



ClearView Managed Portfolios

Additional Information Brochure - Class H

30 September 2022

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This Additional Information Brochure (**AIB**) forms part of the ClearView Managed Portfolios Product Disclosure Statement (**PDS**) for the Scheme dated 30 September 2022. You should consider the information in this document together with the PDS and the ClearView Managed Portfolios Brochure (**Investments Brochure**) before making a decision about investing in the ClearView Managed Portfolios. You can access the PDS and Investments Brochure through your financial adviser, online at clearview.com.au/PDS or on the website of your Eligible Platform provider.

Terms used in this AIB

'CFML', 'we', 'our', or 'us' means ClearView Financial Management Limited as the responsible entity and portfolio manager of the Scheme;

'Eligible Platform' means WealthSolutions, WealthSolutions2, HUB24 Invest and HUB24 Super; and any other platform CFML nominates;

'HUB24', 'Administrator', or 'Custodian' means HUB24 Custodial Services Ltd as the Administrator and Custodian of the ClearView Managed Portfolios;

'Managed Portfolio option' means a model investment portfolio constructed by CFML, a related party of CFML, or a third party professional portfolio manager appointed by CFML;

'Portfolio' means the portfolio of investments held for an investor through the ClearView Managed Portfolios;

'Scheme' means the ClearView WealthSolutions Separately Managed Account ARSN 607 782 187 APIR Code CVW0034AU;

'WealthSolutions' means ClearView WealthSolutions Investments and ClearView WealthSolutions Superannuation and Retirement Income;

'WealthSolutions2' means ClearView WealthSolutions2 Investment Service and ClearView WealthSolutions2 Super and Retirement.

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ClearView Managed Portfolios PDS

Provides a summary of significant information relating to the ClearView Managed Portfolios.

ClearView Managed Portfolios Investments Brochure

Contains information about the Managed Portfolio options available for investment.

The information in this document forms part of the PDS for the ClearView Managed Portfolios. Information in the PDS, AIB and Investments Brochure is subject to change from time to time and may be updated by us. Updated information, if it is not materially adverse, can be obtained from your financial adviser, on our website at clearview.com.au/PDS, or on your Eligible Platform provider's website. If updated information is materially adverse, we will update the PDS, AIB and/or Investments Brochure.

The information provided in this document is general information only and does not take account of your personal objectives, financial situation or needs (your 'personal circumstances'). You should consider the appropriateness of the information in this AIB having regard to your personal circumstances. Your financial adviser can provide you with tailored advice that meets your personal circumstances and we recommend you discuss your situation with them before acting on the information in this document.

1. About ClearView Financial Management Limited

CFML is a subsidiary company of ClearView Wealth Limited (ABN 83 106 248 248) (**ClearView Wealth**).

ClearView Wealth is an ASX-listed diversified financial services company that specialises in life insurance and wealth management. ClearView Wealth partners with financial advisers to help more Australians grow and protect their wealth and achieve their financial goals. As at 30 June 2022, ClearView Wealth had \$3.12 billion in funds under management. For updated information, refer to the latest ClearView Wealth Limited Annual Report available on our website at clearview.com.au.

2. How the ClearView Managed Portfolios work

Who are the parties involved?

CFML is the responsible entity and portfolio manager for the Scheme. Any conflict of interest, or potential conflict of interest, is managed in accordance with CFML's Conflicts Management & Related Party Transaction Policy.

A professional custodian generally holds the assets of each Managed Portfolio. The custodian is appointed by us and is responsible only to us in their capacity as custodian of the ClearView Managed Portfolios. At the date of this document, CFML has appointed HUB24 Custodial Services Ltd ABN 94 073 633 664 AFSL 239122 (**HUB24**) as the Administrator and Custodian for the ClearView Managed Portfolios.

As Custodian, HUB24's role is limited to holding the Managed Portfolio option assets within the ClearView Managed Portfolios. HUB24 as Custodian has appointed sub-custodians, and these sub-custodians and HUB24 are collectively referred to as the 'Custodian', as the context requires.

As Administrator, HUB24's role is to implement each Managed Portfolio option and any changes to the Managed Portfolio option's composition as instructed by the portfolio manager.

How to invest in the Scheme

To invest in the Scheme you will need to open an account with an Eligible Platform provider. You can then invest into the ClearView Managed Portfolios via the Eligible Platform.

Each Managed Portfolio option is designed by our investment experts to meet the investment objectives of a particular risk profile. The investment team achieves this by blending underlying investment managers, asset classes and investment styles.

You should review the Investments Brochure to see which Managed Portfolio options are available and to ensure that the Managed Portfolio option that you are considering meets your needs and is in line with your overall investment objectives.

