

# Pearl YourChoice Super Managed Account Model Portfolio Guide

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PEARL



Pearl YourChoice Super

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## Important information

This document is part of the OneVue Managed Account Product Disclosure Statement (PDS). This document must be read together with the PDS, which contains essential information about the OneVue Managed Account (Managed Account).

None of the Investment Managers named herein or any of their associates and subsidiaries has prepared this document, or is responsible for its contents.

No one described in this document assures or guarantees the success of your investment, any particular Model Portfolio, the repayment of capital or a particular rate of return.

Nothing in this document should be taken as the provision of personal financial advice by either the Responsible Entity, any Investment Manager named herein, or any of their representatives, associates or subsidiaries, because none of these parties are aware of your investment objectives, financial position or particular needs. No action should be taken without your consideration of your particular financial circumstances and investment objectives.

The performance of each Model Portfolio is dependent on the performance of the underlying investments in the selected Model Portfolios which can fall as well as rise in value, resulting in capital losses or capital profits. Investors should not take past performance as an indication of future performance. The general market and economic conditions that existed in the past could be different in the future and these differences could have significant impact on investment returns.

All of the Investment Managers have given and have not withdrawn their written consent to being named in this document as the Portfolio Manager in respect of the Model Portfolios included in this Managed Account Model Portfolio Guide in the form and context in which they are included. Investment Managers do not make any other statements in this document.

The Investment Managers are responsible for managing the Model Portfolios in accordance

with the key investment parameters set out in this Managed Account Model Portfolio Guide. They do not hold any assets on your behalf nor are they responsible for executing trading in the underlying investments.

The Investment Managers are the owners of all intellectual property in the selection process used to determine each Model Portfolio and that intellectual property must not be disclosed or used other than for the purpose of obtaining advice on, or for the administration, monitoring, management, and the satisfaction of legal obligations in respect of, the investor's account.

From time to time new Model Portfolios and Investment Managers will be added. You can find this information on the website shown below.

### Contact details

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Responsible Entity:

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# Investment choices

NAME	MODEL PORTFOLIO TYPE	BENCHMARK
DNR Capital Australian Equities High Conviction	Australian shares	S&P/ASX 200 Accumulation Index
DNR Capital Australian Equities Income	Australian shares	S&P/ASX 200 Industrials Accumulation Index
DNR Capital Australian Listed Property Trust	Australian Shares Listed Property Trusts	S&P/ASX 200 Property Trust Accumulation Index
Pearl Balanced	Multi-Sector Listed Securities and unlisted funds	Morningstar Moderate Target Risk
Pearl Conservative	Multi-Sector Listed Securities and unlisted funds	Morningstar Conservative Target Risk
Pearl Growth	Multi-Sector Listed Securities and unlisted funds	Morningstar Moderately Aggressive Risk
Pearl High Growth	Multi-Sector Listed Securities and unlisted funds	Morningstar Aggressive Target Risk
Pearl Australian Share	Australian shares	ASX 200 Accumulation Index
Pearl Emerging Leaders	Australian shares	ASX Small Ordinaries Accumulation Index
Pearl Income	Cash ASX-listed Bonds, Fixed Interest ETFs, Hybrid and Debt Securities	UBS Bank Bill Index
Pearl International Share	International shares	MSCI World Index (excluding Australia)
Ralton Australian Shares	Australian shares	S&P/ASX 300 Accumulation Index

NAME	MODEL PORTFOLIO TYPE	BENCHMARK
Ralton High Yield Australian Shares	Australian shares	S&P/ASX 300 Accumulation Index
Ralton Leaders	Australian shares	S&P/ASX 100 Accumulation Index
Ralton Smaller Companies	Australian shares	S&P/ASX Small Ordinaries Accumulation Index
SG Hiscock 20	Australian shares	S&P/ASX 300 Accumulation Index

# Investment Managers



**DNR Capital** is an Australian investment management company that delivers client-focused, quality, investment solutions to institutions, advisers and individual investors.

Founded in 2001, DNR Capital specialises in the delivery of individually and separately managed accounts in the Australian market and aims to deliver investment out-performance to investors.

DNR Capital is a signatory to the Principles for Responsible Investment ('PRI').



**Pearl Funds Management (PFM)** is a specialist Separately Managed Account (SMA) Provider. PFM leverages the expertise of a highly-credentialed investment team to form a global thematic view that determines asset class and sector allocations. Our investment committee structure differs for each SMA and is chaired by an individual with niche expertise and a proven track record for managing portfolios within that asset class. With a research process that is both rigorous and thorough we have been able to deliver strong historical returns across our full suite of SMA's. An investment in a Pearl SMA provides professional and active investment management with full transparency of holdings, transactions and structure. Pearl seeks to form a collaborative relationship with advisers, actively communicating portfolio strategy in the current market environment so that advisers are better equipped to communicate with their clients.



**Ralton Asset Management Limited** is a boutique investment manager owned and operated by experienced investment professionals. It is a highly focused value manager with an investment philosophy and research-driven investment approach that has been developed over many years. And as one of Australia's only managers specialising in separately managed accounts, Ralton is able to combine active portfolio management with the best features of direct share ownership. The end result is a highly transparent and tax efficient investment portfolio professionally managed by Ralton.



