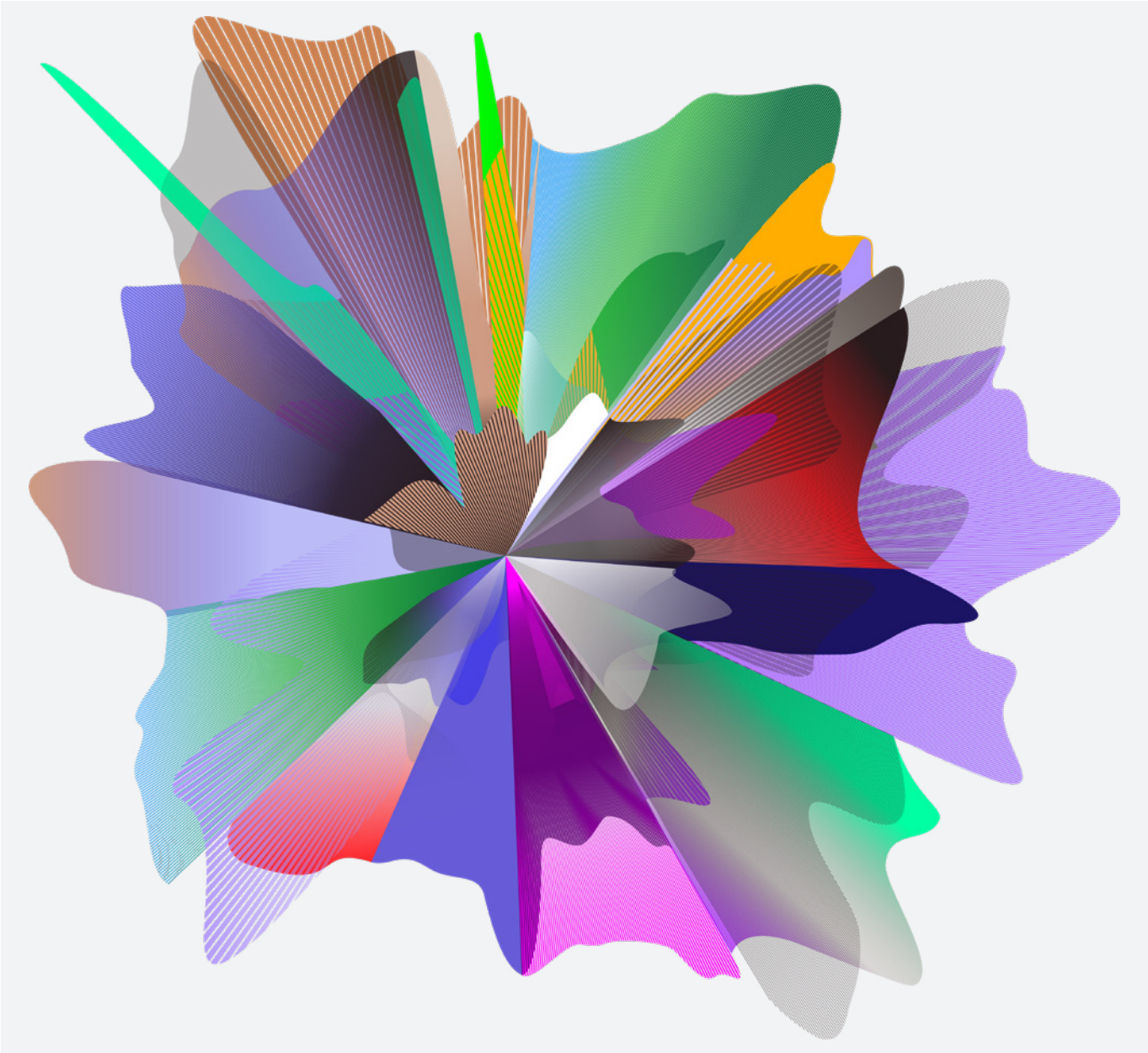
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Separately Managed Account
Product Disclosure Statement – Part 1

20 October 2026

myexpand.com.au

Issuer: Navigator Australia Limited ABN 45 006 302 987, AFSL 236466

This Product Disclosure Statement (PDS) is issued by Navigator Australia Limited (NAL) ABN 45 006 302 987 AFSL 236466, the responsible entity of the Integrated Separately Managed Account ARSN 138 086 889 (SMA). NAL is part of the group of companies comprising Insignia Financial Ltd ABN 49 100 103 722 and its related bodies corporate (Insignia Financial Group). NAL is ultimately controlled by CC Capital Partners LLC and its affiliates (a New York based private equity firm) and OneIM GP LLC and its affiliates (a London based private equity firm).

The information in this PDS is general in nature and doesn't take into account your objectives, financial situation or individual needs. Before acting on any of this information you should consider whether it is appropriate for you. You should consider obtaining financial advice before making any decisions based on this information.