Transferring assets into your Portfolio

Your initial investment, and any additional investment, into a Managed Portfolio option can be funded by cash from your Eligible Platform account. Alternatively you can transfer existing assets from your Eligible Platform account, or a combination of both.

When assets are transferred into your Portfolio, the Administrator may need to sell some of the assets (and acquire others) as part of the rebalance process, so that your Portfolio is as closely aligned as possible to the asset targets of your selected Managed Portfolio option. Please note that the sale of assets generally give rise to tax consequences, therefore you should consider whether to contribute assets that are unlikely to be included in your chosen Managed Portfolio option. Please refer to section 7 for more information on how managed investment schemes are taxed, and refer to *Portfolio Rebalancing* within section 5 for information on how rebalancing works on your Portfolio.

Switching between Managed Portfolio options

You can switch between Managed Portfolio options. When you switch between Managed Portfolio options, this may trigger buys and sells of underlying assets to align your Portfolio to the new Managed Portfolio option targets. The Administrator will only place buy or sell trades for an underlying asset where there are differences in the allocation. We do this to avoid unnecessary trades and their related tax and cost impacts. Note that sales of underlying assets may trigger tax consequences.

As an example, let's say you switched from a Managed Portfolio option which contains 30% in 'XYZ Managed Fund' to another Managed Portfolio option that had 20% of the same 'XYZ Managed Fund'. The Administrator would only sell 10% of your current holding in 'XYZ Managed Fund' and retain the 20% weighting for the new Managed Portfolio option. This would save on tax and transaction costs as you avoid a full sell and repurchase of the managed fund.

Trading

The portfolio manager will instruct the Administrator when changes are required to the Managed Portfolio options. The Administrator will then act on these instructions to determine what trading is required. Please refer to the Eligible Platform's disclosure document for details on how trading works within the platform.

Cash allocation

Each Managed Portfolio option has a minimum asset allocation to cash investments to ensure that there is sufficient cash to operate your Portfolio. This minimum cash allocation will generally be at least 0.5% of the total value of all assets held in your Portfolio. If the proportion of cash held in your Portfolio falls below the minimum, we will sell down other assets in your Portfolio as part of the rebalance process to return your cash allocation to the relevant level. For more information, refer to *Portfolio Rebalancing* in section 5.

At times, the cash allocation of your Portfolio may not have sufficient funds to complete the rebalance or reallocation process. In this case the rebalance or reallocation of your cash allocation will not occur until there are sufficient funds to initiate a rebalance or reallocation.

Performance

There will be differences between the performance of the Managed Portfolio option provided by the portfolio manager and your Portfolio because of factors such as:

- differences in the timing of, and prices received for, buy and sell transactions;
- differences in fees charged;
- cashflows from investments and withdrawals;
- differences in timing between when a portfolio manager makes changes to the Managed Portfolio option and when the portfolio manager notifies the Administrator of those changes;
- differences in holdings (for example, if the Administrator is restricted from buying a particular asset due to Corporations Act requirements);
- differences in the level of cash allocation resulting from the requirement that a minimum cash allocation of at least 0.5% be held in each Managed Portfolio option, and the fact that the actual cash balance will fluctuate due to any income paid to your Portfolio;
- any trading or other restrictions imposed by CFML or your Eligible Platform; and
- any exclusions and/or substitutions you select.

Cease using your Managed Portfolio option

Please note that you can choose to exit a Managed Portfolio option at any time. A full withdrawal from your Portfolio will trigger a rebalance of your entire Portfolio to cash.

You also have the option to withdraw assets by having your investments transferred out via an in specie transfer, however in some circumstances this may not be possible, for example some wholesale managed funds available in the Managed Portfolio option may not be available to retail investors directly via the Eligible Platform.

We recommend that you consult your financial adviser to discuss the best options for you. If you choose to exit the Scheme this may involve selling down underlying investments which may trigger tax consequences.

You and your financial adviser will need to make all subsequent changes to your investments. Refer to the disclosure documents of your Eligible Platform for further information on withdrawing funds from the platform.

Income preference

By default any income paid from the assets within your Portfolio will be paid out to your Eligible Platform cash account. Depending on the Eligible Platform you are investing through, you may be able to change this and have any income reinvested on your behalf in accordance with the Managed Portfolio option(s) you have selected. Please review the disclosure documents of your Eligible Platform for information on your options.

Where can you obtain the latest information about the Scheme?

It is important that you keep up-to-date with the latest information on the Scheme. Information is updated from time to time on our website at clearview.com.au/PDS or on your Eligible Platform provider's website. On request, your financial adviser can provide you with up-to-date details of the investments within each Managed Portfolio option.

3. Benefits of investing in the ClearView Managed Portfolios

This section provides further information on the features and benefits of the ClearView Managed Portfolios.