**SG Hiscock** (SGH) was founded by Stephen Hiscock and 5 other principals in August 2001 and is 100% owned by staff and associates. The principals were formerly employed at National Asset Management (NAM), a subsidiary of National Australia Bank Limited. SGH has a range of funds and a mix of wholesale clients in Australia as well as a number of high net worth and retail clients.

# Model Portfolios

## DNR Capital Australian Equities High Conviction

Benchmark	S&P/ASX 200 Accumulation Index				
Investment universe	<ul style="list-style-type: none"> <li>ASX listed securities with a focus on the S&amp;P/ASX 200 Accumulation Index, and</li> <li>Cash and short term money market securities.</li> </ul>				
Investment objective	To outperform the S&P/ASX 200 Accumulation Index by 4% p.a. (before fees) over a rolling three year period.				
Investment strategy	<p>The model portfolio has an investment style best described as style neutral. The security selection process has a strong bottom-up discipline and focuses on buying quality companies at reasonable prices.</p> <p>Company research focuses on quality and valuation. DNR Capital uses a five point 'quality web' in which five quality factors are reviewed. The key criteria are as follows:</p> <ol style="list-style-type: none"> <li>1. Industry positioning to identify superior positioning, competitive advantage and ability to sustain returns.</li> <li>2. Earnings strength as determined by quantitative data scores based on factors such as a security's return on equity (ROE).</li> <li>3. Balance sheet strength as determined by quantitative data scores based on factors such as a security's net debt to equity ratio.</li> <li>4. A management score which is a subjective measure based on experience and extensive company meetings with weight given to those management teams with a history of good allocation of capital.</li> <li>5. An ESG score derived from the DNR Capital socially responsible assessment which utilises data from an external service provider as well as its own assessment. Key regard is made to tail risks that could impact valuation.</li> </ol> <p>Where the security passes this quality assessment then a range of valuation methodologies are used to identify value having regard for the industry and circumstances of the business.</p> <p>Having identified securities with attractive quality and value characteristics, consideration is given to risk characteristics such as the security and sector correlations of investments.</p> <p>The portfolio construction process is also influenced by a top-down economic appraisal. A range of economic indicators are reviewed regularly and these measures are used to formulate an economic overview which provides a backdrop to investment decision making and influences portfolio construction.</p>				
Designed for investors who	Have a long-term investment objective focused on achieving growth, with less focus on generating excess income. The investor is prepared to accept higher volatility in pursuit of higher growth.				
Number of shares	15 - 30				
Asset allocation ranges	<table> <tr> <td>ASX listed securities</td> <td>80 – 98%</td> </tr> <tr> <td>Cash</td> <td>2* – 20%</td> </tr> </table> <p>* Cash may fall below this level but will be restored on rebalancing</p>	ASX listed securities	80 – 98%	Cash	2* – 20%
ASX listed securities	80 – 98%				
Cash	2* – 20%				
Single share limits	15% maximum				
Minimum investment horizon	5 years				
Investment Management fee	0.80% pa				

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Minimum investment	\$25,000
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## DNR Capital Australian Equities Income

Benchmark	S&P/ASX 200 Industrials Accumulation Index
Investment universe	<ul style="list-style-type: none"> <li>ASX listed securities with a focus on the S&amp;P/ASX 200 Industrials Index;</li> <li>Cash and short term money market securities.</li> </ul>
Investment objective	The investment objective is to outperform the S&P/ASX 200 Industrials Accumulation Index by 4% p.a. (before fees) over a rolling three year period and deliver a yield above the market.
Investment strategy	<p>The model portfolio also has a preference for companies that have high and sustainable dividend capability, strong profit to cash conversion, and relatively assured earnings growth. Companies that generate franking credits predominate. The model portfolios style is best described as style neutral. The security selection process has a strong bottom-up discipline and focuses on buying quality companies at reasonable prices.</p> <p>Company research focuses on quality and valuation. DNR Capital uses a five point 'quality web' in which five quality factors are reviewed. The key criteria are as follows:</p> <ol style="list-style-type: none"> <li>1. Industry positioning to identify superior positioning, competitive advantage and ability to sustain returns.</li> <li>2. Earnings strength as determined by quantitative data scores based on factors such as a security's return on equity (ROE).</li> <li>3. Balance sheet strength as determined by quantitative data scores based on factors such as a security's net debt to equity ratio.</li> <li>4. A management score which is a subjective measure based on experience and extensive company meetings with weight given to those management teams with a history of good allocation of capital.</li> <li>5. An ESG score derived from the DNR Capital socially responsible assessment which utilises data from an external service provider as well as its own assessment. Key regard is made to tail risks that could impact valuation.</li> </ol> <p>The focus on yield is on the portfolio as a whole. DNR Capital focuses on a growing, sustainable dividend yield above the market.</p> <p>Where the security passes this quality assessment then a range of valuation methodologies are used to identify value having regard for the industry and circumstances of the business.</p> <p>Having identified securities with attractive quality and value characteristics, consideration is given to risk characteristics such as the security and sector correlations of investments.</p> <p>The portfolio construction process is also influenced by a top-down economic appraisal. A range of economic indicators are reviewed regularly and these measures are used to formulate an economic overview which provides a backdrop to investment decision making and influences portfolio construction.</p>
Designed for investors who	Seek a greater level of income than the S&P/ASX 200 Industrials Accumulation Index and who can make use of franking credits.
Number of shares	15 - 30

