

# Mason Stevens ETF Managed Portfolio Disclosure Document

as advised by State Street Global Advisors (SSGA)



Managed Portfolio Disclosure Document issuer:

Diversa Trustees Limited (Trustee)  
ABN 49 006 421638, AFSL 235153,  
RSE Licence No L0000635,  
in its capacity as Trustee of  
Mason Stevens Super (Fund),  
an APRA-regulated fund  
ABN 34 422 545 198

Date Issued: November 2020

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Mason Stevens Asset Management Pty Ltd ABN 92 141 447 654 (MSAM) as the investment manager of the Fund has appointed State Street Global Advisors as portfolio manager.



### Important Information

This document contains important information about the Mason Stevens ETF Managed Portfolios and is incorporated by reference into the Mason Stevens Super Product Disclosure Statement (PDS). It should be read in conjunction with the Mason Stevens Super Additional Information Guide and the Mason Stevens Super Investment Guide. These documents are available from your financial adviser or [masonstevens.com.au/super](http://masonstevens.com.au/super)

As at the date of issue the information contained in this document and the PDS is correct under superannuation laws and regulations which may change from time to time. In the event of a material change to information in this document or the PDS the Trustee will notify existing members either via the website or in writing within the time frames required by law. Updated information is available online at [masonstevens.com.au/super](http://masonstevens.com.au/super)

The information contained in this document and the associated PDS is general information only and has been prepared without taking into consideration your investment objectives, circumstances, or your personal financial situation or needs. This document is not intended to be and should not be construed in any way as investment, legal, taxation or financial advice. Before acting on the information in this document you should consider seeking financial advice tailored to your own objectives, circumstances, financial situation and needs.

The Trustee may change the terms and conditions of the Fund as permitted under the Trust Deed. The Trustee may also add, change or close any investment choice or insurance option and this may include making changes to asset allocations, benchmarks and investment strategies without prior notice to you.

The Trustee is required to disclose certain Trustee and Fund information and documentation on its website ([diversa.com.au/trustee](http://diversa.com.au/trustee)), including but not limited to the trust deed, the PDS, the most recent annual report and the names of each material outsourced service provider to the Fund.

All investment involves risk, potentially resulting in (but not limited to) delays in payment of withdrawal proceeds and the loss of income and capital invested. Past performance is not necessarily indicative of future performance. An investment in the Fund is neither a deposit nor liability of Mason Stevens Group of companies, Mason Stevens or the Trustee or any of their associated entities. Fund members and their financial advisers can access account and investment information, as well as make transactions through Mason Stevens' secure online portal. Mason Stevens Asset Management (MSAM) is the investment manager of the Fund. Mason Stevens Limited ABN 91 141 447 207 AFSL 351578 is the Sponsor and Promoter of the Fund, and also the custodian of all Fund assets and has appointed National Australia Bank Limited ABN 12 004 044 937, AFSL 230686 as primary sub-custodian. FNZ Australia Limited ABN 67 138 819 119 (Administrator) is the administrator of the Fund.

### Contact Details

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W: [masonstevens.com.au](http://masonstevens.com.au)

