Issued 16 February 2026

B. Moses

Managed Discretionary Account (MDA) Investment Services Guide

For B. Moses Investment Management Pty Ltd (BMIM) MDA Clients

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PRESERVING
AND ENHANCING
YOUR FUTURE

B. Moses Managed Account Investment Service Guide

This **B. Moses Managed Account Investment Service Guide (Managed Account Service Guide)** is issued by **B. Moses Investment Management Pty Ltd (BMIM)** (ABN 67 676 189 352, AFSL No. 561673).

This Agreement should be read **together with the Financial Services Guide (FSG)** issued by BMIM and **B. Moses Asset Management Pty Ltd (BMAM)**, Corporate Authorised Representative No. 001291994 of BMIM.

The FSG provides important information about BMIM and its authorised representatives, including BMAM, and explains:

- the financial services that BMIM is authorised to provide under its AFSL
- the role of BMIM as the MDA operator and responsible AFSL holder for the managed account service
- the role of BMAM as an authorised representative and investment sub adviser involved in portfolio research and model portfolio management
- how BMIM and its representatives are remunerated
- any associations or relationships that may influence the services provided
- how complaints can be made and resolved, including access to external dispute resolution through AFCA where applicable.

This Service Agreement forms part of the disclosure framework for the B. Moses Managed Account Investment Service and should be read together with:

- the **Financial Services Guide (FSG)**
- the **Investment Mandate and Model Portfolio Specifications**
- any **platform disclosure documents or investor disclosures** provided to you
- any **advice documentation** provided by your licensed financial adviser, where applicable.

These documents collectively explain the nature of the managed account service, the investment strategies available, the roles and responsibilities of the parties involved, and the fees, risks, and operational arrangements associated with the service.

B. Moses Managed Account Investment Service Guide

Issued by B. Moses Investment Management Pty Limited
ABN 67 676 189 352 | AFSL 561673
Date Issued: February 2026

Important Information

This B. Moses Managed Account Investment Service Guide (Guide) is issued by B. Moses Investment Management Pty Limited (BMIM) ABN 67 676 189 352, AFSL 561673.

The B. Moses Managed Account Investment Service (Service) is a Managed Discretionary Account (MDA) service operated by BMIM as the MDA Provider under its Australian Financial Services Licence.

Under the MDA Service, BMIM is granted discretionary authority to invest and manage your portfolio in accordance with the agreed Investment Mandate forming part of your MDA Agreement.

BMIM has appointed **B. Moses Asset Management Pty Ltd (BMAM)** to provide model portfolio management services. BMAM acts as an authorised representative of BMIM; however, **BMIM retains full responsibility as MDA Operator under its AFSL**.

This Guide relates to the B. Moses Managed Account Investment Service. The Service does not operate as an investor directed portfolio service (IDPS) or a pooled managed investment scheme. You retain beneficial ownership of the assets held in your MDA.

Key terms used in this Guide are defined in the MDA Agreement and Investment Mandate.

This Guide contains important information about your account, including your selected Model Portfolio(s) and the operation of your Managed Discretionary Account.

Where custody or platform services are used, client monies and assets are held in accordance with applicable regulatory requirements. BMIM may appoint or change custodians or approved platform providers from time to time. Details of the relevant custody or platform arrangements are available upon request.

Contact Details

B. Moses Investment Management Pty Limited
Level 22, Suite 22.03 Australia Square
264 George Street
Sydney NSW 2000

Phone: 1300 513 063
Email: portfolios@bmoses.com.au
Website: www.bmoses.com.au

If you are a retail client, you must obtain personal advice from a licensed financial adviser before deciding whether the Service and a particular Model Portfolio are appropriate for you.

The information contained in this Guide is general information only and does not take into account your objectives, financial situation or needs. You should consider the appropriateness of the information, having regard to your objectives, financial situation and needs, before acting on it.

You should obtain and read the relevant Investment Mandate for your selected Model Portfolio(s) before making any investment decision.

Investment involves risk, including but not limited to market risk, liquidity risk, credit risk and the risk of capital loss. There may be delays in payment of withdrawal proceeds in certain circumstances. Past performance is not necessarily indicative of future performance.

BMIM, its directors, officers, employees, representatives and related entities do not guarantee the performance of any portfolio or the return of capital invested through the Service.

Where reference is made to information provided by third parties, BMIM does not control such information and does not accept responsibility for independently verifying or updating it.

BMIM, BMAM and their respective directors, officers, employees and related entities may from time to time hold interests in, or receive fees or other benefits from, investments or financial products that may be included within your portfolio, subject to applicable law and disclosure obligations.

All amounts in this Guide are expressed in Australian dollars unless otherwise stated. All fees disclosed are inclusive of GST net of any applicable reduced input tax credits, unless otherwise specified.

This Guide should be read in conjunction with:

- The MDA Agreement
- The relevant Investment Mandate and Model Portfolio Specifications
- The B. Moses Financial Services Guide (FSG)
- Any applicable Services Agreement or third-party platform disclosure documentation

If you are unable to access any document online, BMIM or your adviser will provide a copy free of charge upon request.

How the B. Moses Managed Account Service Works

1. Overview

The B. Moses Managed Account Investment Service (Service) is a Managed Discretionary Account (MDA) service operated by **B. Moses Investment Management Pty Limited (BMIM)** (ABN 67 676 189 352, AFSL 561673).

Under the Service:

- BMIM acts as the licensed MDA Operator.
- Clients enter into an MDA Agreement granting BMIM discretionary authority.
- Client assets are held via approved third-party platform providers.
- Cash is administered through a designated Cash Management Account (CMA).

The Service is designed to provide structured access to:

- B. Moses in-house Model Portfolios;
- Proprietary and affiliated investment strategies; and
- Approved internal financial products.

The Service is not structured as a broad open-architecture investment platform.

2. Regulatory Structure

BMIM is authorised under AFSL 561673 to:

- Provide discretionary portfolio management services;
- Operate Managed Discretionary Accounts;
- Provide general and personal advice (subject to representative authorisation).

BMIM is the sole MDA Operator and retains full legal and regulatory responsibility for:

- Exercising discretion;
- Portfolio implementation;
- Mandate compliance;
- Trade execution;
- Ongoing supervision and oversight;
- Regulatory compliance.

Clients retain beneficial ownership of all assets held in their account.

The Service is not a registered managed investment scheme.

3. Platform and Custody Arrangements

BMIM does not operate a proprietary administration platform.

For each client, BMIM:

- Establishes an account with an approved third-party platform provider with whom BMIM has a formal platform services agreement; and
- Establishes a designated Cash Management Account (CMA) with BMIM's preferred CMA provider.

Client assets are held:

- On the third-party platform; and/or
- With the platform's appointed custodian; and/or
- Under CHESS sponsorship arrangements (where applicable).

BMIM may change approved platform providers or CMA providers from time to time in accordance with its contractual and regulatory obligations.

4. Cash Management

Each account includes a designated Cash Management Account (CMA).

The CMA facilitates:

- Settlement of transactions;
- Receipt of dividends and income;
- Deduction of fees;
- Payment of platform charges;
- Liquidity management.

Interest payable on cash balances is determined by the CMA provider.

BMIM does not guarantee any rate of return on cash balances.

Non-Cash Payment Facility Disclosure

BMIM does not currently hold authorisation to operate a Non-Cash Payment Facility under its AFSL.

Accordingly:

- BMIM does not issue or operate its own cash account product;
- Client cash is administered via the approved third-party CMA provider.

Should BMIM obtain additional AFSL authorisations in the future, including Non-Cash Payment Facility authorisation, the Service may be enhanced to internalise certain cash or administrative functions, subject to regulatory compliance and client notification.

5. Nature of the Service

The Service provides discretionary management of client portfolios in accordance with documented Investment Mandates.

It is structured to provide disciplined access to:

- In-house Model Portfolios;
- Approved B. Moses proprietary strategies;
- Selected affiliated financial products.

It is not designed as a self-directed trading service.

Clients do not select individual securities within Model Portfolios.