References to 'we', 'us' or 'our' are references to NAL, unless otherwise stated.

This offer is made in Australia in accordance with Australian laws.

MLC Asset Management Services Limited, ABN 38 055 638 474, AFSL 230687 (MLC Asset Management) has given written consent to be named in the PDS and to the inclusion of statements made by them. As at the date of the PDS, this consent has not been withdrawn. In some cases, information in this PDS has been provided to us by third parties. While it is believed the information is accurate and reliable, the accuracy of that information is not guaranteed in any way.

Each referenced investment manager has given written consent to be named in the PDS and to the inclusion of statements made by them. As at the date of the PDS, these consents have not been withdrawn.

Investment through the SMA, and the information in this PDS, is only intended to be accessed by persons who hold an account in an investor directed portfolio service, or a superannuation fund (each referred to in this PDS as a "platform") that is administered or operated by an Insignia Financial Group company (referred to in this PDS as the "platform operator"). When you apply to invest in the SMA via the relevant platform, the platform operator will hold the relevant interest in the SMA on your behalf according to the terms of that platform.

The information in this PDS is subject to change. Changes to the SMA and the Model Portfolios will be made from time to time and we may add or remove Model Portfolios. The Platform operator will advise you of changes to information in this PDS that are materially adverse. We may provide this information to you by mail, email or by making the information available at myexpand.com.au. We'll let you know when information about your Model Portfolio has been made available online. If you prefer to receive updates about your account by mail, please let us know.

The information in this document may change from time to time. Any updates that aren't materially adverse will be available at myexpand.com.au. You can obtain a paper copy of any of these changes by contacting us.

An online copy of this PDS is available at myexpand.com.au/sma

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The purpose of this Product Disclosure Statement (PDS) is to give you the information you need when investing in the Integrated Separately Managed Account (SMA) which is a Registered Managed Investment Scheme. ARSN 138 086 889.

This PDS is comprised of two parts:

- **Part 1** – (this document) – an overview of how the SMA works.
- **Part 2** – the applicable SMA model menu available to you – information on the model portfolios, including fees and costs that apply.

The latest versions of these documents, which together comprise this PDS are available at myexpand.com.au/sma.
If a custom menu is applicable, please contact us on 1800 517 124 to obtain a copy.

About the SMA

What is the Separately Managed Account?

The Separately Managed Account (SMA) is a registered managed investment scheme that allows you to access a number of professionally constructed and managed investment portfolios (known as 'Model Portfolios'). These Model Portfolios are made up of Australian listed investments, managed funds and cash. We establish an individual portfolio of investments that corresponds to the investments held within the investment manager's 'Model Portfolio'.

This scheme allows you to invest your money within a range of Model Portfolios that's managed by professional investment managers. Your investment in the SMA is available to you through your platform account.

To help you choose which Model Portfolio suits your needs, we've included further information about Model Portfolios in the Part 2 SMA section of the **Product Disclosure Statement** (PDS).

The SMA allows you to access an extensive range of professionally constructed Model Portfolios made up of listed investments, managed investments, and cash, so you can choose the Model Portfolio you want to suit your needs:

Managed investments:

- Managed funds

Listed investments:

- Securities listed on the Australian securities exchange
- Exchange Traded Funds (ETFs)
- Listed Investment Companies (LICs)
- Listed property securities
- Listed fixed income

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Benefits of the SMA

Individual accounts

When you invest in the SMA through a platform, a separate interest will be issued to the platform operator in relation to each Model Portfolio you choose, and any assets we hold in relation to that separate interest will be accounted for separately. Asset holdings that relate to a Model Portfolio that you select are referred to in this PDS as "your account" or "your Model Portfolio".

You (or the trustee in the case of a superannuation investment) retain beneficial ownership of the assets held in your account.

Transparency

You can view the assets that you hold within your chosen Model Portfolio through your platform reports and facilities.

Portability

You may be able to transfer Australian securities and units in managed funds that are held by (or for) you into your platform account before transfer into the SMA and still retain the beneficial interest in those assets. Please see page 13 for more details.

No inherited capital gains for listed securities

When you transfer assets into your account, or assets are acquired by us and held as part of your account, an individual cost base is established in relation to that Model Portfolio. For listed securities this means there are no tax consequences for you as a result of other investors' transactions. Managed fund units also have individual cost bases, however the same benefit does not apply to the underlying holdings transactions of managed funds.

Professional investment management

You can benefit from the services provided to NAL by investment professionals who monitor and manage Model Portfolios on our behalf.

NAL, as responsible entity for the SMA, has appointed a number of investment managers to provide NAL with a range of investment advisory services in connection with the Model Portfolios that you can select when investing in the SMA.

Consolidated reporting

Because the SMA is fully integrated with the technology systems of the platform through which you access the SMA, you will be able to have a comprehensive view of your Model Portfolio.