**Diversa Trustees Limited**  
GPO Box 3001  
Melbourne VIC 3001



# About the managed portfolios

## Mason Stevens Moderate ETF Managed Portfolio

Feature	Description															
<b>Portfolio name</b>	Mason Stevens Moderate ETF Managed Portfolio															
<b>Investment Sub-Adviser</b>	Mason Stevens Asset Management															
<b>Portfolio Manager</b>	State Street Global Advisors															
<b>Inception date</b>	November 2020															
<b>Investment objective</b>	Seek to provide optimal capital efficiency over a long-term horizon. The portfolio is designed to generate a moderate amount of capital growth along with some income.															
<b>Investment strategy and approach</b>	Utilise long-term asset class returns, risk and correlation forecasts to identify an asset allocation that efficiently balances these factors to meet the investment objective of the portfolio.															
<b>Holding Limit</b>	Up to 100% of your account (members are required to maintain their minimum cash balance as stated in the Mason Stevens Super Additional Information Guide).															
<b>Benchmark return</b>	Composite benchmark comprised of the following constituents: <table border="1"> <thead> <tr> <th>Benchmark</th> <th>Weight</th> </tr> </thead> <tbody> <tr> <td>MSCI World Factor Mix A-SERIES Net Index</td> <td>25%</td> </tr> <tr> <td>S&amp;P/ASX 200 Index</td> <td>25%</td> </tr> <tr> <td>FTSE Emerging Markets All Cap China A Inclusion Index</td> <td>5%</td> </tr> <tr> <td>S&amp;P/ASX Government Bond Index</td> <td>15%</td> </tr> <tr> <td>Bloomberg AusBond Credit 0+ Year Index</td> <td>15%</td> </tr> <tr> <td>S&amp;P/ASX Bank Bill Index</td> <td>15%</td> </tr> </tbody> </table>	Benchmark	Weight	MSCI World Factor Mix A-SERIES Net Index	25%	S&P/ASX 200 Index	25%	FTSE Emerging Markets All Cap China A Inclusion Index	5%	S&P/ASX Government Bond Index	15%	Bloomberg AusBond Credit 0+ Year Index	15%	S&P/ASX Bank Bill Index	15%	
Benchmark	Weight															
MSCI World Factor Mix A-SERIES Net Index	25%															
S&P/ASX 200 Index	25%															
FTSE Emerging Markets All Cap China A Inclusion Index	5%															
S&P/ASX Government Bond Index	15%															
Bloomberg AusBond Credit 0+ Year Index	15%															
S&P/ASX Bank Bill Index	15%															
<b>Target return</b>	4% p.a.															
<b>Indicative number of securities</b>	5 - 12															
<b>Asset allocation<sup>1</sup></b>	<table border="1"> <thead> <tr> <th></th> <th>Allocation range</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Australian shares</td> <td>17.5% - 32.5%</td> <td>25%</td> </tr> <tr> <td>International shares</td> <td>20.0% - 40%</td> <td>30%</td> </tr> <tr> <td>Australian fixed income</td> <td>20% - 40%</td> <td>30%</td> </tr> <tr> <td>Cash<sup>2</sup></td> <td>10% - 20%</td> <td>15%</td> </tr> </tbody> </table>		Allocation range	Target	Australian shares	17.5% - 32.5%	25%	International shares	20.0% - 40%	30%	Australian fixed income	20% - 40%	30%	Cash <sup>2</sup>	10% - 20%	15%
	Allocation range	Target														
Australian shares	17.5% - 32.5%	25%														
International shares	20.0% - 40%	30%														
Australian fixed income	20% - 40%	30%														
Cash <sup>2</sup>	10% - 20%	15%														
<b>Investment universe</b>	ETFs and Cash															
<b>Maximum single security or fund weighting</b>	40%															
<b>Minimum suggested timeframe</b>	3 – 5 years															
<b>Minimum initial investment</b>	\$25,000															
<b>Minimum additional investment</b>	\$10,000															



<b>Minimum withdrawal</b>	\$10,000
<b>Rebalance frequency</b>	Quarterly
<b>Investment manager fee</b>	Nil
<b>Indirect Cost Ratio (ICR)</b>	0.24%
<b>Performance fee</b>	Nil
<b>Standard Risk Measure (SRM)</b>	6 - High  The estimated likelihood of a negative return is four to less than six years in 20 years. The standard risk measure is a way of describing the level of risk of different investment options and provides a guide on the expected number of negative annual returns over any 20-year period. It does not consider all form of investment risk. Please refer to the Mason Stevens investment guide for more information about the standard risk measure.

1. Allocation of assets may be within the allocation range stated. The above target weight is indicative only. At any point in time the actual allocation may be very different to the target weights stated in this document.
2. A cash management rate will apply to the cash account portion you hold in the managed portfolio. Please refer to the Mason Stevens Super Investment Guide for further information.