Experienced investment management

We construct the Managed Portfolio options by leveraging the expertise of a wide variety of high quality, specialist investment managers. Our experienced investment team carefully selects underlying investment managers and blends them to create each individual Managed Portfolio option. We manage risk through careful asset and investment manager selection, diversification and a disciplined approach to asset allocation and portfolio construction. The Managed Portfolio options cover a range of investment approaches and each Managed Portfolio option is targeted to a specific risk profile.

Ongoing monitoring

The performance of the Managed Portfolio options are monitored and reviewed by a team of investment professionals on an ongoing basis. During this process our investment experts may choose to add or remove an investment option to ensure the Managed Portfolio options continually reflect a diverse and expertly managed investment portfolio. We may add or remove an investment option at any time, or change the allocation between investment options within the growth and defensive asset class ranges of a Managed Portfolio option without prior notice. Please note that if we change underlying investment managers or managed funds for your selected Managed Portfolio option, the fees and costs indirectly incurred by your Portfolio may change.

4. Risks of managed investment schemes

The risks associated with investing are diverse and can depend on many different factors. Before you consider investing in the Scheme, it is important that you understand the risks that can affect your investments, as these risks will be borne by you and will affect the return of your investment.

General risks

Customisation risk

There is a risk that customisation of your Portfolio may trigger additional trading (including associated costs), impact the performance of your investments and may result in negative returns and/or underperformance of your Portfolio relative to your selected Managed Portfolio option.

Diversification

A key way to reduce risk in an investment portfolio is via diversification. Different investment asset classes (e.g. cash, international equities, Australian equities) can often perform differently from each other and may do well at different times in the economic cycle. That is, if one asset class is performing poorly, another may be doing well. If you are diversified across individual financial securities and investment asset classes the value of your investment portfolio may be less variable, as overall performance will depend on a number of investments, not just one or two. Conversely, a lack of diversification may leave your investment portfolio concentrated and more exposed to investment risks associated with individual financial securities or a particular asset class.

Implementation

There is a risk that the performance of your Portfolio will differ from that of the portfolio manager's corresponding Managed Portfolio option. This occurs due to factors such as differences in the buy and sell prices of investments compared to the portfolio manager's, fees, movements of cash and assets into and out of your Portfolio, income elections or any differences in weights of holdings due to the requirement for a minimum cash allocation, any trading restrictions we may impose, changes to the minimum portfolio size and external factors, for example if trading in a particular security is subject to liquidity constraints or has been restricted or suspended in the market. As a result your Portfolio may not fully replicate the Managed Portfolio option as advised by the portfolio manager.

Liquidity risk

This is the risk of an investment being difficult to withdraw within a reasonable time frame.

Market and security specific risk

This is the risk of the market price of an asset fluctuating as a result of factors such as economic conditions, government regulations, market sentiment, local and international political events, environmental and technological impacts. Market risk may have different impacts on each type of asset, investment style and underlying investment manager.

Within each asset class and each investment, individual securities such as listed securities and term deposits, can be affected by risks that are specific to that investment or security. For example, the price of fixed interest securities can be affected by specific events such as changes in the perceived or actual credit worthiness of a particular issuer. Currency risk can also add volatility to your investments.

Operational risk

Disruptions or failure of information technology systems, administrative procedures or operational controls may directly or indirectly impact the operation of the ClearView Managed Portfolios. Where appropriate, processes and controls are in place to reduce the impact of potential operational risks, and these are reviewed and tested on an ongoing basis.

Investment specific risks

The particular risks outlined below are specific to certain investments in the Managed Portfolio options and will often be managed by the underlying product issuer rather than us.

Credit risk

This is the risk of a borrower failing to repay their loan obligations. Changes in the perception of the riskiness of borrowers can, by widening credit spreads, lead to fluctuations in capital values in certain credit investments. The market value of an investment can also fall significantly when the perceived risk of a note or bond increases or its credit ratings decline.

Currency risk

Investments in global markets or securities which are denominated in foreign currencies give rise to foreign currency exposure. It is possible the value of these investments could vary depending on exchange rate fluctuations.

Counterparty risk

This is the risk of loss due to a counterparty not honouring a commitment, which may cause the value of your Portfolio to fall. Counterparties include custodians, brokers and settlement houses.

Derivatives risk

Derivatives are contracts between two parties that usually derive their value from the price of a physical asset or market index.

They can be used to manage certain risks in investment portfolios, however they can also increase other risks in a portfolio or expose a portfolio to additional risks. Risks include the possibility that the derivative position is difficult or costly to reverse, that there is an adverse movement in the asset or index underlying the derivative, or that the parties do not perform their obligations under the contract.

As a financial instrument, derivatives are valued regularly and movements in the value of the underlying asset or index should be reflected in the value of the derivative. The managed funds and listed securities included in the Managed Portfolio options may use or be exposed to derivatives such as futures, options, forward currency contracts and swaps.

