



## Termination of the Antares Direct Separately Managed Accounts

2 April 2019

### Summary of changes

- Antares Capital Partners Ltd (**ACP**), as responsible entity (**RE**) of the DSMA issued a notice of termination to existing investors on 2 April 2019. The DSMA will terminate on 17 June 2019 (**Termination Date**).
- The Antares Direct Separately Managed Accounts (ARSN 147 194 983) (**DSMA**) is an IDPS-like scheme which currently features the following four Antares Equities model portfolios:

<b>DSMA model portfolios</b>	<b>APIR Code</b>
Antares Core Opportunities Model Portfolio	PPL0010AU
Antares Dividend Builder Model Portfolio	PPL0011AU
Antares Listed Property Model Portfolio	PPL0034AU
Antares Ex-20 Australian Equities Model Portfolio	PPL0037AU

- If you are an existing investor, you have the option to transfer your existing investment(s) in the model portfolio(s) in the DSMA to another platform, to yourself or to another preferred destination prior to termination. Alternative separately managed accounts (**SMA**) platform providers are outlined in this Q&A and in the notice to existing investors.
- **You should provide instructions for your investment in the DSMA to Client Services by 2pm (Melbourne time) on 17 June 2019.**
- If no instructions are received by Client Services by this date, we will redeem your account and pay proceeds to your previously nominated bank account after the securities have been realised. If there is no bank account on file, a cheque will be issued to your primary address.
- From the 2 April 2019, no new or additional investments (including any regular savings plan amounts), switches or in specie transfers into the model portfolios will be accepted into the DSMA.
- No management costs or adviser service fees will apply to your investment from the Termination Date, or earlier in the event your investment is redeemed before the Termination Date.
- The Product Disclosure Statement, Initial Application Form and Additional Investment Form were removed from issue on 2 April 2019.
- This decision does not impact the Antares Professional Selection or Personal Choice managed funds.

## Q&A

### 1. Why is the DSMA terminating?

Since its inception in 2010, the DSMA has provided a differentiated separately managed accounts (**SMA**) offering to the market. However, with the growth of other SMA platform providers, the DSMA has not managed to attract a sufficient level of funds and scale. This has hampered our ability to deliver a superior customer experience to investors.

The costs associated with substantially improving the customer experience for the DSMA would need to be passed onto investors, leading to significantly increased fees. Rather than doing this, the RE has determined that it is in the best interests of investors to wind up the DSMA.

### 2. How will the termination proceed?

Existing investors have been provided with a notice of the termination on 2 April 2019. From the 2 April 2019, no new or additional investments (including any regular savings plan amounts), switches or in specie transfers into the model portfolios will be accepted into the DSMA.

If you are an existing investor, you have been provided with the following options for your investment in the model portfolios in the DSMA in the notice dated 2 April 2019:

- Continue to invest in the same Antares Equities model portfolio(s) through another platform (refer to Appendix 1 for a list of platform availability);
- Transfer all or some of the securities held in your DSMA account to another platform, to yourself or to some other destination of your choice (please note this may be finalised after the end of the 2019 financial year); and/or
- Redeem all or some of the securities held in your DSMA account and have the proceeds paid to your nominated account.

We recommend that you seek advice from your licenced financial adviser in deciding on the most appropriate course of action.

You will need to provide your instructions in writing before 2pm (Melbourne time) on 17 June 2019 to Client Services at:

**Antares Capital Partners Ltd**  
**Attn: Client Services**  
**Reply Paid 2007**  
**Melbourne VIC 8060**

If you have previously selected the electronic redemption facility, you can either fax or email a scanned copy of your Withdrawal Form to **(03) 9220 0285** or **investorservices@antaresequities.com.au**. If you are unsure, please submit an electronic copy of the Withdrawal Form and Client Services will notify you if an original version is required.

You will receive a withdrawal confirmation statement via your preferred correspondence method once an instruction has been processed. If you have requested an in specie transfer, you will also receive a portfolio valuation statement reflecting a nil balance.

Refer to Q3 and Q4 for further information on the process for submitting an in specie transfer or withdrawal request prior to the Termination Date.

### 3. Can withdrawals be made prior to the termination?

Yes. Valid withdrawal requests received prior to 2pm (Melbourne time) on 17 June 2019 will be processed and proceeds will be deposited into your nominated bank account on file. If we have no bank account on file, ACP will issue a cheque to your primary address. Redemption proceeds will normally be available within seven (7) business days from receipt of the request.