## Mason Stevens Balanced ETF Managed Portfolio

Feature	Description															
<b>Portfolio name</b>	Mason Stevens Balanced ETF Managed Portfolio															
<b>Investment Sub-Adviser</b>	Mason Stevens Asset Management															
<b>Portfolio Manager</b>	State Street Global Advisors															
<b>Inception date</b>	November 2020															
<b>Investment objective</b>	Seek to provide optimal capital efficiency over a long-term horizon. The portfolio is designed with the aim of providing capital growth while taking a modest amount of risk.															
<b>Investment strategy and approach</b>	Utilise long-term asset class returns, risk and correlation forecasts to identify an asset allocation that efficiently balances these factors to meet the investment objective of the portfolio.															
<b>Holding Limit</b>	Up to 100% of your account (members are required to maintain their minimum cash balance as stated in the Mason Stevens Super Additional Information Guide).															
<b>Benchmark return</b>	Composite benchmark comprised of the following constituents: <table border="1"> <thead> <tr> <th>Benchmark</th> <th>Weight</th> </tr> </thead> <tbody> <tr> <td>MSCI World Factor Mix A-SERIES Net Index</td> <td>30%</td> </tr> <tr> <td>S&amp;P/ASX 200 Index</td> <td>30%</td> </tr> <tr> <td>FTSE Emerging Markets All Cap China A Inclusion Index</td> <td>7.5%</td> </tr> <tr> <td>S&amp;P/ASX Government Bond Index</td> <td>10%</td> </tr> <tr> <td>Bloomberg AusBond Credit 0+ Year Index</td> <td>10%</td> </tr> <tr> <td>S&amp;P/ASX Bank Bill Index</td> <td>12.5%</td> </tr> </tbody> </table>	Benchmark	Weight	MSCI World Factor Mix A-SERIES Net Index	30%	S&P/ASX 200 Index	30%	FTSE Emerging Markets All Cap China A Inclusion Index	7.5%	S&P/ASX Government Bond Index	10%	Bloomberg AusBond Credit 0+ Year Index	10%	S&P/ASX Bank Bill Index	12.5%	
Benchmark	Weight															
MSCI World Factor Mix A-SERIES Net Index	30%															
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S&P/ASX Government Bond Index	10%															
Bloomberg AusBond Credit 0+ Year Index	10%															
S&P/ASX Bank Bill Index	12.5%															
<b>Target return</b>	5% p.a.															
<b>Indicative number of securities</b>	5 – 12															
<b>Asset allocation<sup>1</sup></b>	<table border="1"> <thead> <tr> <th></th> <th>Allocation range</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Australian shares</td> <td>20% - 40%</td> <td>30%</td> </tr> <tr> <td>International shares</td> <td>25% - 50%</td> <td>37.5%</td> </tr> <tr> <td>Australian fixed income</td> <td>10% - 30%</td> <td>20%</td> </tr> <tr> <td>Cash<sup>2</sup></td> <td>6.25% - 18.75%</td> <td>12.5%</td> </tr> </tbody> </table>		Allocation range	Target	Australian shares	20% - 40%	30%	International shares	25% - 50%	37.5%	Australian fixed income	10% - 30%	20%	Cash <sup>2</sup>	6.25% - 18.75%	12.5%
	Allocation range	Target														
Australian shares	20% - 40%	30%														
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Cash <sup>2</sup>	6.25% - 18.75%	12.5%														
<b>Investment universe</b>	ETFs and Cash															
<b>Maximum single security or fund weighting</b>	40%															
<b>Minimum suggested timeframe</b>	3 – 5 years															
<b>Minimum initial investment</b>	\$25,000															
<b>Minimum additional investment</b>	\$10,000															
<b>Minimum withdrawal</b>	\$10,000															
<b>Rebalance frequency</b>	Quarterly															



<b>Investment manager fee</b>	Nil
<b>Indirect Cost Ratio (ICR)</b>	0.25%
<b>Performance fee</b>	Nil
<b>Standard Risk Measure (SRM)</b>	<p>6 - High</p> <p>The estimated likelihood of a negative return is four to less than six years in 20 years. The standard risk measure is a way of describing the level of risk of different investment options and provides a guide on the expected number of negative annual returns over any 20-year period. It does not consider all form of investment risk. Please refer to the Mason Stevens investment guide for more information about the standard risk measure.</p>

1. Allocation of assets may be within the allocation range stated. The above target weight is indicative only. At any point in time the actual allocation may be very different to the target weights stated in this document.
2. A cash management rate will apply to the cash account portion you hold in the managed portfolio. Please refer to the Mason Stevens Super Investment Guide for further information.