Asset allocation ranges	ASX listed securities	80 – 98%
	Cash	2* – 20%
	* Cash may fall below this level but will be restored on rebalancing	
Single share limits	15% maximum	
Minimum investment horizon	5 years	
Investment Management fee	0.80% pa	
Minimum investment	\$25,000	

## DNR Capital Australian Listed Property Trust

Benchmark	S&P/ASX 200 A-REIT Accumulation Index
Investment universe	ASX listed securities with a focus on S&P/ASX 200 A-REITs; and Cash and short term money market securities.
Investment objectives	The investment objective is to outperform the S&P/ASX 200 A-REIT Accumulation Index by 4%p.a. over a rolling 3 year period.
Investment strategy	<p>DNR Capital believes that patient capital will prosper as quality LPT's will exhibit superior dividend and capital growth and thus outperform as the market ascribes them a premium.</p> <p>The investment process uses a combination of 'bottom up' stock selection with a 'top down' overlay. The bottom up stock selection process will favour stocks with the following characteristics:</p> <ul style="list-style-type: none"> <li>• Strong underlying assets – DNR Capital believe higher quality assets will outperform through the business cycle both in terms of capital appreciation and yield growth.</li> <li>• Low to medium debt levels - DNR Capital invests in securities where the debt profile is appropriate given the quantum and nature of cash flow produced from the underlying portfolio.</li> <li>• High quality management with a strong track record of delivering asset and share price performance.</li> <li>• Stable portfolio investment strategy - DNR Capital believes a changing asset mix can be a signal of problems or poor management.</li> <li>• DNR Capital follows a range of economic indicators that are reviewed regularly from a top down portfolio perspective. These measures are used to formulate an economic overview which provides a backdrop to investment decision making and influences portfolio construction.</li> </ul>
Designed for investors who	Seek an active but disciplined exposure to Australian Listed Property Trusts over the medium to long term.
Number of shares	4 - 8
Asset allocation ranges	<p>ASX listed securities            80 – 98%</p> <p>Cash                                    2* – 20%</p> <p>* Cash may fall below this level but will be restored on rebalancing</p>
Single Share limits	35% maximum
Minimum investment horizon	5 years
Investment management fee	0.968% pa
Minimum investment	\$25,000

## Pearl Balanced

Benchmark	Morningstar Moderate Target Risk																																				
Investment universe	The Portfolio will invest in a range of Separately Managed Accounts (both ASX Listed and Internationally Listed) and managed funds																																				
Investment objectives	To generate a return 2-3% over the benchmark over a 5 year period.																																				
Investment strategy	<p>The Portfolio invests in SMA's and managed funds covering all asset classes. Taking a top-down macro-economic approach to asset allocation and stock selection combined with bottom-up fundamental share analysis the manager seeks to isolate the optimum allocation to both asset class and individual share holdings.</p> <p>The international equities component will be invested in SMAs that will target 50% in Exchange Traded Funds and 50% in direct securities. The manager may use up to 100% of the international allocation in either.</p> <p>The operating ranges for asset allocation are broad and allow for low or high allocations to asset classes so as to provide the optimum outcome for investors in all market environments.</p>																																				
Designed for investors who	Want to achieve sound medium to longer term returns whilst taking on moderate risk.																																				
Asset allocation ranges	<table border="1"> <thead> <tr> <th></th> <th>Min</th> <th>Max</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>2%*</td> <td>60%</td> <td>5%</td> </tr> <tr> <td>Fixed Income</td> <td>0%</td> <td>60%</td> <td>35%</td> </tr> <tr> <td>Alternative Assets</td> <td>0%</td> <td>15%</td> <td>0%</td> </tr> <tr> <td><b>Defensive Assets</b></td> <td><b>20%</b></td> <td><b>80%</b></td> <td><b>40%</b></td> </tr> <tr> <td>Listed Property</td> <td>0%</td> <td>10%</td> <td>5%</td> </tr> <tr> <td>Australian Equities</td> <td>10%</td> <td>80%</td> <td>30%</td> </tr> <tr> <td>International Equities</td> <td>0%</td> <td>60%</td> <td>25%</td> </tr> <tr> <td><b>Growth Assets</b></td> <td><b>20%</b></td> <td><b>80%</b></td> <td><b>60%</b></td> </tr> </tbody> </table> <p>* Cash may fall below this level but will be restored on rebalancing</p>		Min	Max	Target	Cash	2%*	60%	5%	Fixed Income	0%	60%	35%	Alternative Assets	0%	15%	0%	<b>Defensive Assets</b>	<b>20%</b>	<b>80%</b>	<b>40%</b>	Listed Property	0%	10%	5%	Australian Equities	10%	80%	30%	International Equities	0%	60%	25%	<b>Growth Assets</b>	<b>20%</b>	<b>80%</b>	<b>60%</b>
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Cash	2%*	60%	5%																																		
Fixed Income	0%	60%	35%																																		
Alternative Assets	0%	15%	0%																																		
<b>Defensive Assets</b>	<b>20%</b>	<b>80%</b>	<b>40%</b>																																		
Listed Property	0%	10%	5%																																		
Australian Equities	10%	80%	30%																																		
International Equities	0%	60%	25%																																		
<b>Growth Assets</b>	<b>20%</b>	<b>80%</b>	<b>60%</b>																																		
Minimum investment horizon	At least 5 years																																				
Investment management fee	0.77% pa																																				
Indirect Cost Ratio	0.09% p.a. of the investment value of the Managed Account Model Portfolios.																																				
Minimum investment	\$200,000																																				