6. Suitability Requirements

Retail clients must receive personal advice prior to entering into the MDA Agreement.

Where personal advice is provided:

- An SOA must determine suitability;
- The selected Model Portfolio must align with the client's objectives, financial situation and needs.

Wholesale clients are not required to receive an SOA before entering into the MDA Agreement; however the service and selected Model Portfolio should still be appropriate having regard to the client's investment objectives and circumstances.

The Service may cease to be appropriate if a client's circumstances materially change.

7. Your Account Structure

To invest through the Service, a client must:

1. Enter into an MDA Agreement with BMIM;
2. Select one or more approved Model Portfolios;
3. Establish the required platform and CMA accounts.

Under the MDA:

- BMIM exercises discretion;
- Clients retain beneficial ownership;
- Income and capital gains are attributed directly to the client;
- Assets are not pooled with other investors.

8. Investment Governance and Sub-Advisory Arrangements

8.1. MDA Operator

BMIM is the MDA Operator and Investment Manager.

BMIM:

- Exercises sole discretionary authority;
- Approves portfolio parameters;
- Executes trades;
- Oversees compliance;
- Ensures adherence to regulatory obligations.

8.2. Appointment of Investment Sub-Adviser

BMIM has entered into an Investment Sub-Adviser Agreement with:

B. Moses Asset Management Pty Limited (BMAM)
ABN 40 648 254 755
Authorised Representative No. 1291994 of BMIM

Under this agreement:

- BMAM provides asset consulting, portfolio research and model portfolio construction services;
- BMAM provides strategic asset allocation input;
- BMAM provides implementation support and market insights.

8.3. Discretionary Authority

For the avoidance of doubt:

- BMAM does not exercise discretionary authority;
- BMAM does not implement trades;
- BMAM does not operate the MDA;
- BMAM does not act as MDA Provider.

All discretionary authority remains solely with BMIM.

BMIM reviews, approves and implements all portfolio decisions.

8.4. Related Party Governance

BMAM is a related entity within the B. Moses Group.

BMIM may pay fees to BMAM for sub-advisory services under formal written agreement.

Conflicts are managed in accordance with BMIM's Conflicts of Interest Policy and disclosed in the Financial Services Guide.

BMIM maintains supervisory oversight of all sub-advisory functions.

9. MDA vs Direct Investment

Under the MDA:

- BMIM exercises discretion;
- Corporate actions are administered through the platform;

- Reporting is consolidated;
- Administration is streamlined;
- Portfolio management follows documented mandates.

Under direct investment:

- The investor makes all decisions;
- The investor manages corporate actions;
- Administration is self-managed;
- No discretionary authority is granted.

The MDA structure is designed to reduce administrative burden while preserving beneficial ownership.

10. Key Structural Differentiation

The B. Moses Managed Account Investment Service differs from broad platform operators in that it:

- Provides vertically integrated, governance-focused discretionary management;
- Limits access to approved in-house and affiliated strategies;
- Separates research and discretionary authority;
- Maintains clear regulatory boundaries between sub-advisory research and licensed discretion;
- Utilises third-party platform infrastructure rather than operating an IDPS.

This structure is designed to enhance:

- Investment discipline;
- Governance clarity;
- Compliance defensibility;
- Portfolio consistency;
- Operational scalability.

Key Features of the B. Moses Managed Account Investment Service

The key features of the B. Moses Managed Account Investment Service (Service) are outlined below. These features may be updated from time to time and will be reflected in the relevant Investment Mandate, disclosure documents or BMIM website.

Feature	Description
Access to Model Portfolios	The Service provides access to professionally managed B. Moses Model Portfolios designed and overseen by BMAM. These portfolios are constructed in accordance with documented Investment Mandates and risk frameworks.
In-house investment strategies	The Service primarily provides access to B. Moses in-house investment strategies and affiliated financial products approved by BMIM. This vertically integrated structure allows BMIM to maintain consistent investment philosophy, governance oversight and portfolio discipline.
Managed Discretionary Account (MDA)	Under the MDA arrangement, clients grant BMIM discretionary authority to manage investments within the parameters of the relevant Investment Mandate. BMIM may implement transactions without seeking prior client approval for each transaction.
Beneficial ownership	Clients retain beneficial ownership of all assets held within their account. Income generated from the assets, including dividends and distributions, is attributable directly to the client.
Third-party platform administration	Client accounts are established with approved third-party platform providers with whom BMIM maintains platform services agreements. These platforms provide custody, administration, transaction processing and reporting functionality.
Cash Management Account (CMA)	Each client account includes a Cash Management Account established with BMIM's preferred CMA provider. The CMA facilitates settlement of transactions, receipt of income, payment of fees and portfolio liquidity management.
Investment governance	Model portfolios are designed in accordance with BMIM's investment philosophy and risk management framework. BMIM retains full discretion and regulatory responsibility as MDA Operator.
Sub-advisory research support	BMIM may utilise research and model portfolio support from B. Moses Asset Management Pty Limited (BMAM) under a formal Investment Sub-Adviser Agreement. BMAM provides research and model portfolio recommendations only. All discretionary authority remains with BMIM.
Consolidated reporting	Clients receive consolidated reporting through the relevant third-party platform. Reporting typically includes portfolio valuation, asset allocation, transaction history and investment performance.
Online access	Clients and their advisers may access account information through the relevant platform portal, allowing visibility of holdings, transactions and performance data.
Annual tax reporting	Clients receive annual tax reporting statements to assist with preparation of tax returns. These statements are generated by the relevant platform or administrator.
Minimum investment	The minimum investment amount required to establish an account will be determined by BMIM and may vary depending on the Model Portfolio and platform provider. Details are disclosed in the relevant Investment Mandate.
Additional investments	Clients may make additional investments into their account subject to platform requirements and the minimum investment thresholds specified in the Investment Mandate.

Withdrawals and redemptions	Clients may request partial or full withdrawals subject to liquidity of underlying assets, platform requirements and minimum portfolio balance requirements. Transaction costs may apply.
In-specie transfers	Subject to platform acceptance and Investment Mandate requirements, clients may transfer certain existing investments into their account.
Adviser involvement	Retail clients must access the Service through a licensed financial adviser who is authorised to recommend the Service and provide ongoing advice where applicable.
Fees and costs	Clients may incur administration fees, investment management fees, adviser fees, transaction costs and other costs associated with the operation of the account. Full details are provided in the Fees, Charges and Costs section of this Guide.
Future service enhancements	BMIM may enhance the Service over time, including internalisation of certain administrative functions or cash management capabilities, subject to obtaining any required AFSL authorisations and regulatory approvals.

Important Service Characteristics

The B. Moses Managed Account Investment Service differs from open-architecture platform services in that it:

- Primarily provides access to **B. Moses managed strategies and affiliated investment opportunities**
- Operates under **strict Investment Mandates and risk frameworks**
- Separates **research support (BMAM)** from **discretionary authority (BMIM)**
- Utilises **third-party platform infrastructure rather than a proprietary investment platform**

This structure is designed to enhance governance, portfolio consistency and regulatory oversight.

Establishing Your Account

Suitability and Personal Advice

If you are a **client** and wish to establish an account under the B. Moses Managed Account Investment Service (Service), you must first consult with a licensed financial adviser authorised to provide advice on the Service.

Your adviser must provide you with **personal financial advice** and determine whether the Service and the selected Model Portfolio(s) are suitable for your objectives, financial situation and needs. Where personal advice is provided, your adviser will issue you with a **Statement of Advice (SoA)** outlining the basis for the recommendation and the relevant Investment Program associated with the Managed Discretionary Account (MDA).

As part of the MDA regulatory framework, your adviser is also required to conduct a **periodic review of the ongoing suitability of the MDA arrangement**, including whether the Model Portfolio(s) selected remain appropriate for your circumstances. This review is generally required at least every **13 months**, or earlier if your relevant circumstances materially change.

If you are classified as a **wholesale or sophisticated investor** under the *Corporations Act 2001 (Cth)*, an SoA or Record of Advice may not be required to be provided to you, even where personal advice is given.