This means you can:

- view the breakdown of securities, managed funds and other investments in your Model Portfolio
- keep track of your investments, and
- transact between the SMA and other investments on your platform easily.

The diagram below shows how the SMA works.

Who can invest

If you want to start an investment in the SMA, you must do so through an Investor Directed Portfolio Service (IDPS), a master trust, a superannuation fund or Wrap account – collectively known as a 'platform', administered or operated by NAL or another Insignia Financial Group Company.

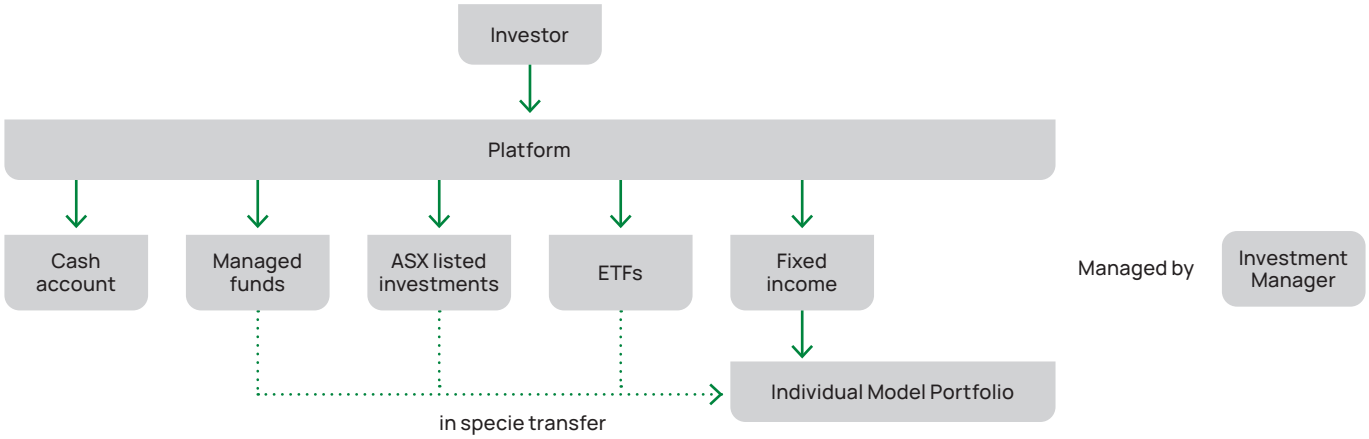
Please make sure that you have the latest copy of the PDS or in the case of an IDPS, the IDPS Guide for the platform that you are invested in. These documents are referred to in this PDS as your 'platform offer documents'. You can obtain the latest copy of the platform offer documents at myexpand.com.au or you can request a copy by calling us.

Investments into the SMA via your platform account can be made in the following ways (as determined by your platform account):

- cash investment
- transfer of securities and/or units in managed funds, or
- a combination of both.

The minimum initial investment is different for each Model Portfolio. There is no minimum for additional investments you may choose to make in your Model Portfolio.

You can monitor your investment through your Adviser who will have access to reporting and performance related to your investments in the SMA.



Things to consider before you invest

Each Model Portfolio may be invested in:

- **Australian shares and securities listed on the Australian Securities Exchange (ASX)**
- **listed property securities on the ASX**
- **units in managed funds, and**
- **cash and fixed income.**

Before you invest, there are some things you need to consider.

How much risk you're prepared to accept is determined by various factors, including:

- your investment goals
- the savings you'll need to reach these goals
- your age and how many years you have to invest
- where your other assets are invested
- the return you may expect from your investments, and
- how comfortable you are with investment risk.

Investment risk

All investments come with some risk. Some Model Portfolios will have more risk than others, as it depends on a Model Portfolio's strategy and assets.

The value of an investment with a higher level of risk will tend to rise and fall more often and by greater amounts than investments with lower levels of risk, ie it's more volatile.

While it may seem confronting, investment risk is a normal part of investing. Without it you may not get the returns you need to reach your investment goals. This is known as the risk/return trade-off.

Many factors influence an investment's value. These include, but aren't limited to:

- market sentiment
- changes in inflation
- growth and contraction in Australian and overseas economies
- changes in interest rates
- defaults on loans
- company specific issues
- liquidity (the ability to buy or sell investments when you want to)
- changes in the value of the Australian dollar
- changes in Australian and overseas laws, and
- a counterparty not meeting its obligations eg when buying securities, the seller may not deliver on the contract by failing to provide the securities.