## Pearl Conservative

Benchmark	Morningstar Conservative Target Risk																																				
Investment universe	The Portfolio will invest in a range of Separately Managed Accounts (both ASX Listed and Internationally Listed) and managed funds																																				
Investment objectives	To generate a return 2% over the benchmark over a 5 year period.																																				
Investment strategy	<p>The Portfolio invests in SMA's and managed funds covering all asset classes. Taking a top-down macro-economic approach to asset allocation and stock selection combined with bottom-up fundamental share analysis the manager seeks to isolate the optimum allocation to both asset class and individual share holdings.</p> <p>The international equities component will be invested in an SMA that comprises Exchange Traded Funds.</p> <p>The operating ranges for asset allocation are broad and allow for low or high allocations to asset classes so as to provide the optimum outcome for investors in all market environments.</p>																																				
Designed for investors who	Want to achieve sound medium to longer term returns with moderate to minimal risk.																																				
Asset allocation ranges	<table border="1"> <thead> <tr> <th></th> <th>Min</th> <th>Max</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>2%*</td> <td>80%</td> <td>10%</td> </tr> <tr> <td>Fixed Income</td> <td>0%</td> <td>80%</td> <td>45%</td> </tr> <tr> <td>Alternative Assets</td> <td>0%</td> <td>15%</td> <td>5%</td> </tr> <tr> <td><b>Defensive Assets</b></td> <td><b>40%</b></td> <td><b>80%</b></td> <td><b>60%</b></td> </tr> <tr> <td>Listed Property</td> <td>0%</td> <td>10%</td> <td>5%</td> </tr> <tr> <td>Australian Equities</td> <td>0%</td> <td>60%</td> <td>25%</td> </tr> <tr> <td>International Equities</td> <td>0%</td> <td>40%</td> <td>10%</td> </tr> <tr> <td><b>Growth Assets</b></td> <td><b>20%</b></td> <td><b>60%</b></td> <td><b>40%</b></td> </tr> </tbody> </table> <p>* Cash may fall below this level but will be restored on rebalancing</p>		Min	Max	Target	Cash	2%*	80%	10%	Fixed Income	0%	80%	45%	Alternative Assets	0%	15%	5%	<b>Defensive Assets</b>	<b>40%</b>	<b>80%</b>	<b>60%</b>	Listed Property	0%	10%	5%	Australian Equities	0%	60%	25%	International Equities	0%	40%	10%	<b>Growth Assets</b>	<b>20%</b>	<b>60%</b>	<b>40%</b>
	Min	Max	Target																																		
Cash	2%*	80%	10%																																		
Fixed Income	0%	80%	45%																																		
Alternative Assets	0%	15%	5%																																		
<b>Defensive Assets</b>	<b>40%</b>	<b>80%</b>	<b>60%</b>																																		
Listed Property	0%	10%	5%																																		
Australian Equities	0%	60%	25%																																		
International Equities	0%	40%	10%																																		
<b>Growth Assets</b>	<b>20%</b>	<b>60%</b>	<b>40%</b>																																		
Minimum investment horizon	At least 5 years																																				
Investment management fee	0.66% pa																																				
Indirect Cost Ratio	0.07% p.a. of the investment value of the Managed Account Model Portfolios.																																				
Minimum investment	\$150,000																																				