Opening an Account

To establish an account under the Service, you or your adviser must complete the **account application process** and provide all required documentation.

As part of the account establishment process:

- Your account will be established with an **approved third-party investment platform** with which BMIM maintains a platform services agreement.
- A **Cash Management Account (CMA)** will be established with BMIM's nominated CMA provider to facilitate settlement of transactions, receipt of income, payment of fees and liquidity management.

During the application process you will be required to provide **identification documentation** for all account holders and any person authorised to operate the account. This verification process is undertaken in accordance with the **Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)** before the account can be activated.

If the application is incomplete or incorrectly completed, BMIM or the relevant platform provider may contact you or your adviser to obtain further information before processing the account opening request.

Once your application has been accepted and processed, you and your adviser will receive confirmation that the account has been established.

You will also receive details for accessing the relevant **platform portal**, which enables you and your adviser to view holdings, transactions, portfolio valuations and reporting information.

Account Activation and Required Documentation

Before your account can be activated and investments implemented, you must read and agree to the relevant documentation governing the Service.

These documents include:

- The **Account Application Form**, including applicable terms and conditions and fee disclosures.
- The **Managed Discretionary Account (MDA) Agreement**, which governs the discretionary management of your portfolio.
- The **B. Moses Investment Management Financial Services Guide (FSG)** (where applicable).
- The relevant **Investment Mandate(s)** for the Model Portfolio(s) selected.
- Any additional **platform terms and conditions** issued by the relevant platform provider.

Together, these documents form the contractual and regulatory framework under which the Service operates.

Investment Management Structure

BMIM acts as the **MDA Operator and Investment Manager** and retains full responsibility for the discretionary management of client portfolios.

BMIM may appoint **B. Moses Asset Management Pty Limited (BMAM)** as **Sub-Investment Adviser** under a formal Investment Sub-Adviser Agreement.

Under this arrangement:

- BMAM provides **investment research, asset allocation insights and model portfolio construction support**.
- BMAM may provide **market analysis and portfolio recommendations** to BMIM.
- BMIM retains **full discretion and responsibility for all investment decisions and implementation** within client portfolios.

For the avoidance of doubt, BMAM **does not exercise discretionary authority over client accounts**, and all

investment actions are undertaken solely by BMIM in its capacity as the licensed MDA Operator.

Nominating an Authorised Person

During the account establishment process, you may nominate an **Authorised Person**, such as your financial adviser, to assist in the administration and operation of your account.

By appointing an Authorised Person, you permit them to provide instructions in relation to certain aspects of your account, including:

- Providing investment or administrative instructions to BMIM;
- Requesting changes to account information;
- Assisting with transactions or account administration matters.

The authority granted to an Authorised Person is limited to the scope set out in the account documentation. Certain actions, such as changes to nominated bank account details or withdrawal instructions, may require additional verification or direct client authorisation.

If you wish to change or revoke the authority of an Authorised Person, you must notify BMIM or the relevant platform provider so that the account records can be updated accordingly.

Operating Your Account

Initial Contribution

Cash Contributions

You may fund your account by transferring cash to the designated **Cash Management Account (CMA)** established for your account through the relevant platform provider.

Cash contributions may generally be made using the following methods, subject to the platform provider's procedures:

- Electronic funds transfer (EFT)
- Direct bank transfer
- BPAY® (where supported by the platform provider)
- Other approved payment methods supported by the platform provider.

It is important that the **correct account reference number** is included when making a payment. This assists with the accurate identification and allocation of funds to your account. Failure to provide the correct reference may result in delays in processing your investment.

Funds received into the CMA will generally become available for investment once cleared in accordance with the platform provider's settlement procedures.

Regular Contributions

Subject to platform functionality, clients may arrange **regular contributions** from a nominated external bank account.

These contributions may be scheduled at various frequencies including:

- once only
- monthly
- quarterly
- semi-annually
- annually.

Regular contribution arrangements are established through the relevant platform provider and must be authorised by the client in accordance with the provider's procedures.

Cash Management

Each account includes a **Cash Management Account (CMA)** established with an approved CMA provider.

The CMA facilitates:

- settlement of investment transactions
- receipt of dividends and distributions
- payment of fees and costs
- portfolio liquidity management.

The CMA is maintained with a **third-party financial institution** and is not issued or operated by BMIM.

Interest payable on cash balances is determined by the CMA provider in accordance with their applicable terms and conditions.

BMIM does not guarantee any return on cash balances.

Important Disclosure – Non-Cash Payment Facility

BMIM does **not currently hold authorisation under its AFSL to operate a Non-Cash Payment Facility**.

Accordingly:

- BMIM does not issue or operate its own cash account product
- client cash balances are administered through approved **third-party CMA providers**.

If BMIM obtains the required regulatory authorisations in the future, certain cash administration functions may be internalised. Any such change would be communicated to clients in accordance with regulatory requirements.

Asset Transfers

In certain circumstances, clients may transfer existing assets into their account, subject to the approval of the relevant platform provider and the applicable Investment Mandate.

To complete an **in-specie transfer**, you must provide:

- details of the assets to be transferred
- the cost base and acquisition history for each asset parcel
- any other documentation required by the platform provider.

BMIM relies on the information provided by the client or their adviser when recording cost base information and accepts no liability for the accuracy of the information supplied.

Assets transferred into the account must be consistent with the **approved investment universe and portfolio mandate**.

Where transferred assets are not consistent with the relevant Model Portfolio strategy, BMIM may rebalance the portfolio by selling or reallocating those assets.

Maintaining a Cash Balance

A minimum cash balance may be required to ensure the account can meet:

- transaction settlement obligations
- adviser fees
- administration fees
- other costs associated with operating the account.

The required minimum cash balance may vary depending on the platform provider and the relevant Investment Mandate.

Your adviser may assist in monitoring and managing the cash allocation within your portfolio to ensure sufficient liquidity is maintained.

Investment Transactions

Under the Managed Discretionary Account (MDA) arrangement, **BMIM exercises discretionary authority** to implement investment decisions within the parameters of the applicable Investment Mandate.

This means that BMIM may:

- buy or sell investments
- rebalance portfolio allocations
- implement model portfolio changes
- participate in corporate actions

without obtaining prior client approval for each individual transaction.

All transactions are undertaken in accordance with:

- the MDA Agreement
- the Investment Mandate
- BMIM's internal investment governance procedures.

BMIM may execute transactions through approved brokers, platform providers or other authorised market participants.

Trade Execution and Allocation

BMIM may aggregate orders across multiple client accounts where this is considered to be in the **best interests of clients**.

Where trade aggregation occurs:

- transactions are allocated fairly across participating accounts
- allocations are undertaken in accordance with BMIM's **Trade Allocation and Best Execution policies**.

Trade aggregation may reduce transaction costs or improve execution efficiency for clients.

Changing Your Account Details

If you wish to update your account details, such as contact information or authorised representatives, you must notify the relevant platform provider or BMIM and complete the required documentation.

Changes to **nominated bank account details** may require additional identity verification to protect the security of your account.

Closing Your Account

You may request to close your account at any time by providing written instructions through your adviser or directly to the relevant platform provider.

Upon closure of the account, you may request:

- liquidation of the portfolio and payment of proceeds to your nominated bank account
- transfer of assets to another broker or custodian
- a combination of asset transfers and cash withdrawals.

The timing of account closure will depend on the time required to settle transactions and realise the underlying investments.

Prior to closing your account:

- any outstanding fees and expenses will be deducted
- transaction costs may apply to the sale or transfer of assets.

Certain investments may have **liquidity restrictions or minimum holding periods**, which may delay the completion of the account closure process.

Fees, Charges and Costs

Did you know?

Small differences in investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example reduce it from $100,000 to $80,000).

You should consider whether features such as superior investment management, governance, reporting and service justify higher fees and costs.

To find out more, the Australian Securities and Investments Commission (ASIC) website has tools and information to help you understand fees and costs and compare products. (For example, ASIC's Home - Moneysmart.gov.au fee resources.)