## Mason Stevens Growth ETF Managed Portfolio

Feature	Description														
<b>Portfolio name</b>	Mason Stevens Growth ETF Managed Portfolio														
<b>Investment Sub-Adviser</b>	Mason Stevens Asset Management														
<b>Portfolio Manager</b>	State Street Global Advisors														
<b>Inception date</b>	November 2020														
<b>Investment objective</b>	Seek to provide optimal capital efficiency over a long-term horizon. The portfolio is designed to focus predominately on capital growth.														
<b>Investment strategy and approach</b>	Utilise long-term asset class returns, risk and correlation forecasts to identify an asset allocation that efficiently balances these factors to meet the investment objective of the portfolio.														
<b>Holding Limit</b>	Up to 100% of your account (members are required to maintain their minimum cash balance as stated in the Mason Stevens Super Additional Information Guide).														
<b>Benchmark return</b>	Composite benchmark comprised of the following constituents: <table border="1"> <thead> <tr> <th>Benchmark</th> <th>Weight</th> </tr> </thead> <tbody> <tr> <td>MSCI World Factor Mix A-SERIES Net Index</td> <td>35%</td> </tr> <tr> <td>S&amp;P/ASX 200 Index</td> <td>35%</td> </tr> <tr> <td>FTSE Emerging Markets All Cap China A Inclusion Index</td> <td>10%</td> </tr> <tr> <td>S&amp;P/ASX Government Bond Index</td> <td>5%</td> </tr> <tr> <td>Bloomberg AusBond Credit 0+ Year Index</td> <td>10%</td> </tr> <tr> <td>S&amp;P/ASX Bank Bill Index</td> <td>5%</td> </tr> </tbody> </table>	Benchmark	Weight	MSCI World Factor Mix A-SERIES Net Index	35%	S&P/ASX 200 Index	35%	FTSE Emerging Markets All Cap China A Inclusion Index	10%	S&P/ASX Government Bond Index	5%	Bloomberg AusBond Credit 0+ Year Index	10%	S&P/ASX Bank Bill Index	5%
Benchmark	Weight														
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S&P/ASX Bank Bill Index	5%														
<b>Target return</b>	6% p.a.														
<b>Indicative number of securities</b>	5 – 12														
<b>Asset allocation<sup>1</sup></b>	<table border="1"> <thead> <tr> <th>Allocation range</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Australian shares</td> <td>25% - 45%</td> <td>35%</td> </tr> <tr> <td>International shares</td> <td>30% - 60%</td> <td>45%</td> </tr> <tr> <td>Australian fixed income</td> <td>5% - 35%</td> <td>15%</td> </tr> <tr> <td>Cash<sup>2</sup></td> <td>2% - 10%</td> <td>5%</td> </tr> </tbody> </table>	Allocation range	Target	Australian shares	25% - 45%	35%	International shares	30% - 60%	45%	Australian fixed income	5% - 35%	15%	Cash <sup>2</sup>	2% - 10%	5%
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International shares	30% - 60%	45%													
Australian fixed income	5% - 35%	15%													
Cash <sup>2</sup>	2% - 10%	5%													
<b>Investment universe</b>	ETFs and Cash														
<b>Maximum single security or fund weighting</b>	40%														
<b>Minimum suggested timeframe</b>	5 years														
<b>Minimum initial investment</b>	\$25,000														
<b>Minimum additional investment</b>	\$10,000														
<b>Minimum withdrawal</b>	\$10,000														
<b>Rebalance frequency</b>	Quarterly														



<b>Investment manager fee</b>	Nil
<b>Indirect Cost Ratio (ICR)</b>	0.27%
<b>Performance fee</b>	Nil
<b>Standard Risk Measure (SRM)</b>	<p>6 - High</p> <p>The estimated likelihood of a negative return is four to less than six years in 20 years. The standard risk measure is a way of describing the level of risk of different investment options and provides a guide on the expected number of negative annual returns over any 20-year period. It does not consider all form of investment risk. Please refer to the Mason Stevens investment guide for more information about the standard risk measure.</p>

1. Allocation of assets may be within the allocation range stated. The above target weight is indicative only. At any point in time the actual allocation may be very different to the target weights stated in this document.
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# About the investment manager and portfolio manager

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## Mason Stevens Asset Management

MSAM is the investment management arm of the Mason Stevens Group. MSAM was established to provide investors with the opportunity to access professionally managed investment strategies and funds that are typically reserved for institutions and professional investors.

MSAM works with a range of clients including financial advisers, financial intermediaries, family offices and selected wholesale investors in the delivery of tailored investment solutions.

MSAM's management team has many years of senior management and transactional experience in the banking, finance and investment sectors, spanning multiple business cycles and across a range of asset classes, combined with a track record of successfully managing their own wealth.

For further information on the MSAM investment management team, please refer to [masonstevens.com.au](http://masonstevens.com.au). MSAM as the investment manager of the Fund has appointed State Street Global Advisors, Australia, Limited ABN 42 003 914 225 (State Street Global Advisors) as portfolio manager of the Mason Stevens ETF Managed Portfolios.