## Pearl Growth

Benchmark	Morningstar Moderately Aggressive Risk																																				
Investment universe	The Portfolio will invest in a range of Separately Managed Accounts (both ASX Listed and Internationally Listed) and managed funds																																				
Investment objectives	To generate a return 3% over the benchmark over a 5 year period.																																				
Investment strategy	<p>The Portfolio invests in SMA's and managed funds covering all asset classes. Taking a top-down macro-economic approach to asset allocation and stock selection combined with bottom-up fundamental share analysis the manager seeks to isolate the optimum allocation to both asset class and individual share holdings.</p> <p>The international equities component will be invested in SMAs that will target 50% in Exchange Traded Funds and 50% in direct securities. The manager may use up to 100% of the international allocation in either.</p> <p>The operating ranges for asset allocation are broad and allow for low or high allocations to asset classes so as to provide the optimum outcome for investors in all market environments.</p>																																				
Designed for investors who	Want to achieve higher medium to longer term returns whilst comfortable taking on higher than moderate risk levels.																																				
Asset allocation ranges	<table border="1"> <thead> <tr> <th></th> <th>Min</th> <th>Max</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>2%*</td> <td>30%</td> <td>2%</td> </tr> <tr> <td>Fixed Income</td> <td>0%</td> <td>40%</td> <td>18%</td> </tr> <tr> <td>Alternative Assets</td> <td>0%</td> <td>15%</td> <td>0%</td> </tr> <tr> <td><b>Defensive Assets</b></td> <td><b>10%</b></td> <td><b>70%</b></td> <td><b>20%</b></td> </tr> <tr> <td>Listed Property</td> <td>0%</td> <td>10%</td> <td>5%</td> </tr> <tr> <td>Australian Equities</td> <td>15%</td> <td>90%</td> <td>40%</td> </tr> <tr> <td>International Equities</td> <td>0%</td> <td>75%</td> <td>35%</td> </tr> <tr> <td><b>Growth Assets</b></td> <td><b>30%</b></td> <td><b>90%</b></td> <td><b>80%</b></td> </tr> </tbody> </table> <p>* Cash may fall below this level but will be restored on rebalancing</p>		Min	Max	Target	Cash	2%*	30%	2%	Fixed Income	0%	40%	18%	Alternative Assets	0%	15%	0%	<b>Defensive Assets</b>	<b>10%</b>	<b>70%</b>	<b>20%</b>	Listed Property	0%	10%	5%	Australian Equities	15%	90%	40%	International Equities	0%	75%	35%	<b>Growth Assets</b>	<b>30%</b>	<b>90%</b>	<b>80%</b>
	Min	Max	Target																																		
Cash	2%*	30%	2%																																		
Fixed Income	0%	40%	18%																																		
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Listed Property	0%	10%	5%																																		
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International Equities	0%	75%	35%																																		
<b>Growth Assets</b>	<b>30%</b>	<b>90%</b>	<b>80%</b>																																		
Minimum investment horizon	At least 5 years																																				
Investment management fee	0.77% pa																																				
Indirect Cost Ratio	0.12% p.a. of the investment value of the Managed Account Model Portfolios.																																				
Minimum investment	\$150,000																																				

## Pearl High Growth

Benchmark	Morningstar Aggressive Target Risk																																				
Investment universe	The Portfolio will invest in a range of Separately Managed Accounts (both ASX Listed and Internationally Listed) and managed funds																																				
Investment objectives	To generate a return 5% over the benchmark over a 5 year period.																																				
Investment strategy	<p>The Portfolio invests in SMA's and managed funds covering all asset classes. Taking a top-down macro-economic approach to asset allocation and stock selection combined with bottom-up fundamental share analysis the manager seeks to isolate the optimum allocation to both asset class and individual share holdings.</p> <p>The operating ranges for asset allocation are broad and allow for low or high allocations to asset classes so as to provide the optimum outcome for investors in all market environments.</p>																																				
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	Min	Max	Target																																		
Cash	2%*	40%	2%																																		
Fixed Income	0%	40%	8%																																		
Alternative Assets	0%	15%	0%																																		
<b>Defensive Assets</b>	<b>2%</b>	<b>60%</b>	<b>10%</b>																																		
Listed Property	0%	10%	5%																																		
Australian Equities	20%	88%	45%																																		
International Equities	10%	78%	40%																																		
<b>Growth Assets</b>	<b>40%</b>	<b>98%</b>	<b>90%</b>																																		
Minimum investment horizon	At least 5 years																																				
Investment management fee	0.88% pa																																				
Indirect Cost Ratio	0.14% p.a. of the investment value of the Managed Account Model Portfolios.																																				
Minimum investment	\$150,000																																				

## Pearl Australian Share

Benchmark	ASX 200 Accumulation Index				
Investment universe	Cash S&P/ASX 200 ASX-listed Exchange Traded Funds (ETFs)				
Investment objectives	The main objective of the Australian Share Portfolio is to provide market-leading returns over the medium to long term from a concentrated portfolio of Australian “blue chip” shares, aiming to deliver an investment return (after fees) that outperforms the S&P/ASX200 Accumulation Index over a rolling three-year period.				
Investment strategy	<p>The manager believes that macro-economic cycles drive the majority of share price performance, both short and long term. Recognising that economic cycles have major implications on the volatility of corporate earnings across industries, it seeks to exploit these cycles to achieve higher than index returns over time.</p> <p>Rigorous fundamental analysis is undertaken on businesses to ensure that the portfolio holds high quality investments and companies, shifting the allocation between asset classes and sectors (early, mid or late cycle cyclicals and defensive sectors) given the current and expected economic environment.</p> <p>Pearl also believe that short term market sentiment often creates divergence between valuations and market pricing and looks to exploit this by actively managing overall market exposure and cash weight.</p>				
Designed for investors who	Seek a concentrated portfolio of Australian shares offering medium to long term capital growth and some tax-effective income from their investments.				
Number of shares	15 - 25				
Asset allocation ranges	<table> <tr> <td>ASX-listed securities</td> <td>80 – 98%</td> </tr> <tr> <td>Cash</td> <td>2* – 30%</td> </tr> </table> <p>* Cash may fall below this level but will be restored on rebalancing</p>	ASX-listed securities	80 – 98%	Cash	2* – 30%
ASX-listed securities	80 – 98%				
Cash	2* – 30%				
Single share limits	Index weight +6%				
Minimum investment horizon	At least 5 years				
Investment management fee	0.77% pa				
Minimum investment	\$25,000				