Important information about fees and costs

This section sets out the fees, charges and costs that may be payable in relation to your B. Moses Managed Account Investment Service (Service).

Fees and costs may be:

- deducted directly from your portfolio and/or cash account (as applicable);
- deducted from investment returns; and/or
- reflected in the valuation of underlying investments (for example, indirect costs charged within managed funds or ETFs).

Unless otherwise stated, amounts are inclusive of GST (net of any reduced input tax credits).

You should read all information about fees and costs carefully because they are important to understanding the impact on your investment.

Platform fees and costs:

Your account will be implemented through a nominated third-party platform provider (Platform). The Platform may charge additional administration, custody/IDPS-like fees, cash account/CMA fees, transaction charges and other costs under its terms. Those fees are disclosed in the Platform's disclosure documents and are payable in addition to BMIM fees unless otherwise agreed.

Fee and cost summary (BMIM fees)

Transaction Fee Comparison

(Self-Directed Portfolio vs Managed Account)

Service	Self-Directed Portfolio	Managed Account (MDA)
Domestic Equities	0.20% (min $20)	0.18% (min $18)
International Equities	0.40% (min $40)	0.25% (min $35)
ETFs	0.18%	0.15%
OTC Securities	0.45%	0.35%
Managed Funds	$5.00 per fund	$5.00 per fund
Unlisted Managed Funds	$5.00 per fund	$5.00 per fund
Transfer In per Asset	No charge	No charge
Transfer Out per Asset	$55	$45
Late Settlement Fee	Refer broker FSG	Refer broker FSG
Foreign Currency Transfer	0.50% FX margin	0.40% FX margin

Note: Managed Account portfolios may benefit from **aggregated or block trade execution**, which can result in lower transaction costs compared with Self Directed trading.

Service Fees

Fee Type	Description	Self-Directed Portfolio	Managed Account
Switching Fee	The fee to recover the costs of switching all or part of your investment from one Managed Portfolio to another.	Nil	Not applicable
Establishment Fee	The fee charged to open your investment account.	Nil	Not applicable
Contribution Fee	The fee applied to each additional amount invested into your account.	Nil	Not applicable
Withdrawal Fee	The fee applied when you withdraw funds from your account.	Nil	Not applicable
Exit Fee	The fee charged when closing your investment account.	Nil	Not applicable

Management costs (BMIM fees for operating the MDA)

Type of fee or cost	Amount	How and when paid
Management Fee (Non-Super)	**0.75% p.a.** of portfolio value (ex-GST)	Calculated daily on the portfolio value and charged monthly in arrears under the Client MDA Agreement.
Management Fee (Super / Retirement Account)	0.35% p.a. of portfolio value (ex-GST)	Calculated daily on the portfolio value and charged monthly in arrears under the Client MDA Agreement.
Performance Fee (where applicable and permitted)	See "Performance fees" below	Calculated in accordance with the Client MDA Agreement and applicable mandate disclosures; charged only where the performance condition is met.
Brokerage / Transaction Fee (BMIM brokerage)	**0.10% per transaction**	Charged to the client in respect of transactions executed within the portfolio at the time of trade/settlement (as applicable). Does not include third-party costs such as exchange fees, taxes or statutory charges.

Notes

1. The Management Fee above is charged by BMIM in its capacity as **MDA Operator**.
2. These BMIM fees do **not** include fees payable to your financial adviser (see "Adviser fees" below).
3. Platform fees and product issuer fees (including indirect costs) may apply in addition (see "Other costs" below).

Fees when your money moves in or out

BMIM does not charge a specific establishment, contribution, withdrawal or exit fee unless otherwise disclosed in your Client MDA Agreement.

However, you may incur:

- brokerage and transaction costs on purchases/sales required to implement contributions, withdrawals, switching or account closure;
- Platform fees and costs; and
- product buy/sell spreads, switching costs or withdrawal provisions imposed by issuers of underlying investments.

Performance fees (Retail and Wholesale disclosure)

Where permitted under:

- the **Client MDA Agreement**; and
- the operational capabilities of the Platform on which the MDA is implemented,

BMIM **may** charge a Performance Fee based on portfolio performance exceeding the specified benchmark/hurdle for the relevant Model Portfolio.

Because some Platforms cannot operationally apply tiered performance fee mechanics, the Performance Fee may be applied using either:

1. a **Tiered Performance Fee Structure** (preferred where supported); or
2. an **Alternative Flat Performance Fee** (where tiering cannot be supported).

The applicable method will be determined at account establishment and disclosed to you before implementation.

Performance fee structures

(a) Tiered Performance Fee (Preferred Structure)

Performance tier	Performance Fee rate
Returns above **20% p.a.**	**20%** of the excess return
Returns above **30% p.a.**	**30%** of the excess return
Returns above **40% p.a.**	**40%** of the excess return

(b) Alternative Flat Performance Fee (Platform Constraint)
Where tiering is not supported, a flat Performance Fee of **25% of the excess return above the applicable hurdle** applies. This method is intended to produce a broadly comparable outcome over a full performance cycle and is used only where required by platform constraints.

Performance fee mechanics (general)

Unless otherwise specified in the Client MDA Agreement:

- performance is measured **after all fees and costs** (including management fees and other applicable costs);
- the fee is measured over the defined performance period and may be subject to **high-water mark**, **hurdle**, and **crystallisation** provisions; and
- the fee is only payable where the applicable outperformance condition is met in accordance with the Client MDA Agreement.

Worked examples (illustrative only)

These examples are provided for demonstration only and do not represent actual or expected returns.

Example A — Net return of 28% p.a.

Element	Tiered Fee	Flat Fee (25%)
Net return above 20% hurdle	8%	8%
Performance Fee	8% × 20% = **1.60%**	8% × 25% = **2.00%**

Example B — Net return of 35% p.a.

Element	Tiered Fee	Flat Fee (25%)
Net return above 20% hurdle	15%	15%
Tier breakdown	10% @ 20% + 5% @ 30%	—
Performance Fee	(10%×20%) + (5%×30%) = **3.50%**	15%×25% = **3.75%**

Example C — Net return of 45% p.a.

Element	Tiered Fee	Flat Fee (25%)
Net return above 20% hurdle	25%	25%
Tier breakdown	10% @ 20% + 10% @ 30% + 5% @ 40%	—
Performance Fee	**7.00%**	**6.25%**

Important notes

- Performance Fees apply only when returns exceed the applicable hurdle and are calculated and realised strictly in accordance with the Client MDA Agreement.
- Differences between tiered and flat outcomes can occur in individual periods due to Platform constraints.
- The flat fee approach is designed to deliver a broadly comparable outcome over time and reduce the risk of unfair outcomes on Platforms that cannot support tiering.
- Detailed mechanics and examples are provided in the Client MDA Agreement Schedule.

Related-party remuneration (BMAM)

BMIM may pay a portion or all of the Management Fee and/or Performance Fee it receives to **B. Moses Asset Management Pty Ltd (BMAM)** for investment sub-advisory and model portfolio services under a separate **Investment Sub-Adviser Agreement**.

This arrangement:

- **does not increase** the fees payable by you;
- is disclosed in the **Client MDA Agreement**, BMIM's **Financial Services Guide**, and (where applicable) the relevant advice documents (**SoA/RoA**); and
- is managed under BMIM's conflicts management framework and applicable legal obligations.

Transactional and operational costs (other costs you may pay)

In addition to BMIM fees, transactional and operational costs may apply to the operation of your account. These costs can include:

- brokerage and execution costs;
- exchange fees;
- clearing and settlement costs;
- registration fees;
- bank fees;
- government taxes, duties and statutory charges (where applicable); and
- buy/sell spreads or transaction costs embedded in underlying products.
- foreign exchange conversion costs (if you hold or transact in foreign-currency assets through a platform that supports such exposures).

Transactional and operational costs will generally vary depending on your selected Model Portfolio, the number and type of transactions required to implement changes (including rebalances), the level of portfolio activity, and the third-party Platform/CMA provider used to operate your account.