Gearing and leverage risk

Gearing or leverage means borrowing money to invest more money. Gearing increases potential gains but also increases the potential losses and variability in the value of your Portfolio.

Interest rate risk

The capital value of fixed interest securities may vary with changes in interest rates. Should interest rates increase, there is the prospect of capital losses on fixed interest investments.

Investment manager risk

This is the risk of an underlying investment manager underperforming their benchmark or failing to follow their investment mandates or models. The investment style, investment decisions or loss of key staff of the investment manager could impact the investment returns. There is also a risk that two or more investment managers may make the same investments, thereby reducing diversification in your Portfolio.

Short-selling risk

Short-selling occurs when an investment manager sells a security it does not own to try to profit from a future decrease in the value of the security. This is generally done by borrowing the security from another party to make the sale.

Short-selling strategies involve additional risks such as liquidity risk and leverage risk. Regulatory restrictions may affect an investment manager's ability to use short-selling.

Volatility risk

Volatility risk refers to the potential for the price of investments in your Portfolio to vary, sometimes markedly and over a short period of time. Generally, the higher the potential return, the higher the risk and the greater the chance of substantial fluctuations in returns over a short period of time. In particular, investments in growth assets (such as listed equities) are traditionally towards the higher end of the risk-return spectrum. This may lead to fluctuations in the value of your Portfolio, including fluctuation over the period between a withdrawal request being made and the time of payment. Markets can be volatile and volatility, in some markets, can often be very high.

5. How we invest your money

Your financial adviser will work with you to implement an investment strategy designed to suit your goals and objectives. This strategy should take into consideration your personal situation, financial objectives, age, investment time frame and risk profile, and provide for an appropriate level of diversification.

Once your investment strategy has been agreed, you and your financial adviser can implement this strategy by choosing the appropriate Managed Portfolio option(s) through your Eligible Platform provider.

Before investing, you should read the relevant section of the Investments Brochure for the Managed Portfolio option you are considering.

You should refer to the Investments Brochure available online at clearview.com.au/PDS for the full list of available Managed Portfolio options to choose from. You can also get a hard copy by calling your financial adviser or us on **132 977**.

Managed Portfolio option reallocations

Our investment experts regularly monitor and evaluate the Managed Portfolio options on a number of criteria including their ongoing performance to ensure that they continue to meet the selection standards. Managed Portfolio option reallocations may result in a rebalancing to your Portfolio. See *Portfolio rebalancing* below for more information.

The portfolio manager is responsible for monitoring each Managed Portfolio option's strategy and advises the Administrator when adjustments are required. The Administrator implements each Managed Portfolio option and any changes to the composition as instructed by the portfolio manager.

Portfolio rebalancing

The target investment allocations for each Managed Portfolio option represent target positions, whereas the actual investment allocations within your Portfolio will naturally change over time as market conditions change. As your Portfolio moves away from the target investment allocations, and moves outside set tolerance levels, your Portfolio will be rebalanced to ensure it stays closely aligned to your selected Managed Portfolio option. The tolerance levels may be subject to maximum and minimum amounts in order to limit the number of small/low value transactions on your Portfolio. Please refer to the disclosure documents of your Eligible Platform for further details on how your Portfolio will be rebalanced.

Apart from market movements, there are other scenarios that may cause your Portfolio to require a rebalance. These include:

- a change is made by the portfolio manager to the underlying investments of a Managed Portfolio option; and
- when cash or securities are transferred into or out of your Portfolio.

When withdrawing funds from your Portfolio, if insufficient cash is available in your Portfolio's cash allocation, then some investments within your Portfolio will need to be sold down to fund the withdrawal. In this event, a rebalance will be triggered.

When adding funds to your Portfolio, the funds will initially be transferred to the cash allocation of your Portfolio. If this new investment does not cause the cash allocation's tolerance to be exceeded, then this new investment will remain in the cash allocation.

Further, there may be situations where all, or a proportion, of an additional investment is insufficient to purchase particular securities and or funds with high prices. In this situation, this proportion of the additional investment remains in the cash allocation of your Portfolio.

It is important to understand that there may be periods where your Portfolio differs from the Managed Portfolio option's target investment allocations due to the reasons outlined above. We will communicate to your financial adviser if there are any changes to the way the rebalances are managed.

Changes to Managed Portfolio options

The list of available Managed Portfolio options and their characteristics may change from time to time. Where changes do occur, your financial adviser and the Eligible Platform provider will be notified of the change. Please note, that the portfolio manager retains the right to vary the Managed Portfolio options at any time without notice to you. Up-to-date information on the Managed Portfolio options available can be obtained from your financial adviser, online at clearview.com.au/PDS, or from your Eligible Platform provider website.