Other SMA risks

The significant risks of investing in the SMA are typical of the risks of making a similar investment in listed securities and managed funds. In addition to the risks explained throughout this section 'Things to consider before you invest', the following may influence a Model Portfolio's value:

- **Investment manager performance risk:** investment managers have different approaches to managing portfolios, which invariably results in different investment returns. No single investment approach is guaranteed to outperform all others in all market conditions. Changes to investment markets and within an investment manager's firm may also affect an investment manager's performance.
- **Scheme risk:** risks specific to the SMA include the risk that the SMA, or a particular Model Portfolio, or an investment manager's services, could be terminated and that the fees and costs could change. Where an investment manager is replaced then we may appoint a replacement investment manager and pay fees to that investment manager, including where the investment manager appointed is a related party to Insignia Financial Group. There is also a risk that investing through the SMA may give different results than self-directed investing.
- **Liquidity risk:** this is the risk that a security or managed fund may not be able to be sold without incurring large transactional costs or quickly enough to prevent or minimise a loss (eg if a security is suspended from trading on the market or a managed fund is frozen or has redemptions suspended). A lack of liquidity may also affect our ability to rebalance a Model Portfolio or the amount of time it takes us to satisfy withdrawal requests.
- **Concentration risk:** in a concentrated portfolio of up to 40 equities, a Model Portfolio's returns may be more volatile than those of a more diversified portfolio. Its exposure to a smaller number of investments means it is more sensitive to changes in the value of each of those investments.
- **Implementation risk:** the performance of your Model Portfolio may differ to the reported performance of the relevant Model Portfolio due to a number of factors such as cash flows, portfolio reweighting and timing differences.
- **Valuation risk:** is the risk that assets held by you in the Model Portfolio cannot be valued due to delays in receiving unit prices or asset values in a timely manner.

- Market risk: Market risk refers to changes in the prices of investments in your SMA Account that may result in loss of principal or large fluctuations in the valuation of your SMA Account within short periods of time
- Currency risk: Currency risk is the risk that fluctuations in exchange rates between the Australian dollar and foreign currencies may cause the value of international investments to decline significantly. If your SMA Account includes exposure to international investments or companies with foreign investments or exposure, they may not be hedged back to Australian dollars and therefore your SMA Account may be exposed to currency risk

Long-term returns

The longer you invest, the greater the likelihood of achieving returns as described in the Model Portfolio's objective. This is because investment markets can frequently fluctuate significantly over shorter periods of time. Your return will be driven by the many unpredictable factors influencing investments and markets at the time. When investing, it's important to be prepared for a range of different return outcomes.

Volatility

Periods of volatility can be unsettling and may occur regularly. You may find it reassuring to know that often investments that produce higher returns and growth over long periods tend to be more volatile in the short term.

By accepting that volatility will occur, you'll be better able to manage your reaction to short-term movements. This will help you stay true to your long-term investment strategy.

When choosing your investment, it's important to understand that:

- its value and returns will vary over time
- assets with higher long-term return potential usually have higher levels of short-term risk
- returns aren't guaranteed and you may lose money, and
- future returns will differ from past returns.

Diversify to reduce volatility and other risks

Diversification – investing in a range of investments – is a sound way to reduce the short-term volatility of a portfolio's investment returns. That's because different types of investments perform well in different times and circumstances. When some are providing good returns, others may not be.

Portfolios can be diversified across different asset classes, industries, securities and countries, as well as across investment managers with different approaches.

The more you diversify, the less impact any one investment can have on your overall returns.

One of the most effective ways of reducing volatility is to diversify across a range of asset classes.

A financial adviser can help you clarify goals and assist with creating a financial plan which helps you manage risk and consider issues such as:

- **how many years you have to invest**
- **the savings you'll need to reach your goals**
- **the return you may expect from your investments, and**
- **how comfortable you are with volatility.**

Types of assets

Asset classes are commonly grouped as defensive or growth, based on their different characteristics.

Defensive assets, such as cash and fixed income, may help provide positive returns in a portfolio when share markets are weak. On the other hand growth assets, such as shares and property, may be included in a portfolio because of their potential to produce higher returns than cash in the long term.

Diversified portfolios are usually invested across both defensive and growth assets because their risk and return characteristics tend to be diverse. However in some market conditions, all types of assets may move in the same direction, delivering low or negative returns at the same time.

The main differences between defensive and growth assets are:

	Defensive	Growth
How they are generally used Risk and return characteristics	To stabilise returns and generate income. Expected to produce lower returns, and be less volatile, than growth assets over the long term.	To provide long-term capital growth and income. Expected to produce higher returns, and be more volatile, than defensive assets over the long term.

Asset classes

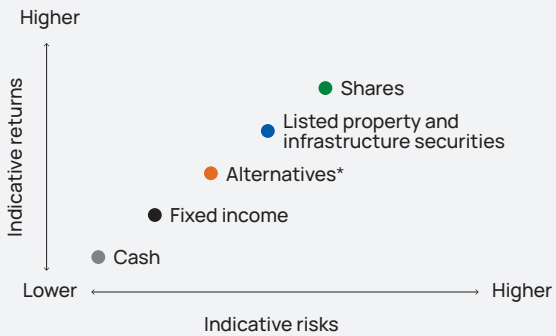
Asset classes are groups of similar types of investments. Each class has its risks and benefits, and goes through its own market cycle.

