

Antares Direct Separately Managed Accounts



What is the Direct SMA?

The Antares Direct SMA is distinctive in the market place as it does not operate on a platform. Instead, the adviser deals directly with Antares via a customised administration system.

The benefits of the Antares Direct SMA include:

- » provides wholesale investment management fees to retail investors
- » online access to account information and reporting
- » ability to provide portfolio data directly into financial planning software
- » portfolios designed to meet a range of investment needs.

Furthermore as a large institutional fund manager, Antares is able to use institutional brokers for the execution of trades providing significant advantages, including:

- » wholesale brokerage rates which are generally cheaper than retail rates
- » access to institutional placements generally unavailable to retail investors.

The Antares Direct SMA offers four model portfolios:

1. Dividend Builder for an equity income solution
2. Core Opportunities for maximising capital growth
3. Listed Property for moderate long term growth and income
4. Ex-20 Australian Equities for capital growth outside the largest 20 stocks by market capitalisation

All of these portfolios could be used as part of gearing strategies.

The Antares Direct SMA will accept investments directly from you even if you opt not to receive financial product advice from an adviser. This will not affect your ability to invest and stay invested in the SMA.

The risks of investing in the Antares Direct SMA

All investments carry risk. Different investment strategies carry different levels of risk depending on the underlying mix of assets that make up the strategy. While Antares' disciplined, risk-controlled investment approach aims to generate investment returns over the long term, it is important for you to carefully consider the risks of investing in the Antares Direct SMA.

The significant risks of investing in the SMA include:

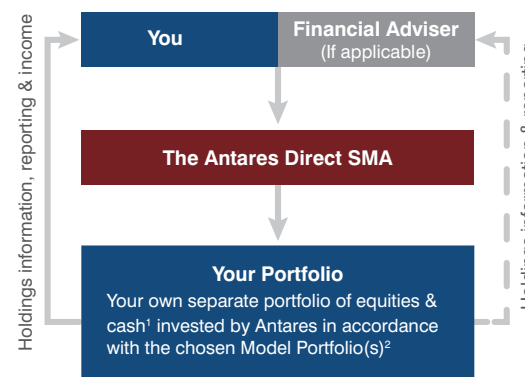
- » market risk – risks that affect entire equity markets
- » security specific risk – investments in shares in a company or units in a Real Estate Investment Trust can fall in value
- » liquidity risk – risk an investment may not be able to be sold quickly enough to prevent or minimise a loss
- » scheme risk – the Antares Direct SMA or a particular model portfolio could be terminated and fees and costs could change
- » implementation risk – the performance of your portfolio may differ to the performance of the relevant model portfolio

If you have a financial adviser, they can assist in assessing investment risks as well as selecting the appropriate Model Portfolio(s).

Key features of the Antares Direct SMA

Key Features	Core Opportunities	Dividend Builder	Listed Property	Ex-20 Australian Equities
Minimum initial investment	\$20,000	\$20,000	\$20,000	\$20,000
Minimum balance	\$20,000	\$20,000	\$20,000	\$20,000
Minimum additional investment	\$2,000	\$2,000	\$2,000	\$2,000
Minimum regular savings plan amount	\$500 per month or quarter	\$500 per month or quarter	\$500 per month or quarter	\$500 per month or quarter
Minimum switching amount	\$5,000	\$5,000	\$5,000	\$5,000
Minimum withdrawal	\$5,000	\$5,000	\$5,000	\$5,000
Minimum trade size	0.20% of the value of the relevant equity holding in your Portfolio			
In specie transfers	Yes	Yes	Yes	Yes
Switch between Model Portfolios	Yes	Yes	Yes	Yes
Brokerage	Wholesale rates	Wholesale rates	Wholesale rates	Wholesale rates
Management fee p.a	0.5125% (incl. net effect of GST)	0.4613% (incl. net effect of GST)	0.6700% (incl. GST net of RITC)	0.7500% (incl. GST net of RITC)
Performance fee	Nil	Nil	Nil	Nil
Administration fee	Nil	Nil	Nil	Nil
Adviser service fee	An Adviser Service Fee may be payable as negotiated between the financial adviser and the investor. This may be a dollar amount or percentage based fee paid monthly.			

How the Direct SMA works



¹ You retain beneficial ownership of the assets in your Portfolio.

² The 3 Model Portfolios available are:

- Antares Core Opportunities
- Antares Dividend Builder
- Antares Listed Property
- Antares Ex-20 Australian Equities