We may vary or terminate a Managed Portfolio option at any time. If we make a change or terminate a Managed Portfolio option that you have selected, we will notify your financial adviser.

If a Managed Portfolio option that you have selected is discontinued by us, your financial adviser will be contacted and asked for instructions. Your financial adviser will be notified of any new Managed Portfolio options and if an alternative Managed Portfolio option has been nominated for the terminated Managed Portfolio option. If your financial adviser has not responded back with instructions after 30 days, we will take this as an instruction to switch to that alternative and nominated Managed Portfolio option. If an alternative Managed Portfolio option has not been nominated for the terminated Managed Portfolio option, then we will either:

- sell your Portfolio investments that relate to the discontinued Managed Portfolio option and transfer the net cash proceeds of the sale to your Eligible Platform account; or
- where applicable, transfer the assets within your Portfolio to your Eligible Platform account;
- or a combination of the above.

Investment information

The Investments Brochure contains summary descriptions of each of the Managed Portfolio options available and shows the general investment objective of each Managed Portfolio option classification.

You should speak with your financial adviser for further information on any of these classifications or to obtain a copy of the Investments Brochure.

Below is a brief explanation of two key terms used to describe investments in the PDS and Investments Brochure:

Growth

Growth assets include investments such as equities and property. They are designed to grow your investment in the form of capital growth. Growth assets are generally of higher risk, but have the potential to deliver higher returns over longer investment time frames.

Defensive

Defensive assets include investments such as cash (money markets) and fixed interest. They are designed to provide returns in the form of income (e.g. interest payments) rather than capital growth. Defensive assets are generally of lower risk and have a lower long-term expected return.

Labour standards and environmental, social and ethical considerations

We do not generally take into account labour standards or environmental, social or ethical considerations when making the investments available, however where those factors may negatively affect investment performance or company stability we may on a case by case basis discuss these matters and review our decision.

In selecting fund managers for its funds and models, CFML has regard to the fund manager's Environmental, Social and Corporate Governance (**ESG**) philosophy.

ESG considerations also form part of the decision making process when CFML undertakes asset allocation decisions.

The relevance of ESG factors varies considerably with the type of investment. Corporate governance is an important consideration for active equity investors who routinely engage with company management, while social and environmental factors can have a material effect on economic and market outcomes over the medium to longer term and as such are a factor to be considered in asset allocation.

In certain other styles of investing these considerations have a more limited role. For example quantitative or index oriented investment approaches generally do not take ESG considerations into account.

How is risk measured?

The Standard Risk Measure for each investment option is based on industry guidance to allow investors to compare investment options that are expected to deliver negative annual returns over any 20-year period as shown in the table.

The Standard Risk Measure is an industry wide standard designed to allow investors to compare investment options in terms of risk. A series of labels and bands are used to convey the level of likely risk as shown in the accompanying table. The Standard Risk Measure looks at the probable number of years in a 20-year period where annual returns are likely to be negative. In calculating the Standard Risk Measure we use conventional statistical techniques to forecast statistically likely future outcomes. It therefore should be used as a guide only, as opposed to a definitive statement on the future outcomes of an investment.

You should still ensure you are comfortable with the risks and potential losses associated with your chosen investment option(s).

Risk band	Risk label	Estimated number of negative annual returns over any 20-year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

You should ensure you are comfortable with the risks and potential losses associated with the investment funds you choose to invest in.

6. Fees and costs

DID YOU KNOW?

Small differences in both 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 performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** Moneysmart website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

Note: the fees and costs for this product are not subject to negotiation and are outlined in the table below.

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole.

Taxes are set out in Section 7 of this document.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Additional information on fees and costs are set out in the *Additional explanation of fees and costs* section below. Further information on the cost of each Managed Portfolio option, including the management fees and costs, performance fees and transaction costs, can be found in the Investment Brochure. Information about how the ongoing annual fees and costs can affect your investment over a 1-year period (for all investment options) can be found in the cost of product information in the Investments Brochure.

ClearView Managed Portfolios

Type of fee or cost	Amount ¹	How and when paid
Ongoing annual fees and costs		
Management fees and costs² The costs of managing your investment	Administration fee: First \$1m = 0.15% p.a. Above \$1m = nil Investment fees: 0.26% - 1.19% p.a.	Administration fees: Fees for administering the Scheme are calculated daily as a percentage of the relevant ClearView Managed Portfolio option and deducted from your Eligible Platform cash account monthly in arrears. Investment fees: Fees for investing in the Scheme are paid to the managers of the investments within your Portfolio and may be paid in two ways: 1. For managed funds and ETFs - calculated daily and charged within the daily unit price; or 2. For managed portfolios - calculated daily as a percentage of the value of each relevant managed portfolio and deducted from your Eligible Platform cash account monthly in arrears.
Performance fees² Amounts deducted from your investment in relation to the performance of the product	0.00% - 0.17% p.a.	These fees may be payable should an eligible underlying investment manager outperform its relative benchmark. Performance fees may be paid for in two ways: 1. For managed funds and ETFs - performance fees are paid from the assets of the investment and are reflected in the daily unit price of the relevant underlying investment in your Portfolio, or