A market cycle can take a couple of years or many years as prices rise, peak, fall and stabilise. Through investing for the long term, at least through a whole market cycle, you can improve your chance of benefiting from a period of strong returns and growth to offset periods of weakness.

The illustration on the right shows indicative returns and risks for the main asset classes over a whole market cycle. However, each market cycle is different, so unfortunately it isn't possible to accurately predict asset class returns or their risks.

Depending on the conditions at the time, actual returns could be significantly different from those shown.

Indicative returns and risks over a market cycle



Source: MLC Asset Management

* Alternatives can move higher or lower on the risk/return spectrum than what is shown based on the types and combination of alternatives that are used.

Cash

Cash is generally a low risk investment.

Things to consider:

- Cash is often included in a portfolio to meet liquidity needs and stabilise returns.
- The return is typically all income and is referred to as interest or yield.
- Cash is usually the least volatile type of investment. It also tends to have the lowest return over a market cycle.
- The value of an investment in high quality cash securities tends not to change. However, in extreme market environments cash interest rates or yields could become negative, resulting in a gradual decline in the value of your investment over time.
- Many cash funds invest in fixed income securities that have a very short term until maturity.

Fixed income (listed and non-listed)

When investing in fixed income securities you're effectively lending money to the issuer of the security, usually businesses or governments. Bonds are a common form of fixed income security. Fixed income is also known as fixed interest.

Things to consider:

- Fixed income securities are usually included in a portfolio for their relatively stable return characteristics relative to listed shares.
- Returns typically comprise interest and changes in the market value of the fixed income security. While income from fixed income securities usually stabilises returns, falls in their market value may result in a loss on your investment. Market values may fall due to concern about defaults on loans or increases in interest rates.
- Values of fixed income securities tend to move in opposite directions to interest rates. So when interest rates rise, fixed income securities' values tend to fall and when interest rates fall, values can rise. When interest rates and interest income are low or negative, even small rises in interest rates may lead to falling market values and losses.
- Duration is a common measure of an investment's sensitivity to changes in interest rates. To illustrate, if interest rates rise sharply by 1%, and a fixed income fund has a duration of three years, the fund would likely lose approximately 3% of its value. The longer the duration of a fixed income investment, the more its value will be impacted by rising or falling interest rates, and the greater its interest rate risk.
- Market values of fixed income securities may rise or fall due to changes in perceptions of the issuer being able to meet their interest and repayment obligations. This is known as default risk or credit risk. Fixed income securities with higher credit risk generally have higher potential returns to compensate investors for their higher risk.
- There are different types of fixed income securities and these will have different returns and risks.
- Investing in fixed income securities outside Australia may expose your portfolio to movements in exchange rates.

Alternatives

These are a very diverse group of assets. Some examples may include hedge funds, private equity, real return strategies, and gold.

Things to consider:

- Because alternatives are diverse, they may be included in a portfolio for their defensive or growth characteristics.
- Alternative investments are usually included in portfolios to increase diversification and provide returns that aren't strongly linked with the performance of mainstream assets.
- Investment managers include alternative investments in a portfolio because they generally expect the return and diversification benefits of alternative investments to outweigh the higher costs often associated with them.
- Some alternative strategies are managed to deliver a targeted outcome. For example, real return strategies aim to produce returns exceeding increases in the costs of living (ie inflation).
- For some alternatives, such as hedge funds, derivatives may be used extensively and it can be less obvious which assets you're investing in compared to other asset classes.
- Some alternative investments are illiquid, which makes them difficult to buy or sell.
- To access alternative investments you generally need to invest in a managed fund that, in turn, invests in alternatives.
- Because most alternative investments aren't listed on an exchange, determining their value for a fund's unit price can be difficult and may involve a considerable time lag.
- Alternatives invested outside Australia may expose your portfolio to movements in exchange rates.

Listed property securities

Property securities are listed on share markets in Australia and around the world. Listed property securities are also referred to as Real Estate Investment Trusts (REITs).

Things to consider:

- Listed property securities are
- usually included in a portfolio for their income and growth characteristics.
- Returns typically comprise income (such as distributions from REITs) and changes in REIT values.
- Returns are driven by many factors including the economic environment in various countries.
- The global REIT market is far more diversified than the Australian REIT market.
- Listed property securities' returns can be volatile.
- Investing outside Australia may expose your portfolio to currency risk.

Listed infrastructure

Infrastructure businesses own, operate, and maintain a diverse range of infrastructure assets such as toll roads, rail facilities, telecommunications networks, and airports. Access to these businesses may be through companies or securities listed on a securities exchange, through unlisted trusts, or direct ownership.