The Antares Direct SMA Withdrawal Form is available under the 'Resource Library' section at [antarescapital.com.au](http://antarescapital.com.au)

Please note if you have not previously selected the electronic redemption facility, ACP will require an original copy of the Withdrawal Form.

#### 4. How do I request a transfer of the securities held in my investment(s) in the model portfolio(s) in the DSMA to another platform provider, to myself or to another preferred destination?

We have provided some further details on the documents that may be required to complete the in specie transfer of your investments in the table below.

Transfer to a Broker or Platform	Transfer to a Security Reference Number (SRN) (Share Registry)
<p><b>Step 1:</b> Provide a signed letter of instruction to Client Services confirming:</p> <ul style="list-style-type: none"> <li>• The bank account details for residual cash*</li> <li>• The name and PID of the receiving broker</li> <li>• The account number of the transferee (i.e. the platform provider)</li> <li>• Whether or not the transferee is a NAB controlled entity? <b>Y/N - If yes, see important note below.</b></li> <li>• Acknowledgement that the rebalancing on the SMA will cease immediately (so current holdings do not change for the duration of the in-specie)</li> <li>• Whether the transfer will result in a change of beneficial ownership? <b>Y/N - If yes, go to next step. If no, submit documents to Client Services.</b></li> </ul>	<p><b>Step 1:</b> Provide a signed letter of instruction to Client Services confirming:</p> <ul style="list-style-type: none"> <li>• The bank account details for residual cash*</li> <li>• The investor's SRN/s. <b>There may be multiple.</b> If there is no SRN, the share registry will issue one upon transfer.</li> <li>• Acknowledgement that the rebalancing on the SMA will cease immediately (so current holdings do not change for the duration of in-specie)</li> <li>• Whether the transfer will result in a change of beneficial ownership? <b>Y/N - Go to next step</b></li> </ul>
<p><b>Step 2:</b> Generally, where a transfer results in a change of beneficial ownership, a Standard Transfer Form (STF) is required.</p> <ul style="list-style-type: none"> <li>• For each stock, please complete <u>one</u> STF</li> <li>• Seller details: National Nominees Ltd</li> </ul> <p>Typically a platform will prepare these as the buyer and forward the forms to Antares Equities for signing. <b>Please check the business requirements of the counterparty.</b></p> <p>Post the Standard Transfer Form to: <b>GPO Box 2007 MELBOURNE VIC 3001</b></p>	<p><b>Step 2: ALL</b> transfers from issuer sponsored holdings require a Standard Transfer Form (STF).</p> <ul style="list-style-type: none"> <li>• For each stock, please complete <u>one</u> STF</li> <li>• Seller details: National Nominees Ltd. For <u>each</u> share registry involved, please provide <u>one</u> copy of the original certified ID.</li> </ul> <p>Post the Standard Transfer form to: <b>GPO Box 2007 MELBOURNE VIC 3001</b></p>
<p><b>IMPORTANT:</b> Antares Equities, a National Australia Bank (NAB) owned business, is not permitted to in-specie transfer NAB shares to another NAB controlled entity.</p> <p>The Standard Transfer Form is located under 'Forms' in the 'Resource library' section of the Antares website: <a href="http://antarescapital.com.au/home/resource-library/forms">antarescapital.com.au/home/resource-library/forms</a></p> <p>Refer to the glossary of terms in Appendix 2.</p>	

\*Third party bank accounts are not accepted. The nominated bank account must be in the investor's name.

Please contact our Client Services team on 1800 671 849 Monday to Friday, between 8:30am and 6pm (AEST) or email [investorservices@antaresequities.com.au](mailto:investorservices@antaresequities.com.au) for further details on how to transfer all or some of the securities held in your DSMA Account to your preferred destination.

**5. I have submitted my in specie transfer instruction before the Termination Date. How long will it take to transfer my investment(s) to my preferred destination?**

Upon receipt of your request, we will work to process the in specie transfer as quickly as possible. However, given the high volume of in specie transfer requests anticipated during the termination period, your instructions may be finalised after the end of the 2019 financial year.

Please note once we have received your in specie instructions, your investment will no longer be rebalanced in line with the relevant DSMA model portfolio. This ensures that the correct parcel and number of underlying securities at the time of the in specie transfer instruction is ultimately transferred to the receiving party.