	Antares Core Opportunities SMA	Antares Dividend Builder SMA	Antares Listed Property SMA	Antares Ex-20 Australian Equities Model Portfolio
Description	The Antares Core Opportunities Model Portfolio is an actively managed, highly concentrated portfolio of Australian shares that Antares has identified as having the potential to offer significant long term capital growth.	The Antares Dividend Builder Model Portfolio is an actively managed Australian share portfolio which aims to deliver regular dividend income and to achieve moderate capital growth by investing in a diversified portfolio of Australian companies.	The Antares Listed Property Model Portfolio is an actively managed portfolio that primarily invests in property and property related securities that are listed or expected to be listed on the Australian Securities Exchange (and other regulated exchanges). The types of securities may include Real Estate Investment Trusts (REITs), property development and funds management companies, as well as infrastructure companies, where the income and assets are property related in nature.	The Antares Ex-20 Australian Equities Model Portfolio is an actively managed, highly concentrated portfolio of Australian equities. It invests in shares from outside of the largest 20 companies by market capitalisation that Antares identifies as having the potential to offer significant long term capital growth.
Investment return objective	To outperform the Benchmark by 3.5% (before fees) per annum over a rolling 5 year period.	The primary objective is to regularly deliver higher levels of dividend income on a tax effective basis than Benchmark. The other objective is to achieve moderate capital growth in a tax effective manner over a rolling 5 year period.	To outperform the Benchmark (before fees) over a rolling 5 year period.	To outperform the Benchmark (before fees) over a rolling 5 year period.
Investment strategy	The portfolio takes large positions in a concentrated portfolio of up to 25 Australian listed securities that Antares has identified as having the potential to offer significant long term capital growth.	A diversified portfolio of high yielding Australian equities that aim to grow their dividends over time, with an emphasis on securing franked income and minimising portfolio turnover to keep net realised capital gains low.	An actively managed, concentrated portfolio that aims to provide moderate long term capital growth and income from investments in listed property securities.	Antares follows a bottom-up investment process, with investment decisions made by undertaking in-depth proprietary research and analysis of individual companies and securities.
Benchmark	S&P/ASX 200 Accumulation Index	S&P/ASX 200 Industrials Accumulation Index	S&P/ASX 200 A-REIT Accumulation Index	S&P/ASX 200 Accumulation Index excluding the S&P/ASX 20 Leaders Accumulation Index
No. of securities	15 to 25	15 to 25	10 to 30	15 to 30
Cash weighting	1% to 10%	1% to 10%	1% to 10%	1% to 10%
Income treatment	Choice of monthly dividend distribution or re-investment	Choice of monthly dividend distribution or re-investment	Choice of monthly dividend distribution or re-investment	Choice of monthly dividend distribution or re-investment
Lonsec rating*	Rated	Rated	Rated	Rated

How to invest

The simplest way to invest in the Antares Direct SMA is to visit the Antares Direct SMA website (www.antarescapital.com.au) and download a copy of the Product Disclosure Statement (PDS). Alternatively, you can contact Antares and request that a hard copy of the PDS is sent to you.

Applications can be made by personal or bank cheque, direct credit, direct debit or via BPAY®. If an investor chooses the BPAY® or direct credit or debit option, once the application form has been received the investor will be contacted with the necessary details to facilitate the application payment.

Once the application has been processed, the investor will receive notification of their account details, including a username and password if they have requested online access to the account.

Reporting

By applying for online access, the investor agrees to obtain all reporting electronically. Once the account is activated, the investor is able to access the following account information:

- » portfolio valuation
- » capital transactions
- » income and expenses
- » capital gains tax – realised and unrealised

Advisers and investors will also be provided with the following additional information:

- » quarterly reviews, including market updates and Model Portfolio performance
 - » quarterly transaction statements
 - » portfolio performance
 - » monthly income statement (where income has been distributed)
- An audited Annual Income Tax Statement to assist in the preparation of the investor's tax return will be provided once all relevant tax components for the Model Portfolios have been received.

Do you need more information?

For more information on the Antares Direct SMA offering, please call our Client Services team or your local Business Development Manager.

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Antares Capital Partners Ltd ABN 85 066 081 114. AFS Licence No. 234483 (Antares) at Level 20, 8 Exhibition Street, Melbourne VIC 3000 GPO Box 2007, Melbourne VIC 3001 is the Responsible Entity of the Antares Direct SMA Portfolios and can be contacted on Telephone: (03) 9220 0300 Facsimile: (03) 9220 0333 Email: investorservices@antaresequities.com.au website: www.antarescapital.com.au. This information prepared by Antares is of a general nature and has been prepared without taking account of your individual objectives, financial situation or particular needs. Before acting on this information you should consider the appropriateness of the information having regard to your personal objectives, financial situation and needs. We recommend you consult with your financial adviser, who can help you determine whether investing in a Model Portfolio is appropriate for you. You should consider the PDS for the Antares Direct SMA Portfolios in deciding whether to acquire, or continue to hold, an investment in the Antares Direct SMA Portfolios. Investment in the Antares Direct SMA will only be made upon receipt of a completed application form from the current PDS, a copy of which can be obtained from Antares. Antares Capital Partners Ltd, the Responsible Entity of the SMA, is a fully owned subsidiary within the National Australia Bank Limited (NAB) group of companies (NAB Group). No company in the NAB Group, nor Antares nor any related party, guarantees the capital value, payment of income or performance of your investment in the SMA. An investment in the SMA does not represent a deposit with or liability of the NAB Group and is subject to investment risk, including possible delays in repayment and loss of income and principal invested.

* The Lonsec Rating (Listed Property Model Portfolio – February 2015, Core Opportunities Model Portfolio – December 2014, Dividend Builder Model Portfolio – December 2014, Ex-20 Australian Equities Model Portfolio – October 2015) presented in this document is published by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445. The Rating is limited to "General Advice" (as defined in the Corporations Act 2001 (Cth)) and based solely on consideration of the investment merits of the financial product(s). Past performance information is for illustrative purposes only and is not indicative of future performance. It is not a recommendation to purchase, sell or hold Antares Capital Partners Ltd product(s), and you should seek independent financial advice before investing in this product(s). The Rating is subject to change without notice and Lonsec assumes no obligation to update the relevant document(s) following publication. Lonsec receives a fee from the Fund Manager for researching the product(s) using comprehensive and objective criteria. For further information regarding Lonsec's Ratings methodology, please refer to our website at: <http://www.beyond.lonsec.com.au/intelligence/lonsec-ratings>