Where these costs are charged to your account, they are generally deducted from the cash component of your account at the time of the relevant transaction or settlement (or otherwise as determined by the relevant Platform/CMA provider).

Platform fees, CMA fees and cash-related costs

Your account is implemented on a third-party Platform and uses a CMA provided by an external provider.

Accordingly:

- the Platform and CMA provider may charge administration, custody/nominee, cash account, reporting and transaction fees; and
- interest payable on cash balances (if any) is determined by the CMA provider and/or Platform arrangements.

BMIM does not currently operate a non-cash payment facility and does not issue its own cash account product. If BMIM obtains the relevant authorisations in the future, BMIM may offer additional cash administration functionality, and any such change will be disclosed to clients prior to implementation.

Adviser fees

Your adviser may charge fees for advice and related services. Adviser fees are negotiated between you and your adviser and (where you authorise) may be deducted from your account via the Platform.

Your authorisation must be provided in writing (including electronically) and will be implemented in accordance with platform processes and your adviser's ongoing fee arrangement obligations.

Fee disclosure and governance

BMIM will disclose fees and costs to you through:

- the **Client MDA Agreement** (including schedules);
- BMIM's **Financial Services Guide**;
- advice documentation (SoA/RoA where applicable); and
- periodic reporting provided via the Platform, in accordance with ASIC requirements, including relevant principles in **ASIC Regulatory Guides 97 and 179**.

Managing Your MDA

Investing into Your MDA

Please refer to the **Investment Mandate** for your selected Model Portfolio(s) for details of the minimum initial investment and any minimum additional investment amounts applicable to your Managed Discretionary Account (MDA).

Once your account has been established and cleared funds have been received, your investment will be implemented in accordance with the **relevant Model Portfolio allocation and investment strategy**.

BMIM, as the **MDA Operator**, exercises discretion to invest the portfolio in accordance with the Investment Mandate. This includes implementing transactions required to establish and maintain the portfolio allocation.

BMIM may receive research, asset allocation insights and model portfolio guidance from **B. Moses Asset Management Pty Ltd (BMAM)** under a formal **Investment Sub-Adviser Agreement**. However, BMIM retains full responsibility and discretion for all investment decisions and portfolio implementation.

Generally, BMIM will implement your initial investment and any additional contributions as soon as reasonably practicable after cleared funds are received. The implementation period will typically occur within **10 business days**, although the timing may vary depending on:

- market conditions
- asset liquidity
- trade settlement requirements
- portfolio rebalancing cycles
- economic trade parcel sizes.

BMIM will seek to implement investments efficiently while ensuring that transactions are executed in a manner consistent with **best execution principles** and the investment strategy.

Portfolio Construction and Trade Implementation

In managing multiple client accounts following the same Model Portfolio, BMIM may aggregate transactions across client portfolios to improve execution efficiency and reduce transaction costs.

Where transaction aggregation occurs:

- trades are allocated fairly across participating client accounts;
- transaction costs are apportioned proportionately between accounts; and
- allocation is undertaken in accordance with BMIM's **Trade Allocation and Best Execution policies**.

Small or uneconomic trades may be avoided where transaction costs would materially outweigh the investment benefit.

Minimum parcel sizes and market conventions may also affect the ability to implement certain transactions exactly at the target portfolio weighting.

Portfolio Weightings and Variations

Model Portfolios are implemented based on **target asset allocations**, however actual portfolio weightings may differ from the target allocations due to practical factors including:

- market movements
- transaction costs and minimum trade sizes
- timing of contributions and withdrawals
- payment of dividends or distributions
- settlement timing and cash management requirements.

As a result, the composition and performance of your portfolio may differ slightly from other client portfolios following the same Model Portfolio strategy.

BMIM manages portfolios within reasonable tolerance ranges to maintain alignment with the overall investment strategy.

Additional Contributions

You may add additional funds to your account from time to time.

Additional contributions will generally be invested at the next available portfolio implementation cycle or rebalance period. Pending investment, funds may temporarily remain in the **Cash Management Account (CMA)** associated with your account.

BMIM determines the timing of investment implementation in accordance with portfolio management considerations and market conditions.

Withdrawals and Redemptions

You may request a **partial or full withdrawal** from your account by providing instructions through your adviser or directly to the relevant platform provider, subject to any minimum account balance requirements.

Where a withdrawal request requires the sale of investments:

- assets may be sold to generate the required liquidity;
- transaction costs may apply; and
- the sale of investments may result in **capital gains or capital losses** for tax purposes.

Withdrawal requests are processed in accordance with platform settlement procedures and applicable market trading conditions.

You should seek independent tax advice regarding the potential tax consequences of any withdrawal.

Cash Holdings and Income

Each portfolio includes a **cash allocation** to facilitate liquidity management, transaction settlement and the payment of fees.

Income received from investments, including dividends, interest or distributions, is credited to the **cash balance associated with your account**.

BMIM may, at its discretion and in accordance with the Investment Mandate:

- reinvest income into existing investments;
- allocate income to new investments; or
- retain income temporarily as cash.

Cash balances may also fluctuate as a result of portfolio rebalancing, corporate actions, or investment implementation timing.

Interest payable on cash balances (if any) is determined by the **CMA provider or Platform** and not by BMIM.

Portfolio Rebalancing

BMIM periodically reviews Model Portfolios to ensure that the portfolio allocation remains consistent with the intended investment strategy.

Rebalancing may occur where asset allocations deviate materially from target weightings due to:

- market movements
- investment inflows or withdrawals
- portfolio strategy updates
- risk management considerations.

BMAM may provide model portfolio recommendations and asset allocation insights to BMIM; however, **all rebalancing decisions and portfolio implementation remain the responsibility of BMIM**.

Rebalancing transactions may not occur where trade sizes fall below minimum market parcel sizes or where executing the trade would not be considered efficient or in the best interests of clients.

Corporate Actions and Voting

Corporate actions relating to assets held within the MDA, such as:

- rights issues
- share buy-backs
- takeover offers
- dividend reinvestment elections
- other issuer events,

will be managed by BMIM in accordance with the relevant Investment Mandate and the discretionary authority granted under the MDA Agreement.

Where voting rights are attached to securities held within the portfolio, BMIM will determine the appropriate course of action consistent with the investment strategy.

Client Investment Restrictions

If you wish to exclude particular securities, sectors or industries from your portfolio, you must provide written instructions through your adviser.

Where such restrictions are implemented, they may cause your portfolio to deviate from the standard Model Portfolio allocation. In certain cases, BMIM may determine that it is not operationally feasible to maintain alignment with the Model Portfolio and may cease rebalancing the portfolio to that strategy.

Derivatives and Non-Limited Recourse Products

Some Model Portfolios may include financial products that involve derivatives or other instruments that create leverage or contingent liabilities.

Where relevant, the applicable **Investment Mandate** will disclose:

- the types of derivative or leveraged instruments permitted;
- the key risks associated with those products;
- the degree of leverage that may apply to the portfolio; and
- policies for managing margin calls, collateral requirements and position closures.

Where such instruments are permitted, BMIM will manage the associated risks in accordance with its **risk management framework and investment governance policies**.