Refer to Q2 on how you will be notified that your instruction has been completed. Once your in specie transfer request has been processed, your account will be closed.

**6. What happens after the Termination Date on 17 June 2019? Will I be able to make withdrawals after the Termination Date?**

If instructions to in specie transfer or withdraw your investment are not received by Client Services by 2pm (Melbourne time) on the 17 June 2019, your investments held in the relevant model portfolios in the DSMA will be redeemed on the 17 June 2019.

You will receive a final termination payment notice in the mail and the termination proceeds will be paid into your previously nominated bank account after the securities have been redeemed and your account has been closed. If we don't have a bank account on file, a cheque will be issued to your primary address.

No management costs or adviser service fees will be payable from the Termination Date (17 June 2019), or earlier in the event your investment is redeemed before the Termination Date.

If there is any residual proceeds from any corporation actions undertaken by the securities held in your investment in the DSMA after the Termination Date, ACP will remit the funds to your nominated bank account on file. If we don't have a bank account on file, we will pay the proceeds to you via cheque.

**7. When will management fees and any adviser services fees cease on my investment?**

All adviser services fees and management fees on the model portfolios in the DSMA will cease on 17 June 2019 (**Termination Date**) or earlier in the event your investment is redeemed before the Termination Date.

**8. Are there costs associated with transferring my portfolio to an alternate platform?**

There may be additional costs (e.g. brokerage) in connection with making an in specie transfer of the securities in your model portfolio in the DSMA to another platform provider.

Please speak to your financial adviser or refer to the relevant platform providers' disclosure documents for further information on any costs associated with in specie transfer requests to their platforms.

**9. What are the costs associated with withdrawing my investment in the DSMA?**

Whether you realise your investment from the DSMA before or on termination, transaction costs such as brokerage are incurred. Brokerage in relation to your Portfolio is estimated to be up to 0.1025% (including net effect of GST) per dollar transacted (up to \$51.25 for every \$50,000 transacted). However, the exact amount of transaction costs is dependent on a number of variables, including the level of trading undertaken in the relevant portfolio.

**10. My address/email/banking details are out of date. How can I update this information?**

A Direct SMA Change of Details Form is available under 'Forms' in the 'Resource Library' section at [antarescapital.com.au](http://antarescapital.com.au). Investors will need to provide their completed Change of Details Form before 2pm (Melbourne time) on 17 June 2019 to Client Services at:

**Antares Capital Partners Ltd**  
**Attn: Client Services**  
**Reply Paid 2007**  
**Melbourne VIC 8060**

The Change of Details Form can also be faxed to **(03) 9220 0285** or emailed to **investorservices@antaresequities.com.au**.

Please note that Client Services cannot update your details over the phone.

**11. Do I need to submit certified identification documents with my Withdrawal Form or in-specie request?**

In most instances, certified identification documents are not required, except for signature verification purposes or for in-specie transfers to a Security Reference Number (**SRN**) (refer to the table in question 4 *Transfer to a Security Reference Number (SRN) (Share Registry)*).

Please contact your financial adviser or Client Services on 1800 671 849 Monday to Friday, between 8:30am and 6pm (AEST) or email **investorservices@antaresequities.com.au** for further information.

**12. If I choose to withdraw my investment in the DSMA prior to termination, can I nominate a bank account in someone else's name?**

No. Withdrawal proceeds can only be made to accounts held in the investor's name. No third party payments are allowed.

**13. When will I receive my annual tax reports?**

We aim to send the final annual tax reports for the 2019 financial year to investors by 31 October 2019.

In the event the securities of your investment in the model portfolio(s) in the DSMA are not transferred before 30 June 2019, you will receive annual tax reports for the 2020 financial year.

**14. How long will I continue to have access to the Direct SMA online portal?**

The investor portal will be available until your investment in the DSMA ceases and your account is closed. You may request a copy of your statements by contacting Client Services (see details below).

**15. Will my financial adviser have access to the Direct SMA online portal once my account is closed?**

Your adviser's access to the DSMA adviser portal will cease once your investment in the DSMA has been redeemed and your account has closed. You, or your adviser or authorised third party may request copies of investor statements by contacting Client Services (see details below).

**16. My investment in the DSMA is through a margin loan. Is there any change to how I should submit my instructions to Client Services prior to the termination?**

If you have a margin loan then you may have granted the margin lender certain rights over your account. For example, you may have authorised the margin lender to make redemption requests on your behalf or to receive redemption proceeds. We will action any valid instructions as authorised.