## State Street Global Advisors

The clients of State Street Global Advisors include the world's governments, institutions and financial advisors. To help them achieve their financial goals State Street Global Advisors live its guiding principles each and every day:

- » Start with rigor
- » Build from breadth
- » Invest as stewards
- » Invent the future

For four decades, these principles have helped State Street Global Advisors be the quiet power in a tumultuous investing world. Helping millions of people secure their financial futures. This takes each of its employees in 28 offices around the world, and a firm-wide conviction that it can always do it better. As a result, State Street Global Advisors are the world's third-largest asset manager with US \$3.05 trillion under its care. This figure is presented as of 30 September 2020 and includes approximately \$80.51 billion USD of assets with respect to SPDR products for which State Street Global Advisors Funds Distributors, LLC (SSGA FD) acts solely as the marketing agent.

## Managed Portfolio Objective

The principal objective of the Mason Stevens ETF Managed Portfolios is to provide a portfolio that is highly diversified and low cost.

The portfolios each target an absolute return objective. With a focus on keeping costs low within the portfolios, the portfolios will be comprised of ETFs and Cash.

## Investment philosophy

The portfolios are underpinned based on three core philosophies:

### 1. Strategic Asset Allocation (SAA) is the most important decision

SSGA believe long term portfolio returns are primarily a product of strategic asset allocation. Empirical studies conclude that the allocation policy explains over 90% of the variance in investment returns. The strategic asset allocation process aims to exploit broad market misvaluations that are identified by asset class forecasts.

The aim is to construct well-diversified portfolios. Benefits associated with a well-diversified portfolio include potential limits to volatility, as well as creating opportunities to enhance risk adjusted returns.

### 2. Smart beta

'Smart Beta' (also referred to as factor investing), is an industry label for systematic, non-market capitalisation weighted index investing. SSGA believe only in factors that have proven to be persistent (since initial discovery), are pervasive (across different time periods and geographic regions), are robust (to various definitions) and are intuitive (logical explanations for their existence). This approach allows investors to make active decisions by investing in well understood sources of excess return or volatility management, while leveraging the strengths of traditional indexing such as transparency and cost-efficient implementation.

### 3. Low cost

The strategies are conscious of expenses and its implication on the portfolio performance. Based on research, overdiversification along with high levels of turnover could lead to an expensive portfolio that erodes into performance. This fee/cost conscious approach may help control the portfolio expenses, and thus offer a direct, positive impact to a portfolio's bottom line in the form of improved returns.





## How the investment manager manages risk

The investment manager is unable to eliminate all investment risk, but does analyse, manage and aim to reduce the impact of risks by actively monitoring investment markets and portfolios and through the use of carefully considered investment guidelines.

## Labour standards and environmental, social and ethical considerations

The Trustee does not take into account labour standards, environmental, social or ethical considerations when making the investments available. The approach in relation to any consideration of labour, environmental, social or ethical standards as part of the investment decision making process for the portfolio is left by the Trustee to the individual discretion of the investment manager. This investment strategy does not directly measure or incorporate labour, environmental, social or ethical standards as part of the investment decision-making process.

The investment manager is aware that these issues can influence social, business and investor outcomes. In certain circumstances they may consider these issues when making an investment decision. The investment manager's consideration of labour, environmental, social or ethical considerations are in its own right and not on behalf of the Trustee.

## Execution of strategy

Mason Stevens Limited and its associated entities have been appointed by the Trustee to provide various services in relation to the Fund, including promoter, investment management and custody services. Mason Stevens and the Administrator are responsible for implementing the investment instructions of the investment manager by buying and selling assets, taking into consideration timing, trading costs (such as transaction fees and currency costs, if applicable) and the mandate of the portfolio. In certain circumstances Mason Stevens has the right to vary the managed portfolio. By investing in this managed portfolio, you instruct Mason Stevens and the Administrator to buy and sell assets on your behalf through the managed portfolio as advised by the investment manager.

## Risks

Before you consider investing in this portfolio, it's important you understand the risks that can affect your investments. A summary of key risks is in the PDS.

See the 'Risks' section in the PDS. Please note this is not an exhaustive list of all the risks. The risks relevant to this portfolio reflect the underlying investments. For information about risks regarding your personal situation, please speak to your adviser.

## Trade notifications

When the investment manager trades, or rebalances the portfolios, Mason Stevens (through the Service) may send you an advice notifying you of the trades being undertaken. This is called a trade notification. The rebalance and reallocation of managed portfolios may occur regularly and you may receive a trade notification each time a rebalance or reallocation occurs.