Model Portfolio Specifications

Model Name: B. Moses Australian Income Portfolio

Feature	Description	
Model Name	B. Moses Australian Income Portfolio	
Investment Sub-Adviser	B. Moses Asset Management Pty Ltd	
Inception Date	August 2022	
Investment Objective	The portfolio aims to deliver tax-effective income and growth greater than the benchmark, over a 5-year timeframe, after fees.	
Investment Strategy	The B. Moses Australian Income Portfolio aims to provide a diversified mix of domestic assets sourced from listed and direct investments, exchange-traded funds ("ETFs"), managed funds, alternative investments, or listed investment trusts.	
Benchmark	S&P/ASX 200 (TR) Index	
Minimum number of securities	3	
Maximum number of securities	40	
Asset Allocation	**Allocation Range**	**Target Weight**
Australian Equities	15% to 75%	50.0%
International Equities (Hedged)	0% to 50%	2.5%
Australian Property	0% to 15%	5.5%
International Property	0% to 15%	2.0%
Australian Fixed Interest	0% to 50%	15.0%
Australian Floating Rate Interest	0% to 50%	5.0%
International Fixed Interest	0% to 25%	5.0%
Defensive Alternative	0% to 15%	5.0%
Alternative Investments	0% to 30%	0.0%
Diversified Fixed Interest	0% to 40%	0.0%
Other	0% to 15%	0.0%
Liquid Assets	0% to 15%	0.0%
Cash (minimum 1% cash)	1% to 90%	10.0%
Investment Universe	Listed Australian equities, ETFs, listed investment companies, managed funds, alternative assets, and cash.	
Maximum single security or fund weighting	100%	
Minimum suggested timeframe	5 years	
Minimum initial investment $	$50,000	
Minimum additional investment $	$10,000	
Minimum withdrawal	$10,000	
Rebalance frequency	Sub-adviser discretion	
Investment Manager Fee (estimated range)	0.35 to 0.75% (underlying product fees)	
Performance fee	Investment Manager, Sub-Adviser may be entitled to performance fees.	

Model Name: B. Moses Balanced Portfolio (60/40)

Feature	Description	
Model Name	B. Moses Balanced Portfolio	
Investment Sub-Adviser	B. Moses Asset Management Pty Ltd	
Inception Date	August 2022	
Investment Objective	After fees, the portfolio aims to deliver a return greater than the benchmark over a 5-year timeframe.	
Investment Strategy	The B. Moses Balanced Portfolio aims to provide a diversified mix of local and global assets sourced from listed and direct investments, exchange-traded funds ("ETFs"), managed funds, or listed investment trusts.	
Benchmark	Custom blend of passive index exposures.	
Minimum number of securities	5	
Maximum number of securities	40	
Asset Allocation	**Allocation Range**	**Target Weight**
Australian Equities	0% to 50%	25.0%
International Equities	0% to 50%	28.5%
Australian Property	0% to 15%	2.5%
International Property	0% to 15%	3.5%
Australian Fixed Interest	0% to 50%	5.0%
Australian Floating Rate Interest	0% to 35%	17.5%
International Fixed Interest	0% to 35%	10.0%
Defensive Alternative	0% to 15%	1.5%
Alternative Investments	0% to 30%	0.0%
Diversified Fixed Interest	0% to 35%	2.5%
Other	0% to 10%	0.0%
Liquid Assets	0% to 20%	1.0%
Cash (minimum 1% cash)	1% to 90%	3.0%
Investment Universe	Australian equities, international equities, ETFs, listed managed funds, fixed income securities, managed funds, and cash.	
Maximum single security or fund weighting	100%	
Minimum suggested timeframe	5 years	
Minimum initial investment $	$50,000	
Minimum additional investment $	$10,000	
Minimum withdrawal	$10,000	
Rebalance frequency	Sub-adviser discretion	
Investment Manager Fee (estimated range)	0.35 to 0.75% (underlying product fees)	
Performance fee	Investment Manager, Sub-Adviser may be entitled to performance fees.	

Note: The underlying Investment Manager fee will vary from strategy to strategy as the underlying asset allocation weights are adjusted for risk profiles, tactical asset allocation changes, and changes to the underlying fund managers associated with each model portfolio strategy. New fund managers may have higher or lower fees.

Model Name: B. Moses High Conviction Growth Portfolio

Feature	Description	
Model Name	B. Moses High Conviction Growth Portfolio	
Investment Sub-Adviser	B. Moses Asset Management Pty Ltd	
Inception Date	August 2022	
Investment Objective	After fees, the portfolio aims to deliver a return greater than the benchmark over a 5-year timeframe.	
Investment Strategy	The B. Moses High Conviction Growth Portfolio aims to provide a diversified mix of local and global assets sourced from listed and direct investments, exchange-traded funds ("ETFs"), managed funds, or listed investment trusts.	
Benchmark	Custom blend of passive index exposures.	
Minimum number of securities	5	
Maximum number of securities	40	
Asset Allocation	**Allocation Range**	**Target Weight**
Australian Equities	0% to 50%	35%
International Equities	0% to 50%	40%
Australian Property	0% to 20%	2.50%
International Property	0% to 20%	2.50%
Australian Fixed Interest	0% to 40%	5%
Australian Floating Rate Interest	0% to 30%	3%
International Fixed Interest	0% to 25%	2%
Defensive Alternative	0% to 20%	5%
Alternative Investments	0% to 15%	2%
Diversified Fixed Interest	0% to 30%	1%
Other	0% to 10%	0%
Liquid Assets	0% to 20%	1%
Cash (minimum 1% cash)	1% to 90%	1%
Investment Universe	Australian equities, international equities, ETFs, listed managed funds, fixed income securities, managed funds, and cash.	
Maximum single security or fund weighting	100%	
Minimum suggested timeframe	5 years	
Minimum initial investment $	$50,000	
Minimum additional investment $	$10,000	
Minimum withdrawal	$10,000	
Rebalance frequency	Sub-adviser discretion	
Investment Manager Fee (estimated range)	0.35 to 0.75% (underlying product fees)	
Performance fee	Investment Manager, Sub-Adviser may be entitled to performance fees.	

Note: The underlying Investment Manager fee will vary from strategy to strategy as the underlying asset allocation weights are adjusted for risk profiles, tactical asset allocation changes, and changes to the underlying fund managers associated with each strategy. New fund managers may have higher or lower fees.

Model Name: B. Moses International Equities Portfolio

Feature	Description	
Model Name	B. Moses International Equities Portfolio	
Investment Sub-Adviser	B. Moses Asset Management Pty Ltd	
Inception Date	August 2022	
Investment Objective	After fees, the portfolio aims to deliver a return greater than the benchmark over a 5-year timeframe.	
Investment Strategy	The B. Moses International Equities Portfolio aims to provide a diversified mix of global assets sourced from listed and direct investments, exchange-traded funds ("ETFs"), managed funds, or listed investment trusts.	
Benchmark	MSCI World (ex-Australia) Index Net Total Return (AUD)	
Minimum number of securities	3	
Maximum number of securities	40	
Asset Allocation	**Allocation Range**	**Target Weight**
Australian Equities	0% to 0%	0%
International Equities	0% to 95%	80%
Australian Property	0% to 0%	0%
International Property	0% to 15%	5%
Australian Fixed Interest	0% to 25%	0%
Australian Floating Rate Interest	0% to 25%	0%
International Fixed Interest	0% to 35%	10%
Defensive Alternative	0% to 15%	0%
Alternative Assets	0% to 15%	0%
Diversified Fixed Interest	0% to 35%	3%
Other	0% to 10%	0%
Liquid Assets	0% to 20%	0%
Cash (minimum 1% cash)	1% to 90%	2%
Investment Universe	Listed Global equities, ETFs, listed investment companies, managed funds, and cash.	
Maximum single security or fund weighting	100%	
Minimum suggested timeframe	5 years	
Minimum initial investment $	$50,000	
Minimum additional investment $	$10,000	
Minimum withdrawal	$10,000	
Rebalance frequency	Sub-adviser discretion	
Investment Manager Fee (estimated range)	0.35 to 0.75% (underlying product fees)	
Performance fee	Investment Manager, Sub-Adviser may be entitled to performance fees.	

The portfolio is expected to maintain a predominant exposure to international equities at all times, with defensive assets used primarily for liquidity management and risk control.