**17. Who can I speak to if I have any further questions?**

Please speak to your financial adviser or contact Client Services on 1800 671 849 Monday to Friday, between 8:30am and 6pm (AEST) or email **investorservices@antaresequities.com.au**

## Appendix 1: Platform availability

The four Antares Equities model portfolios available under the DSMA are available on the following platforms:

Platform	Antares Dividend Builder Model Portfolio	Antares Core Opportunities Model Portfolio	Antares Ex-20 Australian Equities Model Portfolio	Antares Listed Property Model Portfolio
MLC Wrap	✓	✓	✓	✓
MLC Navigator	✓	✓	✓	✓
ANZ Grow Wrap	✓	✓	✗	✗
Netwealth	✓	✓	✓	✓
BT Panorama	✓	✗	✓	✗
Macquarie Wrap	✓	✓	✓	✓

If you wish to continue to invest in the same model portfolio(s), then you should speak to your licenced financial adviser who will be able to help you choose a suitable alternative platform, if that is appropriate.

## Appendix 2: Glossary of terms

Term	Explanation
Broker/CHESS sponsored shares	Shares that are registered with a stock broker. CHESS sponsored shares are allocated a Holder Identification Number ( <b>HIN</b> ) by the broker.
Participant Identification Number ( <b>PID</b> )	The Broker's identification number. The PID for Antares is <b>20006</b> .
Holder Identification Number ( <b>HIN</b> )	A unique number that is issued to you by the Australian Securities Exchange (ASX) when you become a client of a broker. Your HIN will appear on your CHESS statements. Antares Equities do not use HINs for its investors. For Broker/CHESS sponsored transfers, please quote the PID to customers/counter-parties.
Issuer sponsored shares	Shares that are managed by the issuer of those shares via the issuer's share registry.
Security holder Reference Number ( <b>SRN</b> )	A unique identifier for your security holdings within a company held directly with the company's nominated share registry. Your SRN will appear on your holding statements. You can find this information by searching for the ASX code via <b>asx.com.au</b>
Australian Standard Transfer Form ( <b>ASTF</b> )	Also known as a Standard Transfer Form ( <b>STF</b> ), or Off-market Transfer Form ( <b>OMT</b> ).
Change of Beneficial Ownership	A change in beneficial ownership occurs when an investor's account is changing from one entity type to another, for example, if you currently have an account registered in the name of a self-managed super fund ( <b>SMSF</b> ) and you want to transfer it to an individual; this is regarded as a change in beneficial ownership.

## Important information

This information prepared by Antares Capital Partners Ltd (ABN 85 066 081 114, AFSL 234483), as responsible entity and Investment Manager for the Antares Direct Separately Managed Accounts (ARSN 147 194 983), a member of the National Australia Bank Limited (ABN 12 004 044 937, AFSL 230686) (NAB) group of companies (NAB Group), 105–153 Miller Street, North Sydney 2060.

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You should obtain the PDS and Product Guide or other disclosure document relating to the financial products mentioned in this communication issued by Antares Capital Partners Ltd, Navigator Australia Limited (ABN 45 006 302 987, AFSL 236466, Ph: 132 652, <http://www.mlc.com.au/adviser/investments/investment-products/mlc-wrap-investment-series-2/forms-and-documents>), OnePath Custodians Pty Limited (ABN 12 008 508 496, AFSL 238346, Ph: 1800 094 423, <http://www.wrapinvest.com.au>), Netwealth Investments Limited (ABN 85 090 569 109, AFSL 230975, Ph: 1800 888 223, <https://www.netwealth.com.au/nw/ManagedAccount/ManagedAccountForms>), BT Portfolio Services Ltd (ABN 73 095 055, 208 AFSL 233715, Ph: 1300 881 716, <https://www.bt.com.au/personal/investments/solutions/advised-investments/bt-panorama.html>) and Macquarie Investment Management Limited (ABN 66 002 867 003, AFSL 237492, Ph: 1800 025 063, <http://www.macquarie.com/au/personal/investments/macquarie-wrap/#?accordion:wrap-accordion=1>) and consider them before making any decision about whether to acquire or continue to hold these products.

Any opinions expressed in this communication constitute our judgement at the time of issue and are subject to change.

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