2. For managed portfolios - performance fees are deducted from your Eligible Platform cash account when payable.

Transaction costs² Costs incurred by the scheme when buying or selling assets	0.00% - 0.06% p.a.	Transaction costs represent the costs of buying and selling investments in the Portfolio and include charges such as brokerage, settlement costs, clearing costs and stamp duty. These costs are generally reflected in the daily unit price of the underlying fund or deducted from the cash allocation of your Portfolio.
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Member activity related fees and costs (fees for services or when your money moves in or out of the product)

Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Buy-sell spread³ An amount deducted from your investment representing costs incurred in transactions by the scheme	Total spread range: 0.15% - 0.42%	The buy-sell spread is reflected in the daily unit price of the underlying investments in your Portfolio for when you invest in or withdraw from your Portfolio.
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Switching fee The fee for changing investment options	Nil	Not applicable

¹ All figures shown include the current net effect of Goods and Services Tax (**GST**) and Reduced Input Tax Credit (**RITC**). Refer to *Goods and services tax (GST)* in section 7 for further details.

² These figures are calculated based on the year ending 30 June 2022, and any updated information received up until the date of this document. The costs you will incur in subsequent financial years will depend on the actual fees, costs and taxes incurred.

³ The buy-sell spreads apply to the underlying investments within the Portfolios.

Additional explanation of fees and other costs

Ongoing annual fees and costs

Management fees and costs

The management fees and costs for the Scheme include:

- 1 amounts payable for administering the Scheme;
- 2 amounts paid for investing in the assets of the Scheme; and
- 3 other expenses and reimbursements in relation to the Scheme.

Examples of management fees and costs include:

- costs relating to ongoing selection and monitoring of investment managers;
- management fees charged by the underlying investment managers in your Portfolio;
- the cost of the administration of the ClearView Managed Portfolios; and
- reporting to investors on performance through statements and our publications.

We are entitled to be reimbursed for expenses we incur in the proper performance of our duties and in connection with the day-to-day operation of the Scheme. Currently, these expenses are paid out of our management fees and costs. If we decide to increase the management fees and costs in the future, we will give you 30 days advance written notice.

Abnormal costs (such as the costs associated with changes to the constitution and defending legal proceedings) may be paid out of the assets of the Scheme. These costs are normally incurred infrequently. At the date of this document, we do not expect to incur any abnormal costs in the current financial year and have estimated recoverable expenses for the Scheme to be nil for the current financial year.

The management fees and costs for the ClearView Managed Portfolios are shown in the Investment Brochure.

Performance fees

Whilst we do not currently charge a performance fee, the investments managers of the underlying investments in your Portfolio may do so depending on how well the eligible underlying investments perform. The corresponding investment manager may then be entitled to receive a performance fee.

Performance fees are payable when the underlying manager outperforms a stated hurdle or benchmark. Performance fees can be structured in different ways. The details of any performance fees are outlined in the Product Disclosure Statement of the underlying investment.

The estimated performance fees for the ClearView Managed Portfolios are shown in the Investment Brochure.

Worked examples

The worked examples in the following table are shown only for the purpose of illustrating how the performance fee may be calculated for three individual examples where the performance of an underlying investment (in this case, a managed fund) varies from its benchmark, assuming a static Net Asset Value (**NAV**) of the fund of \$10m. In this example the performance fee rate is 15% of the daily out performance of the benchmark. The daily performance fee is calculated as the day's opening NAV (excluding the performance fee accrual), multiplied by the daily out or underperformance of the respective benchmark, multiplied by the performance fee rate.

The day's performance fee accrual is then added to the performance fee accrual balance (carried over from the previous day) to give the total performance fee for the period. The performance fee accrual balance carried over could be positive or negative.

Note the below table is not an indication or guarantee of the expected or future performance of an underlying investment in the Scheme and that actual performance for investments may differ materially from that used in the following worked example.

Fee components	Example 1	Example 2	Example 3
Performance fee rate	15%	15%	15%
Opening NAV excluding performance fee	\$10,000,000	\$10,000,000	\$10,000,000
Underlying investment daily return	0.10%	0.50%	-0.25%
Benchmark daily return	0.05%	-0.25%	0.70%
Daily out/underperformance of benchmark	0.05%	0.75%	-0.95%
Daily performance fee accrual	\$750	\$11,250	-\$14,250
Performance fee accrual balance (carried over from previous day)	\$200	\$200	\$200
Total performance fee accrual	\$950	\$11,450	-\$14,050

Transaction costs

The ClearView Managed Portfolios may incur transaction costs. These include costs incurred by the Scheme when investors invest in or withdraw from the Scheme and when transacting to meet investment objectives. These may include brokerage, settlement costs, clearing costs, stamp duty and the transaction costs of the underlying investments.