## Pearl Emerging Leaders

Benchmark	ASX Small Ordinaries Accumulation Index																		
Investment universe	ASX ex-100 but greater than 100M in Market Capitalisation																		
Investment objectives	To outperform the Small Ordinaries Accumulation Index over the medium to longer term (three to five years) by 2-3%																		
Investment strategy	<p>The SMA strategy is to identify, and invest in, mispriced listed companies using a fundamental “bottom-up” stock picking approach.</p> <p>Pearl recognises that investment markets are regularly inefficient with regard to the appropriate market pricing of securities, particularly within the market for smaller to mid-cap listed companies. Generally, companies outside the S&amp;P/ASX 100 are not as comprehensively researched as the larger companies. Further, given that many of these smaller companies are typically at the earlier stages of their growth cycle (i.e. emerging growth companies), they are often not fully understood nor appropriately priced by the market relative to their true growth prospects.</p> <p>Pearl’s investment philosophy recognises the existence of pricing inefficiencies, and is focused on conducting in-depth research to identify, appropriately value, and invest in undervalued companies. All investments must offer a clear path (i.e. catalyst) for a positive re-rating to occur, and thereby support favourable investment outcomes.</p>																		
Designed for investors who	Are seeking capital growth with a medium to longer term investment horizon (3-5 years).																		
Number of shares	15-30																		
Asset allocation ranges	<table> <tr> <td>Biotechnology stocks</td> <td>Not included</td> </tr> <tr> <td>Financials</td> <td>0% - 30%</td> </tr> <tr> <td>Retail</td> <td>0% - 25%</td> </tr> <tr> <td>Telecommunications</td> <td>0% - 20%</td> </tr> <tr> <td>Information Technology</td> <td>0% - 20%</td> </tr> <tr> <td>Healthcare</td> <td>0% - 15%</td> </tr> <tr> <td>Media</td> <td>0% - 15%</td> </tr> <tr> <td>Materials</td> <td>0% - 15%</td> </tr> <tr> <td>Resources</td> <td>0% - 10%</td> </tr> </table>	Biotechnology stocks	Not included	Financials	0% - 30%	Retail	0% - 25%	Telecommunications	0% - 20%	Information Technology	0% - 20%	Healthcare	0% - 15%	Media	0% - 15%	Materials	0% - 15%	Resources	0% - 10%
Biotechnology stocks	Not included																		
Financials	0% - 30%																		
Retail	0% - 25%																		
Telecommunications	0% - 20%																		
Information Technology	0% - 20%																		
Healthcare	0% - 15%																		
Media	0% - 15%																		
Materials	0% - 15%																		
Resources	0% - 10%																		
Single share limits	8%																		
Minimum investment horizon	3-5 years																		
Investment management fee	0.77% pa																		
Minimum investment	\$25,000																		

## Pearl Income

Benchmark	UBS Bank Bill Index
Investment universe	Cash ASX-listed Corporate Bonds Exchange Traded Funds (ETF's) ASX-listed Fixed Interest ETF's ASX Hybrid and Debt Securities
Investment objectives	To generate an income return of 2% above the official cash rate (after fees) from a concentrated portfolio of listed bond, hybrid and debt securities. The portfolio should be viewed as defensive with some capital volatility and is not expected to generate any long term capital growth.
Investment strategy	<p>Hybrid securities are higher-yielding investments, generally paying regular income to investors via a defined margin above the prevailing bank bill rate. They are particularly attractive to investors seeking superior yields than available from a cash account or term deposit in a low interest rate environment.</p> <p>The portfolio has a bias towards listed bond exposure and highly rated floating or variable rate securities to minimise interest rate risk, and investment grade issuers. The Investment Committee undertakes the following steps when constructing the portfolio:</p> <ol style="list-style-type: none"> <li>1. Review the current macro environment looking at where positioning in the interest rate cycle and other factors such as global credit spreads.</li> <li>2. Evaluate key details of the issue to ensure it meets the investment criteria evaluating factors such as yield, credit quality of issuer, conversion details, franking, maturity date.</li> <li>3. Undertake thorough analysis to isolate the securities that offer the best risk/return profiles.</li> <li>4. Construct the portfolio then constantly monitor and formally review on a weekly and monthly basis.</li> </ol>
Designed for investors who	Seek higher yields than cash and term deposits and are comfortable with some capital volatility.
Number of shares	Typically between 15-30
Asset allocation ranges	No restrictions within investment universe
Single share limits	Maximum of 15% of portfolio value
Minimum investment horizon	3-5 years
Investment management fee	0.77% pa
Minimum investment	\$25,000