Things to consider:

- Infrastructure is usually included in a diversified portfolio for its income, growth and defensive characteristics.
- As many infrastructure assets are often highly regulated monopolies, their revenue streams tend to be more regular and stable than other growth assets.
- Returns typically comprise income as well as changes in the value of the assets through time.
- Returns are driven by many factors including the economic environment in various countries.
- As a result of differences in valuation frequency, listed infrastructure securities' returns may appear more volatile than unlisted infrastructure. Listed infrastructure securities are listed on an exchange, so their prices constantly reflect the market's changing view of their values.
- Investments in listed infrastructure securities generally provide investors greater diversification across countries, sectors and businesses than investments that aren't listed.
- The global infrastructure market offers more diversification than the Australian infrastructure market.
- Investing outside Australia may expose your portfolio to currency risk.

Australian shares

This asset class consists of investments primarily in companies listed on the Australian Securities Exchange (and other regulated exchanges). Shares are also known as equities.

Things to consider:

- Australian shares can be volatile and are usually included in a portfolio for their growth and income characteristics.
- The Australian share market is less diversified than the global market because Australia is currently dominated by a few industries such as Financials and Resources.
- Returns usually comprise dividend income and changes in share prices.
- Dividends may have the benefit of tax credits attached to them (known as franking or imputation credits).
- Returns are driven by many factors including the performance of the Australian economy.
- Companies listed on the Australian share market can be grouped as small, medium and large capitalisation (cap) based on factors including the total market value of their listed shares and liquidity. Investors in small cap companies generally experience greater price volatility than shares in large cap companies because small cap companies trade less frequently and in lower volumes. They may also underperform large cap companies for many years.
- When investing in listed investments such as direct shares, you should be aware that a company's share price is affected by events within and outside of the company. These events include:
  - changes to management
  - profit and loss announcements
  - the expectations of investors regarding the company
  - competitive pressures
  - legal action against the company
  - social and government issues
  - climate change, and
  - environmental issues.

Global shares

Global shares consist of investments in companies listed on international securities exchanges .

Things to consider:

- Global shares can be volatile and are usually included in a portfolio for their growth characteristics.
- The number of potential investments is far greater than in Australian shares.
- Returns usually comprise dividend income and changes in share prices.
- Returns are driven by many factors including the economic environment in various countries.
- When you invest globally, you're less exposed to the risks associated with investing in just one economy.
- Investing outside Australia means you're exposed to movements in exchange rates.

Investment approaches

Investment managers have different approaches to selecting investments, which invariably results in different returns. No single investment approach is guaranteed to outperform all others in all market conditions.

There are generally two broad approaches: passive and active management.

Passive management

Passive (or index) managers select investments which they expect will deliver a return that closely tracks a market index.

Enhanced passive (or enhanced index) managers choose investments which they expect will deliver a return above a market index. These managers generally take small positions away from their market index which is expected to lead to outperformance over the long term. Passive and enhanced passive managers tend to have lower costs because they don't require extensive resources to select investments.

Active management

Active managers select investments they believe, based on research, will perform better than a market benchmark over the long term, or will provide better risk adjusted returns.

They buy or sell investments when their market outlook alters or investment insights change.

The degree of active management affects returns. Less active managers take small positions away from the market benchmark and more active managers take larger positions. Generally, the larger an investment manager's positions, the more their returns will differ from the benchmark.

Active managers have different investment styles that also affect their returns. Some common investment styles are:

- Bottom-up – focuses on forecasting returns for individual companies, rather than the market as a whole.
- Top-down – focuses on forecasting broad macroeconomic trends and their effect on the market, rather than returns for individual companies.
- Growth – focuses on companies they expect will have strong earnings growth.
- Value – focuses on companies they believe are undervalued (their price doesn't reflect earning potential).
- Income – focuses on generating a regular income stream through selecting companies, trusts and other securities they believe will deliver income, or through using derivatives and other strategies.
- Core – aims to produce competitive returns in all periods.

Investment techniques

Our investment managers may use different investment techniques that can change the value of an investment.

Some of the main investment techniques are explained below.

Derivatives

Derivatives are contracts that have a value derived from another source such as an asset, market index or interest rate. There are many types of derivatives including swaps, options and futures. They are a common tool used to manage risk or improve returns.

Some derivatives allow investment managers to earn large returns from small movements in the underlying asset's price. However, they can lose large amounts if the price movement in the underlying asset is unfavourable.

Risks particular to derivatives include the risk that the value of a derivative may not move in line with the underlying asset, the risk that counterparties to the derivative may not be able to meet payment obligations and the risk that a particular derivative may be difficult or costly to trade.

Currency management

If an investment manager invests in assets in other countries, its returns in Australian dollars will be affected by movements in exchange rates (as well as changes in the value of the assets).

An investment manager may choose to protect Australian investors against movements in foreign currency. This is known as 'hedging'. Alternatively, they may choose to keep the assets exposed to foreign currency movements, or 'unhedged'.

Returns from exposure to foreign currency can increase diversification in a portfolio.