These costs are an additional cost to you and are either charged indirectly via the unit price of underlying funds in your Portfolio, or charged directly to your Portfolio cash account, depending on the investments within your Portfolio and the Eligible Platform you choose.

Refer to the disclosure documents of the underlying investment(s) for the specific transaction costs applicable to that investment. Additionally, refer to the disclosure documents of your Eligible Platform provider to find more information on the transaction costs charged by the Administrator when trades are placed within your Portfolio.

The Administrator has the right to waive or vary the transaction fees of the platform.

Please note: Investment into the ClearView Managed Portfolios via WealthSolutions or WealthSolutions2 will not attract transaction fees for trades placed on managed funds within your chosen Managed Portfolio option.

The estimated transaction costs are shown in the separate Investments Brochure. Each year we will recalculate the approximate transaction costs of the Scheme (based on the prior financial year). Should the recalculation give a value that is materially higher to the year prior, we will issue a new PDS and associated disclosure documents.

Member activity related fees and costs

We currently do not charge a buy-sell spread, establishment fee, contribution fee, withdrawal fee, exit fee or switching fee. However, we may charge these fees in the future. Refer to 'Increases, alterations or the introduction of new fees and charges' below for more information.

These fees may be applicable to the underlying investments within the Managed Portfolio options. As at the date of this PDS, the only member activity related fees and cost applicable is a buy-sell spread associated with a number of underlying investment options. Please see the Investments Brochure for the latest buy-sell spread for each Portfolio.

Tax on fees and costs

All government taxes such as stamp duty and GST will be deducted from the product as appropriate. RITC will also be claimed by the product where appropriate to reduce GST. Tax information is provided in Section 7 'Tax information'.

Increases, alterations or the introduction of new fees and charges

The constitution for the Scheme allows an increase in fees and charges as well as the introduction of new fees or charges without your consent. We will give you at least 30 days advance written notice of any increase in the below fees and charges or the introduction of any new fees or charges.

The table below outlines the maximum fees the Scheme is entitled to charge (under the constitution). These amounts exclude GST.

Type of fee	Maximum (excluding GST)
Management fee and administration fee	3% p.a. of the gross asset value of each Portfolio
Account keeping fee	\$200 per annum for each Portfolio
Transfer fee	\$200 for each asset transferred into or out of each Portfolio

Fees of your Eligible Platform

Additional fees may be payable by you to your Eligible Platform provider. Please read the disclosure documents of your Eligible Platform provider for information on all fees and costs that may be charged to you in relation to your account held on the Eligible Platform.

7. Tax information

By investing through the ClearView Managed Portfolios, you become the beneficial owner of the investments in your Portfolio. As a result, all income, dividends, distributions, capital gains and capital losses, and their tax consequences, accrue directly to you.

This information will be provided to your Eligible Platform provider account and included in the annual reporting for that account.

The taxation information in this guide is general information only for individuals who are residents of Australia for tax purposes and you should seek professional taxation advice in relation to your investments in the Scheme. The levels and basis of tax may change in the future. We will send your Eligible Platform provider information you will need each year as part of the annual reporting for your account.

If you are investing through a superannuation fund, you should refer to the applicable product disclosure statement of your superannuation fund for information on the tax treatment of your investments.

Taxation on income

The investments you hold in your Portfolio can derive income such as dividends, distributions from managed funds and interest that is generally taxable in your hands.

You may also receive tax credits from your investments to offset your tax liability (for example, franking credits received from Australian shares).

Buying or selling investments

Capital gains tax (**CGT**) liability may arise from the sale of your investments within your Portfolio. Sales may arise from a withdrawal or switch request, changes to your Portfolio as a result of rebalancing, or when changes are actioned by the portfolio manager to your Managed Portfolio option. CGT may also arise from the transfer of investments into and out of your Portfolio if there is a change in beneficial ownership. Refer to the Eligible Platform provider's disclosure documents, or speak with your financial adviser to determine whether a change of beneficial ownership is applicable to your circumstance.

Where capital losses are realised, these may be used to offset capital gains realised on assets beneficially owned by you within and outside your Managed Portfolio option. Capital losses not utilised in a financial year may be carried forward and utilised to offset capital gains in future years.

Goods and Services Tax (GST)

The Scheme is registered for GST. This means, for both resident and non-residents investors, GST will be payable on most expenses incurred by CFML in respect of the ClearView Managed Portfolios (such as management fees). The ClearView Managed Portfolios may be entitled to claim RITC for some of these expenses in order to reduce the cost of GST for the Scheme and investors.