## Pearl International Share

Benchmark	MSCI World Index (excluding Australia)
Investment universe	Medium to Large Cap Listed International Shares and securities included in the MSCI World Index (excluding Australia) and listed on major International stock exchanges. The international stock exchanges currently offered for investment are listed in the 'Global Market Fees' schedule available on the Secure Portal.
Investment objectives	The objective of the Pearl International Share Portfolio is to provide attractive investment returns over the medium to long-term while reducing the risk of permanent capital loss. The Portfolio aims to outperform the MSCI World Index (excluding Australia) over a rolling three-year period by 2 - 3% per annum.
Investment strategy	The Portfolio consists of investments in high-quality global securities and businesses whose shares are listed on major global stock exchanges. The Pearl philosophy for international equity investing is to invest only in businesses with a competitive advantage that operate in industries with high barriers to entry and that are managed by highly regarded managers. Furthermore, these businesses must deliver high returns on shareholders' equity with low gearing, and have a long track record of growth in sales, earnings and dividends. Pearl may also invest in high growth, non-dividend paying businesses if these businesses are dominant players and disrupters in their industries. However, investment in these type of businesses is the exception rather than the rule and exposure to these businesses is limited to no more than 15% of the portfolio.
Designed for investors who	<ul style="list-style-type: none"> <li>• Seek long term capital growth &amp; portfolio diversification</li> <li>• Have a longer-term investment horizon of at least five years and accept the risk of price fluctuations</li> </ul>
Number of shares	15 - 25
Asset allocation ranges	International Shares: 80-100% Cash: 0-20%
Single share limits	No individual stock is to exceed 15% of the portfolio
Minimum investment horizon	At least 5 years
Investment management fee	0.77% pa
Minimum investment	\$25,000

## Ralton Australian Shares

Benchmark	S&P/ASX 300 Accumulation Index
Investment universe	<ul style="list-style-type: none"> <li>Companies that are listed or are about to be listed on the ASX at the time of purchase.</li> <li>Hybrid debt, convertible securities and other types of securities are allowable if listed on the ASX and issued by a qualifying company.</li> </ul> <p>Note: Excluded investments include: derivatives, unlisted securities and foreign listed securities.</p>
Investment objectives	<p>To provide investors with long-term capital growth from a concentrated portfolio of ASX listed securities, and some tax-effective income.</p> <p>To maximise total investment returns from its universe of shares over periods of 5 years or longer regardless of the overall level and direction of the market, while at the same time seeking to minimise the risk of investment capital loss.</p>
Investment strategy	To invest in quality companies that are assessed as likely to provide investors with attractive long term returns, and at the time of purchase are listed, or are about to be listed, on the ASX.
Designed for investors who	<ul style="list-style-type: none"> <li>Seek long term capital growth from a concentrated portfolio of ASX listed securities, with some tax-effective income.</li> <li>Expect consistent above market returns.</li> <li>Have a long term investment horizon of at least five years and accept the risk of significant price fluctuations.</li> </ul>
Number of shares	Generally 20 - 35
Asset allocation ranges	<p>ASX listed securities            90 – 98%</p> <p>Cash                                    2* – 10%</p> <p>* Cash may fall below this level but will be restored on rebalancing</p>
Single share limits	Limited to 10% of a company's issued capital.
Minimum investment horizon	At least 5 years
Investment management fee	0.75% pa
Minimum investment	\$25,000

## Ralton High Yield Australian Shares

Benchmark	S&P/ASX 300 Accumulation Index				
Investment universe	<ul style="list-style-type: none"> <li>ASX listed companies that are either Included in the S&amp;P/ASX 300 Index, or one of the largest 300 companies by market capitalisation.</li> <li>Hybrid debt, convertible securities and other types of securities are allowable if listed on the ASX and issued by a qualifying company.</li> </ul> <p>Note: Excluded investments include: derivatives, unlisted securities and foreign listed securities.</p>				
Investment objectives	<p>To provide investors with a tax-efficient and growing cash dividend yield and long-term capital growth.</p> <p>To maximise total investment returns from its universe of shares over periods of 5 years or longer regardless of the overall level and direction of the market, while at the same time seeking to minimise the risk of investment capital loss.</p>				
Investment strategy	To invest in quality ASX listed companies that are assessed as likely to provide investors with attractive long-term returns (capital growth plus above average yield and franking), and at the time of purchase are either included in the S&P/ASX 300 Index or are one of Australia's largest 300 companies based on market capitalisation.				
Designed for investors who	<ul style="list-style-type: none"> <li>Seek tax-efficient cash dividend yields, and long-term capital growth from a concentrated portfolio of ASX listed securities.</li> <li>Seek total returns, independent of the overall level and direction of the market.</li> <li>Have a long term investment horizon of at least five years and accept the risk of significant price fluctuations.</li> </ul>				
Number of shares	Generally 20 - 35				
Asset allocation ranges	<table> <tr> <td>ASX listed securities</td> <td>90 – 98%</td> </tr> <tr> <td>Cash</td> <td>2* – 10%</td> </tr> </table> <p>* Cash may fall below this level but will be restored on rebalancing</p>	ASX listed securities	90 – 98%	Cash	2* – 10%
ASX listed securities	90 – 98%				
Cash	2* – 10%				
Single share limits	Limited to 10% of a company's issued capital.				
Minimum investment horizon	At least 5 years				
Investment management fee	0.75% pa				
Minimum investment	\$25,000				