Gearing

Gearing can be achieved by using loans (borrowing to invest), or through investing in certain derivatives, such as futures.

Gearing magnifies exposure to potential gains and losses of an investment. As a result, you can expect larger fluctuations (both up and down) in the value of your investment compared to the same investment which is not geared.

Investment managers can take different approaches to gearing. Some change the gearing level to suit different market conditions. Others maintain a target level of gearing.

It's important to understand the potential risks of gearing, as well as its potential benefits. When asset values are rising by more than the costs of gearing, the returns will generally be higher than if the investment wasn't geared. When asset values are falling, gearing can multiply the capital loss.

If the fall is dramatic there can be even more implications for geared investments. For example, where the lender requires the gearing level to be maintained below a predetermined limit, if asset values fall dramatically, the gearing level may rise above the limit, forcing assets to be sold when values may be continuing to fall.

In turn, this could lead to more assets having to be sold and more losses realised. Withdrawals (and applications) may be suspended in such circumstances, preventing you from accessing your investments at a time when values are continuing to fall.

Although this is an extreme example, significant market falls have occurred in the past. Recovering from such falls can take many years and the geared investment's unit price may not return to its previous high.

Other circumstances (such as the lender requiring the loan to be repaid for other reasons) may also prevent a geared investment from being managed as planned, leading to losses.

You need to be prepared for all types of environments and understand their impact on your geared investment.

Short selling

Short selling is used by an investment manager when they have a view that an asset's price will fall. The manager borrows the asset from a lender, usually a broker, and sells it with the intention of buying it back at a lower price. If all goes to plan, a profit is made. The key risk of short selling is that, if the price of the asset increases, the loss could be significant.

Labour standards, environmental, social, and ethical considerations

We don't take into account labour standards, environmental, social and ethical considerations for the purposes of selecting, retaining or realising investments.

Investment management decisions are made by the investment managers of the Model Portfolios on our SMA Menu.

Investment managers may consider any factors, including environmental, social, governance (ESG), and ethical factors, that could have material effects on the returns from their investment decisions.

NAL does not actively contemplate these factors when selecting Model Portfolios for inclusion on the SMA menu.

Transacting

Moving securities or units in managed funds into the SMA

You may be able to move securities or units in managed funds held in your platform account into the SMA without cashing them in. Only securities and managed funds currently available in the chosen Model Portfolio can be transferred. To find out which assets can be transferred you or your Adviser can find out more via **by contacting your platform provider**.

If the securities or units in managed funds that you transfer into your Model Portfolio result in that particular asset having a greater weighting than the relevant allocation of that asset determined for the Model Portfolio, some, or all, of the securities or units will be sold to purchase other securities or units that form part of the Model Portfolio.

All transaction requests have to be made through your platform. Before you transact, please make sure you refer to your platform offer documents.

Moving securities or units in managed funds out of the SMA

You may also be able to exit a Model Portfolio by moving listed securities or units in a managed fund out of the SMA without selling them.

To find out which assets can be transferred you or your adviser can find out more by contacting your platform provider.

Frozen assets in Model Portfolios

From time to time, assets held in your Model Portfolio may become subject to trading restrictions beyond our control (for instance, if the asset becomes illiquid).

In these circumstances, we may determine that the relevant asset (frozen asset) is no longer available to form part of the Model Portfolio. If we make such a determination, members of the SMA in relation to whom the frozen asset is held (that is, the platform operator of your platform) will be taken to have given us a standing instruction to transfer (to the extent practicable) the frozen asset out of the Model Portfolio.

Withdrawals

Withdrawals will be initiated within five business days of receipt of the platform's request to do so. The length of time it takes to process your withdrawal will depend on various factors, such as how often the investment is priced or traded, the composition of your investment, how complex it is, and how liquid it is on the day we process your request. If your money isn't immediately available to us, it may take up to 30 business days or more.

For partial withdrawals, you may receive less than requested if there is an unexpected downward movement in security prices.

We require you to maintain a minimum in each Model Portfolio as described in Part 2 of the PDS.

Investment income

The frequency and amount of income that you receive will depend on the Model Portfolio/s that you have selected to invest in.

Investment income is initially deposited into the cash component of the Model Portfolio.

Your platform account may allow you to reinvest investment income for your selected model portfolio.

Where you choose to reinvest investment income, dividend and interest income will be deposited into the cash component of your Model Portfolio and will be re-invested when the Model Portfolio is rebalanced.

Where reinvestment of income is not chosen, dividend and interest income will first be deposited into the cash component of the Model Portfolio, before then being automatically paid to your platform cash account.

Any income received after you have closed your Model Portfolio will be automatically transferred to your platform Cash Account.

How the SMA is managed

Rebalancing

The Model Portfolios are monitored by professional investment managers that provide us with changes to asset selection and weightings on a regular basis. We then generally rebalance the Model Portfolios so that they are consistent with investment manager's recommended weightings.