8. Other information

Disclosing entity

The Scheme is a disclosing entity and is subject to regular reporting and disclosure obligations under the Corporations Act.

What are the reporting requirements?

The Scheme is subject to regular reporting and continuous disclosure obligations. Copies of documents we lodge with ASIC to fulfil these obligations may be obtained from, or inspected at, an Australian Securities and Investments Commission (**ASIC**) office.

You also have a right to request a copy of the following documents from us when they become available, and we must send you a copy (free of charge) as soon as practicable:

- the annual financial report most recently lodged with ASIC, also available online at **clearview.com.au**; and
- any continuous disclosure notices given by us after lodgement of the last annual report and before the date of the request.

Annual report of underlying investments

Your Portfolio may include investments in underlying managed funds. Please contact your financial adviser if you would like a copy of the Annual Report for any of these managed funds.

Constitution of the Scheme

The Scheme is governed by a constitution. Together with the Corporations Act and relevant laws, the constitution sets out the terms and conditions under which the Scheme operates and the rights, responsibilities, powers, discretions and duties of the responsible entity and investors.

The constitution deals with a number of issues including:

- rights to absolute entitlement to the assets of the Scheme;
- rights of direct investors;
- termination of Managed Portfolio options and the Scheme; and
- our broad powers to invest, borrow, receive fees and other payments and generally manage the Scheme.

The constitution states that an investor's liability is limited to the amount they paid. You can request a copy of the constitution from us free of charge.

We may retire or be required to retire as responsible entity in accordance with the Corporations Act.

Rights to requisition, attend and vote at meetings are mainly contained in the Corporations Act.

CFML's rights and obligations

The constitution sets out our rights and obligations in relation to our powers, duties and liabilities as responsible entity of the Scheme.

The constitution provides that we:

- may refuse applications for investment, in whole or in part, at our discretion and without giving reasons;
- may permit an investor to transfer all or part of their interest in the Scheme in such manner as we determine from time to time;
- may terminate a Managed Portfolio option at our discretion;
- may set a minimum investment, a minimum investment sell down (i.e. withdrawal) and a minimum balance to be held in the Scheme;
- may extend the period for investment sell downs in certain circumstances;
- will not be liable to an investor beyond the value of their Portfolio subject to the law and the proper performance of our duties;
- may amend the constitution in accordance with the Corporations Act;

- may charge fees and recover all expenses we incur in the proper performance of our duties; and
- may terminate the Scheme by notice to investors and then transfer cash and/or securities to your Eligible Platform, who will allocate the assets to your relevant account.

Please note the above is not an exhaustive list of our rights under the constitution.

When discussing the constitution and we use the term 'investor', 'you' or 'your' we are referring to the platform provider through whom you have invested. Because you are an indirect investor, you have no rights or liabilities under the constitution.

How is personal information dealt with?

We are committed to ensuring the confidentiality and security of your personal information. As an indirect investor in the Scheme, it is your Eligible Platform provider who will generally be handling your personal information. However, no matter which party handles your personal information, it will be handled in accordance with the Privacy Act 1988 (Cth) (**Privacy Act**).

Personal information is collected from you in order to provide you with your product or service, and manage your product or service. Your information may also be used to comply with legislative or regulatory requirements in any jurisdiction, prevent fraud, crime or other activity that may cause harm in relation to our products or services, and help us run our business. Your information may be used to tell you about products or services we think may interest you.

We may disclose your personal information to our related entities, the Eligible Platform provider, anyone we engage to do something on our behalf such as a service provider, and other organisations that assist us with our business. We may also disclose your personal information to any complaints body to which a complaint relating to this product or service is referred, or to any person who acts on your behalf in relation to your investment, such as your financial adviser, solicitor or accountant. As a provider of financial services, we have obligations to disclose some personal information to government agencies and regulators in Australia. Where you have provided information about another individual, you must make them aware of that fact and the contents of this privacy statement. By using our products or services, you consent to these disclosures.

Further information on how we handle your personal information is explained in the ClearView Privacy Policy, including how you can access your personal information. The ClearView Privacy Policy contains information about how you can access and seek correction of your personal information, how you can complain or enquire about breaches of your privacy and how we will deal with your complaint or enquiry. If you would like a copy of the ClearView Privacy Policy or have any questions regarding privacy, please call us on **1800 265 744** or refer to our website at **clearview.com.au**. Information on how your Eligible Platform provider handles your information can be found on their website.

Conflicts of interest

Any related party transactions are conducted on arm's length terms. We have policies on how conflicts of interest or potential conflicts of interest are identified and managed. These policies also apply to the investment selection process.

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