Model Name: B. Moses Moderately Conservative Portfolio

Feature	Description	
Model Name	B. Moses Moderately Conservative Portfolio	
Investment Sub-Adviser	B. Moses Asset Management Pty Ltd	
Inception Date	October 2024	
Investment Objective	After fees, the portfolio aims to deliver a return greater than the benchmark over a 5-year timeframe.	
Investment Strategy	The B. Moses Moderately Conservative Portfolio aims to deliver stable, risk-adjusted returns through a diversified allocation focused on defensive and income-producing assets, with a measured exposure to growth. Investments span listed equities, fixed and floating-rate securities, listed real assets, funds and ETFs, defensive alternatives, and cash, and are managed within approved ranges to control volatility and preserve capital in line with a moderately conservative risk profile.	
Benchmark	Custom blend of passive index exposures.	
Minimum number of securities	5	
Maximum number of securities	40	
Asset Allocation	**Allocation Range**	**Target Weight**
Australian Equities	0% to 35%	25.5%
International Equities	0% to 35%	17.5%
Australian Property	0% to 20%	3.0%
International Property	0% to 20%	2.0%
Australian Fixed Interest	0% to 50%	10.5%
Australian Floating Rate Interest	0% to 40%	8.5%
International Fixed Interest	0% to 25%	8.0%
Defensive Alternative	0% to 30%	5.0%
Alternative Investments	0% to 15%	0%
Diversified Fixed Interest	0% to 35%	10.0%
Other	0% to 10%	0%
Liquid Assets	0% to 15%	5.0%
Cash (minimum 1% cash)	1% to 90%	5.0%
Investment Universe	Australian equities, international equities, ETFs, listed managed funds, fixed income securities, managed funds, defensive alternatives, listed investment trusts, and cash.	
Maximum single security or fund weighting	100%	
Minimum suggested timeframe	5 years	
Minimum initial investment $	$50,000	
Minimum additional investment $	$10,000	
Minimum withdrawal	$10,000	
Rebalance frequency	Sub-adviser discretion	
Investment Manager Fee (estimated range)	0.35 to 0.75% (underlying product fees)	
Performance fee	Investment Manager, Sub-Adviser may be entitled to performance fees.	

Strategic Asset Allocation Ranges (Model Portfolios)

Strategic asset allocation ranges and why they matter

Each BMIM Model Portfolio has **strategic asset allocation ranges** for each asset class. These ranges are shown in the **Model Portfolio Specifications** section of this Guide (and form part of the Investment Mandate for each Model Portfolio).

The ranges define the **minimum and maximum exposure** that may be held in each asset class, with a stated **target weight**. They are a core part of the portfolio's risk profile and are designed to provide a disciplined framework for portfolio construction, ongoing monitoring, and rebalancing.

What is correlation and why do investors need to understand it

Correlation describes how different asset classes tend to move relative to each other.

If two asset classes are **highly correlated**, they often rise and fall together. If correlation is **low or negative**, they may move differently, which can help smooth returns and reduce the severity of drawdowns. Correlations are **not fixed** and may change materially across market cycles.

Key points investors should understand:

- In normal conditions, some defensive assets (for example, high quality bonds) may offset equity volatility.
- In stress events, correlations between "risk assets" (for example, equities, listed property, listed infrastructure, high yield credit) can rise, meaning diversification benefits may reduce when you need them most.
- Inflation and rate shocks can cause both equities and bonds to fall together, which can reduce the protective role of fixed income in that period.
- Diversification works best when you diversify by **true drivers of return** and include assets with different sensitivities to growth, inflation, and interest rates.

How correlation informs BMIM's strategic ranges

The strategic ranges in the Model Portfolio Specifications are designed to:

1. **Manage unintended concentration**
   Ranges limit how far any one asset class can dominate the portfolio, helping reduce reliance on a single return driver. For example, an income oriented portfolio may allow a broader range in Australian equities, but still caps the maximum exposure to reduce single cycle risk.

2. **Create flexibility when correlations change**
   Because correlations can change, fixed weights can force poor timing decisions. Ranges allow BMIM (with input from BMAM) to adjust exposures within the risk profile when market relationships shift.

3. **Support risk profile integrity**
   Each portfolio's range structure is aligned to the intended risk profile. A moderately conservative model typically permits higher ranges for defensive and cash like exposures than a high growth model, reflecting the objective of limiting volatility and drawdowns.

4. **Improve implementation outcomes across platforms**
   Platform constraints, minimum trade sizes, and cash flows can cause temporary drift. Ranges provide a compliant tolerance framework so portfolios can be managed prudently while remaining aligned to the mandate.

Practical examples to explain the rationale

The examples below are illustrative only and do not represent actual allocations that will occur in your account.

Example 1: Equity market sell off and rising correlations across risk assets
In a broad risk off event, Australian equities, international equities, listed property, and listed infrastructure may all fall at the same time because they are often positively correlated in stressed markets.

- A portfolio with defined **maximum ranges** for growth assets reduces the risk of excessive drawdown from overexposure to correlated assets.
- The ability to hold **cash within the permitted range** supports liquidity for rebalancing and portfolio stability.

Example 2: Inflation shock and bond equity correlation turning positive
When inflation rises sharply, central banks may raise interest rates quickly. In these periods, **long duration bonds and equities can fall together**, reducing traditional diversification.

- Allowing flexibility across defensive exposures (for example, a mix of floating rate, shorter duration fixed income, diversified fixed interest, and cash) helps manage the portfolio's sensitivity to rate shocks within the approved ranges.

Example 3: Currency as a diversifier and a risk factor
International equities can diversify Australian equity risk, but returns can be materially impacted by currency movements.

- A model with an international equities allocation range may incorporate decisions about hedged and unhedged exposures within the mandate, recognising that currency can either cushion or amplify volatility depending on market conditions.

Example 4: Credit and equities behaving similarly in downturns
Some credit exposures can behave more like equities during stress, particularly if risk premia widen or liquidity deteriorates.

- Ranges across fixed interest, floating rate, diversified fixed interest, defensive alternatives, and cash are designed to

manage this interaction and avoid unintended correlation spikes in defensive sleeves.

How BMIM applies the ranges in practice

BMIM manages each Model Portfolio within the stated asset class ranges set out in the Model Portfolio Specifications. BMIM may, with input from BMAM as investment sub adviser, make adjustments within those ranges to reflect:

- changes in market volatility and drawdown risk
- changes in correlations and diversification benefits
- valuation conditions and macroeconomic regime shifts
- liquidity needs, platform implementation constraints, and cash flows
- rebalancing requirements to maintain alignment to the mandate.

Your portfolio will generally be rebalanced over time to remain consistent with the strategic framework, noting that timing differences, transaction sizes, tax considerations, and platform constraints may cause temporary drift.

Important information

This section is provided for investor education and general information only. It does not take into account your objectives, financial situation, or needs. Correlations and diversification benefits can change and may not protect against loss. Strategic ranges are designed to support disciplined portfolio management, but do not guarantee performance outcomes or prevent losses.

Reporting and Client Communications

Portfolio Reporting

Clients will receive regular reporting in relation to their portfolio through the **investment platform and associated Cash Management Account (CMA) provider** used to administer the account.

These reports will generally include information such as:

- portfolio valuation
- asset allocation
- transaction history
- income received (e.g. dividends, interest or distributions)
- performance reporting
- realised capital gains and losses
- fees and costs deducted from the account.

Reporting frequency and format will depend on the **platform provider**, but is typically available **online on an ongoing basis** with periodic statements issued at least **quarterly and annually**.

Clients may also have access to **secure online portals** provided by the platform or CMA provider to review their portfolio holdings and transaction history.

BMIM MDA Reporting Obligations

In addition to platform reporting, BMIM complies with the **Managed Discretionary Account reporting obligations** under the Corporations Act and ASIC Regulatory Guide 179.

Retail MDA clients will receive a **Periodic MDA Statement** at least **every three months**, which will include information such as:

- details of transactions undertaken during the reporting period
- the value of portfolio assets
- fees and costs charged
- changes to portfolio holdings
- portfolio performance information.

These reports are typically delivered through the **platform reporting system**, supplemented where required by BMIM to ensure compliance with regulatory requirements.

Annual Investor Reporting

Clients will generally receive an **annual statement** through the relevant platform or CMA provider to assist with tax reporting and record keeping.

Annual reporting may include:

- a summary of transactions during the financial year
- income received from investments
- realised capital gains or losses
- opening and closing portfolio balances
- details of fees and costs charged.

These statements are designed to assist clients and their advisers when preparing **annual tax returns** or reviewing overall portfolio performance.