Rebalancing will generally occur when:

- an investment manager advises us to change the holdings or weightings of a Model Portfolio
- a new investment is made, or
- a withdrawal is made.

There may be some circumstances when your Model Portfolio doesn't exactly match the weightings recommended by the investment manager in relation to the Model Portfolio. This may happen where:

- a security is suspended from trading
- a trade doesn't meet the minimum trade size requirements
- units of assets are rounded to whole units, or
- there are differences in the timing of, and amounts paid or received in connection with, transactions to buy or sell assets forming part of your Model Portfolio.

These differences will mean that there is a difference in the performance of your Model Portfolio and the performance of the portfolio of assets in relation to which the investment manager advises us.

Changes to, and termination of, Model Portfolios

Available Model Portfolios may change from time to time, and existing Model Portfolios may be varied (for instance, to change the investment mandate or composition, and changes to the investment manager appointed to manage the Model Portfolio). We will notify you of changes at the relevant time.

Model Portfolios may also be terminated if we think this would be appropriate. If a Model Portfolio is to be terminated, we will notify you in writing.

Where a Model Portfolio is terminated we will provide you with written notice of the termination and your options in order to manage your investment which may include, redeem your investments to cash or in specie transfer your holdings from the Model Portfolio to single holdings in your platform account.

Minimum trade size

For listed investments the minimum trade size is $250.

For managed investments, the minimum trade size is $100.

The minimum trade size may not be applied for:

- initial investments
- withdrawals
- trades as a result of a re-weight initiated to bring the cash component within a Model Portfolio back to the minimum, and
- when an investment manager has requested an entire holding of a security to be removed from the Model Portfolio.

Minimum cash balance

Each Model Portfolio must contain a cash component of at least 1% unless set higher by the investment manager. If the balance of the cash component within one of your chosen Model Portfolios falls below 1%, then the Model Portfolio may be rebalanced. This cash component is held within a trading bank account of your chosen platform. Refer to your chosen platform for details of this cash component.

As tax is complex, we recommend that you contact your registered tax agent or the Australian Tax Office at ato.gov.au

Tax considerations

While you may have to pay tax on your investment income, you could be eligible to claim some of the fees as a tax deduction.

At the end of each financial year the platform will send you a report to assist you in completing your income tax return.

Reporting

The Platform may provide reporting such as confirmation of transaction reports (daily), distribution statements (quarterly), tax statements and financial statements (annually). See your platform's offer document to understand what reporting it provides.

Constitution and Compliance Plan

The SMA is established under the SMA constitution ('Constitution'). Copies of the Constitution and Compliance Plan for the SMA are available free of charge upon request.

Please call us to obtain a copy.

Investors' rights

Because investing in the SMA through a platform is different to investing directly, there are some things you should be aware of:

- you don't have the right to attend member meetings, vote or participate in such meetings
- you won't receive communications relating to rights issues or corporate actions or provide us with any direction on how to act or vote
- you don't have access to the 14 day cooling-off period in the SMA, but please seek advice from the platform operator as to whether cooling-off rights apply to you, in relation to your platform account, and
- you generally can't participate in dividend re-investment schemes.

Rights issues and corporate actions

Investors in the SMA will not receive communications relating to rights issues or corporate actions or provide us with any direction on how to act or vote.

We will generally act in accordance with the advice or recommendation provided by the relevant investment manager relating to rights issues and corporate actions.

Investors' liability

The SMA's underlying assets are owned by NAL on behalf of investors. The Constitution limits investors' liability to their investment in the SMA.

Consents

Each investment manager has given its written consent to being named and quoted in this PDS, and to the inclusion of statements made by it or said to be based on statements made by it. As at the date of this PDS these consents have not been withdrawn.

Eligibility

This offer is made in Australia in line with Australian laws and will be regulated by these laws.

Resolving complaints

We value your feedback and we're committed to resolving any concerns you may have. If you have a complaint, our service representatives can usually resolve it quickly over the phone on 1800 517 124.

If you'd prefer to put your complaint in writing, you can email or send a letter using the contact details below.

Email: clientservices@myexpand.com.au

In writing to: The Complaints Resolution Manager
GPO Box 264
Melbourne VIC 3001

An assigned case manager will conduct a fair review and provide you with a full response in writing.

Further help: The Australian Financial Complaints Authority (AFCA)

You have the option to lodge a complaint with AFCA directly rather than lodging a complaint with us. You can also lodge a complaint with AFCA if you are not satisfied with our response or if your complaint has not been resolved within the maximum timeframe prescribed by the Australian Securities and Investment Commission (ASIC). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: www.afca.org.au
Email: info@afca.org.au
Phone: 1800 931 678

In writing to: The Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001

Time limits may apply to complain to AFCA so you should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expires.

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Contact us

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GPO Box 264
Melbourne VIC 3001

Telephone
1800 517 124

Email
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Website
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