## Ralton Leaders

Benchmark	S&P/ ASX 100 Accumulation Index
Investment universe	<p>ASX listed companies that are either:</p> <ul style="list-style-type: none"> <li>• included in the S&amp;P/ASX 100 Index, or</li> <li>• in the top 100 by market capitalisation</li> <li>• Hybrid debt, convertible securities and other types of securities are allowable if listed on the ASX and issued by a qualifying company.</li> </ul> <p>Note: Excluded investments include: derivatives, unlisted securities and foreign listed securities.</p>
Investment objectives	<p>To provide investors with long-term capital growth and tax-effective income from a portfolio of blue-chip ASX listed securities.</p> <p>The portfolio aims to deliver returns that are consistently above the S&amp;P/ASX 100 Accumulation Index over a three to five year period.</p>
Investment strategy	<p>To invest in quality larger capitalisation companies that are assessed as likely to provide investors with attractive long-term returns relative to the Index, and at the time of purchase are either included in the S&amp;P/ASX 100 Index or are one of Australia's largest 100 companies based on market capitalisation.</p>
Designed for investors who	<ul style="list-style-type: none"> <li>• Seek long-term capital growth and tax-effective income from a portfolio of larger and more liquid ASX listed securities;</li> <li>• Seek longer-term above market returns; and</li> <li>• Have a long-term investment horizon of at least three to five years and accept the risk of significant price fluctuations.</li> </ul>
Number of shares	Generally 25 - 40
Asset allocation ranges	<p>ASX listed securities      90 – 98%</p> <p>Cash                              2* – 10%</p> <p>* Cash may fall below this level but will be restored on rebalancing</p>
Single share limits	Limited to 10% of a company's issued capital.
Minimum investment horizon	7 years
Investment management fee	0.65% pa
Minimum investment	\$25,000

## Ralton Smaller Companies

Benchmark	S&P/ ASX Small Ordinaries Accumulation Index
Investment universe	<ul style="list-style-type: none"> <li>Companies that are listed or are about to be listed on the ASX, and are not included in the S&amp;P/ASX 100 Index at the time of purchase.</li> <li>Hybrid debt, convertible securities and other types of securities are allowable if listed on the ASX and issued by a qualifying company.</li> </ul> <p>Note: Excluded investments include: derivatives, unlisted securities and foreign listed securities.</p>
Investment objectives	<p>To provide investors with long-term capital growth from a concentrated portfolio of smaller capitalisation ASX listed securities and some tax-effective income.</p> <p>To maximise total investment returns from its universe of shares over periods of 5 years or longer regardless of the overall level and direction of the market, while at the same time seeking to minimise the risk of investment capital loss.</p>
Investment strategy	To invest in quality smaller capitalisation companies that are assessed as likely to provide investors with attractive long-term returns, and at the time of purchase are listed, or about to be listed, on the ASX and not included in the S&P/ASX 100 Index
Designed for investors who	<ul style="list-style-type: none"> <li>Seek long-term capital growth from a concentrated portfolio of ASX listed securities chosen from smaller ASX capitalisation shares, with some tax-effective income;</li> <li>Seek total returns, independent of the overall level and direction of the market; and</li> <li>Have a long-term investment horizon of at least five years and accept the risk of significant price fluctuations.</li> </ul>
Number of shares	Generally 25 - 40
Asset allocation ranges	<p>ASX listed securities            85 – 98%</p> <p>Cash                                    2* – 15%</p> <p>* Cash may fall below this level but will be restored on rebalancing</p>
Single share limits	Limited to 10% of a company's issued capital.
Minimum investment horizon	At least 5 years
Investment management fee	0.85% pa
Minimum investment	\$25,000

## SG Hiscock 20

Benchmark	S&P/ASX 300 Accumulation Index
Investment universe	All shares listed on the ASX IPO's that will be listed on the ASX. Note: Excluded investments include derivatives.
Investment objectives	<ul style="list-style-type: none"> <li>To provide long term capital growth and a growing income stream in excess of the S&amp;P/ ASX 300 Accumulation Index (after fees) over rolling five-year periods.</li> </ul>
Investment strategy	<p>SGH invests in a portfolio of approximately 20 shares that are listed, or due to be listed within the next six months on the ASX.</p> <p>Between 80% and 100% exposure to ASX listed securities.</p> <p>Generally, no more than 10% of the market value of the portfolio shall be held in any one company, but this can rise to a maximum of 15% if there is a takeover or a significant share price rise.</p> <p>Generally, no more than 5% of the issued capital of a company shall be held.</p>
Designed for investors who	<ul style="list-style-type: none"> <li>Seek exposure to a concentrated portfolio of high-quality shares listed on the ASX.</li> <li>Are willing to accept volatile returns over the short term in order to achieve the longer term objectives.</li> </ul>
Number of shares	15 - 25
Asset allocation ranges	<p>ASX listed securities            80 – 98%</p> <p>Cash                                    2* – 20%</p> <p>* Cash may fall below this level but will be restored on rebalancing</p>
Share limits	N/A
Minimum investment horizon	5 years
Investment management fee	0.935% pa
Minimum investment	\$25,000



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