Adviser Reporting and Portfolio Reviews

Your adviser will have access to portfolio reporting through the relevant platform and may provide additional reporting or portfolio reviews as part of their ongoing advice services.

Where **personal financial advice** has been provided to a retail client, advisers are generally required to conduct **periodic reviews** to assess whether the investment strategy and Model Portfolio remain appropriate for the client's objectives, financial situation and needs.

The frequency of adviser reviews will depend on the **client's advice agreement** with their adviser.

Investment Strategy and Portfolio Changes

BMIM may from time-to-time update Model Portfolios or adjust investment allocations in response to:

- market conditions
- risk management considerations
- changes to investment opportunities
- updated research or portfolio recommendations provided by **BMAM as Sub-Investment Adviser**.

Where changes are made within the parameters of the **relevant Investment Mandate**, BMIM may implement those changes under the discretionary authority granted in the MDA Agreement.

Material changes to a Model Portfolio strategy or Investment Mandate will be communicated to clients through appropriate channels, which may include:

- platform notifications
- adviser communications
- updated disclosure documents.

Access to Information

Clients and their advisers may request additional information about their portfolio or the operation of the MDA service by contacting BMIM or the relevant platform provider.

This may include requests for:

- historical transaction records
- portfolio holdings
- performance information
- copies of disclosure documents.

Where applicable, information will be provided in accordance with BMIM's **regulatory obligations, privacy policies and record-keeping requirements**.

Taxation

General taxation treatment

You are the beneficial owner of the assets held in your account. As a result, the taxation consequences associated with those investments generally apply directly to you.

Income earned from investments held within your portfolio, including dividends, interest and distributions, together with any capital gains or capital losses arising from the sale of investments, will generally form part of your assessable income for tax purposes.

The tax treatment of investments will depend on your individual circumstances, including your residency status and the nature of your investments.

BMIM does not provide taxation advice. You should seek independent taxation advice from a qualified tax adviser regarding your personal taxation position.

Annual tax reporting

Following the end of each financial year, you will generally receive tax reporting information through the relevant investment platform or product issuer.

These reports are intended to assist you or your tax adviser in preparing your annual tax return and may include information such as:

1. Income received from investments
2. Dividends and interest
3. Distributions from managed investments
4. Realised capital gains or losses
5. Franking credits and other tax credits where applicable

The format and timing of tax reporting may vary depending on the platform provider, product issuers and investment types held within your portfolio.

Tax File Number (TFN) or Australian Business Number (ABN)

During the account opening process you may be asked to provide your Tax File Number (TFN), Australian Business Number (ABN), or an exemption reason.

Providing this information is not mandatory. However, if a TFN, ABN or valid exemption is not provided, tax may be required to be withheld from certain types of investment income at the highest marginal tax rate plus Medicare levy in accordance with Australian taxation law.

Any tax withheld may generally be claimed as a credit in your income tax return.

The collection, use and disclosure of TFNs is authorised and regulated under Australian taxation legislation and the Privacy Act 1988 (Cth).

Non-resident investors

Different taxation rules may apply to non resident investors. In certain circumstances, withholding tax may apply to specific types of income derived from Australian investments.

If your tax residency status changes, you should notify your adviser or the relevant platform provider as soon as practicable so that your account records can be updated.

Capital gains tax

Capital gains tax may arise when investments within your portfolio are sold or otherwise disposed of.

The calculation of capital gains or losses will generally depend on factors including:

1. The acquisition price of the investment
2. The disposal price
3. The holding period
4. Applicable tax concessions or offsets

Where available, information relating to realised gains or losses may be reflected in the tax reporting provided by the relevant platform or product issuer.

Important note

Taxation laws are complex and subject to change. The information provided in this Guide is general in nature only and does not take into account your personal taxation circumstances.

You should obtain independent taxation advice before making investment decisions or acting on information contained in this Guide.

Risks

Risks of Investing

Before making an investment decision, it is important that you understand the risks that may affect your investment. Investments involve risk and the value of investments may rise or fall over time. You should be prepared for the possibility that your investment may not achieve its objectives and that you may lose some or all of your invested capital.

The Model Portfolios available through the MDA service invest in a range of financial products and asset classes. As a result, various risks may affect the performance and value of your portfolio. These risks include, but are not limited to, the following.

Market risk

Market risk refers to the risk that the value of investments may fluctuate due to changes in market conditions. Economic developments, geopolitical events, interest rate movements, investor sentiment, regulatory changes and global financial market conditions can influence the value of investments. These factors may affect the value of equities, fixed income securities and other financial assets held within the portfolio.

Security specific risk

The value of an individual investment may change due to factors that are specific to the issuer or security. Examples include changes in a company's financial performance, management decisions, competitive conditions, regulatory developments or creditworthiness. These events may adversely affect the price or income generated by the investment.

Currency risk

Where investments include international assets, changes in foreign exchange rates may affect the value of those investments when converted into Australian dollars. If the Australian dollar strengthens relative to other currencies, the value of international investments may decline when expressed in Australian dollar terms.

Interest rate risk

Changes in interest rates may affect the value of certain investments, particularly fixed income securities and interest rate sensitive assets. Rising interest rates may reduce the market value of some fixed income investments and may also influence equity market valuations.

Credit risk

Credit risk refers to the possibility that an issuer of a financial instrument may fail to meet its financial obligations. A deterioration in the perceived creditworthiness of an issuer may result in a decline in the value of its securities.

Liquidity risk

Liquidity risk arises where an investment cannot be easily sold or converted into cash without materially affecting its market price. Certain securities or market conditions may reduce the ability to realise investments quickly.

Investment manager risk

Model Portfolios are constructed based on investment strategies and research developed by BMIM, with input from BMAM as Sub Investment Adviser. There is a risk that the investment strategy may not achieve its intended objectives or may underperform relevant market benchmarks or comparable investment strategies.

Time horizon risk

Investment returns may vary significantly over different time periods. Short term market movements may lead to volatility in portfolio values. The Model Portfolios are generally designed for medium to long term investors and may not be suitable for investors seeking short term investment outcomes.

Income risk

The level of income generated by investments may vary over time. Dividend payments, interest rates and distributions may increase or decrease depending on market conditions and issuer performance.

Asset class risk

Different asset classes may perform differently under various economic conditions. For example, equities, fixed income securities, property securities and alternative investments may experience varying levels of volatility and return over time.

Diversification and concentration risk

Although diversification is used to reduce overall portfolio risk, Model Portfolios may have exposure to particular asset classes, sectors or investment styles. Concentrated exposures may increase the impact of adverse movements in those assets or sectors.

Inflation risk

Inflation may reduce the purchasing power of investment returns over time. If the return on your investments does not keep pace with inflation, the real value of your investment may decline.

Portfolio implementation risk

Your portfolio may not always replicate the target allocations of the Model Portfolio exactly. Differences may arise due to timing of contributions or withdrawals, minimum trade sizes, transaction costs, market conditions or individual investment restrictions.

Third party service provider risk

The operation of the MDA service may involve third party service providers, including investment platforms, brokers, custodians, administrators and technology providers. While BMIM undertakes due diligence and monitoring of these providers, failures or

disruptions affecting these services may impact the operation of your account.

Systems and operational risk

Investment platforms, trading systems and administration systems are used to process transactions and maintain records. While these systems are designed to operate reliably and include business continuity arrangements, technology failures or disruptions may result in delays in processing transactions or accessing account information.

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Managed Account Services Guide

B. Moses Managed Account Investment Service Guide

This B. Moses Managed Account Investment Service Guide (Managed Account Service Guide) is issued by B. Moses Investment Management Pty Ltd (BMIM) (ABN 67 676 189 352, AFSL No. 561673).

This Agreement should be read together with the Financial Services Guide (FSG) issued by BMIM and B. Moses Asset Management Pty Ltd (BMAM), Corporate Authorised Representative No. 001291994 of BMIM.

B. Moses Investment Management Pty Limited (ABN 31 156 147 223, AFSL No. 561673) (BMIM)

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