of fees

Under the constitution we may vary the fees that the Responsible Entity is entitled to receive up to a maximum of 2.5% per annum. If a variation results in increased fees or charges, we will give you at least 30 days' advance notice.

Example of fees and costs

The following table gives an example of how fees and costs for the WealthDirect SMA can affect your investment over a one year period based on a \$50,000 investment in one account. The sample is based on the Proactive Portfolios Balanced Model Portfolio and assumes a \$5,000 additional deposit made at the start of the year.

You should use this table to compare the SMA with other managed investment products.

Example – Proactive Portfolios Balanced Model Portfolio		Balance of \$50,000 with contribution of \$5,000 during the year
Contribution fee	Nil	There is no fee for making contributions.
Brokerage	Up to 0.33%	For every additional \$5,000 that you use to purchase shares you would be charged brokerage of up to \$16.50.
Plus Administration fee	0.550% per annum	For every \$50,000 you have in the SMA Model Portfolio up to \$100,000 you will be charged \$275.00.
Plus Investment Management fee	0.680% per annum	And for every \$50,000 you have in the SMA Model Portfolio you will be charged \$340.00 each year.
Plus Audit and Compliance fee	\$150.00 per annum	And you will be charged \$150.00 each year.
Plus Custodian fee	Up to 0.055% per annum	And for every \$50,000 you have in the SMA Model Portfolio you will be charged \$27.50 each year.
EQUALS total costs		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 then for that year you would be charged \$873.25

4. Fees for the Managed Funds Wrap service

The total fees and charges you pay will include the costs of the service as well as the costs of the managed funds you choose. It is important that you understand the fees of any investment you choose and that those fees are in addition to the fees charged by us for the service, together with transaction and account costs incurred on your behalf. The costs of the investments you choose will generally be set out in a disclosure document for the investments.

The following table shows the fees charged in the service:

Fees when your money moves in or out of the service			
Transfer of a managed fund in or out of the service.	\$35		Debited to account when incurred.
Charges for making a transaction	Nil. Some managed funds may charge transaction costs e.g. a buy/sell spread in their unit price.		See the PDS for the relevant managed fund for details of any transaction costs.
Management costs			
<i>Administration Fee p.a.</i> Annual fee charged for administering your investment, including the fees of the Custodian. This fee covers including all your investments in managed funds and cash held through the Managed Funds Wrap Service. If you have more than one account (tax entity), the Administration Fee will be calculated separately for each of your accounts.	Up to \$100,000	0.550%*	Paid from your account monthly in arrears.
	\$100,001 - \$500,000	0.495%	
	\$500,001 - \$1m	0.250%	
	\$1m to \$2m	0.150%	
	Above \$2m	0.035%	
	* subject to minimum fee of \$350.		

Additional fees

A fee of \$50 that may be deducted from your WealthDirect Cash Hub as incurred:

- for each copy that we supply you with, upon your request, of communications we are legally entitled to receive as holder of your managed funds (e.g. annual reports)
- for each dishonour of a direct debit or cheque, and
- whenever we do one-off work at your request.

Fee examples

If your account balance is \$600,000, your maximum annual Administration fee would be:

	Fees in %	Fees in \$
First \$100,000	0.550%	\$550.00
\$100,00 - \$500,000	0.495%	\$1,980.00
\$500,000 - \$600,000	0.250%	\$250.00
TOTAL	0.463%	\$2,780.00

Managed fund ongoing fees

Each managed fund has ongoing management fees and charges, usually expressed as an Indirect Cost Ratio (ICR) – a percentage per annum of the average value of the fund over the year. The ICR will be disclosed in the relevant fund’s PDS, and will generally range from approximately 0.20%pa to 1.25%pa.

The table below (which is for example purposes only) shows an estimate of the total fees and charges you might pay for an investment of \$100,000 in the Managed Funds Wrap Service (including our Administration Fee plus a range of possible ICRs for an underlying managed fund):

Example:

	Low ICR	Mid ICR	High ICR
Administration Fee	\$550	\$550	\$550
Ongoing Fee (ICR) :			
0.20%	\$200		
0.90%		\$900	
1.25%			\$1,250
Total ongoing fees	\$750	\$1,450	\$1,800

Treatment of recoverable expenses

Fees charged for Managed Funds Wrap Service may be eligible for GST reduced input tax credits (RITCs). We have the right to claim any RITCs in respect of these fees and you agree we can retain the benefit of the credits. We are entitled to be reimbursed for disbursements which are properly incurred in connection with administering the service including audit, legal, compliance and tax consulting fees. We will absorb any such expenses we incur out of the fees we receive and any RITC we receive. If abnormal expenses do become payable by you then they will be allocated to your account when they are incurred and you will be notified accordingly.

6. Other Information regarding fees

Our fees may be tax-deductible. We make every effort possible to keep non-tax-deductible fees to a minimum. We may vary the fees specified above. If the variation results in increased fees or charges, we will give you at least 30 days advance notice.

If the fees in your WealthDirect Cash Hub are insufficient to pay the whole or any part of any agreed fees set out above owing from time to time, then you agree that we may restore your WealthDirect Cash Hub by firstly withdrawing cash from any SMA Model Portfolio that you hold, and secondly selling any investments that are held in custody on the WealthDirect UMA.

If fees remain outstanding then your account will be closed. You will not be entitled to a tax report and we will retain any documents relating to your account until the fees are paid.

Interest will accrue on any fees that remain unpaid 30 days after the due date.

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