

Netwealth Managed Account Service Online Product Disclosure Update

Lonsec Investment Solutions PDS Part 2 - Managed Models Booklet

27 March 2026 – Change of AFSL for the Model Manager

As previously advised, changes to the Lonsec Investment Solutions Managed Models will take effect from 1 April 2026.

While the updated Lonsec Investment Solutions PDS Part 2 – Managed Models Booklet ('**PDS Part 2**') was originally scheduled to be re-issued on that date, its re-issue will now occur shortly after. In the interim, this Product Update should be read together with the current PDS Part 2 and provides the most up-to-date information on the changes taking effect.

Importantly, all model changes previously advised will proceed as planned from 1 April 2026.

Netwealth Managed Account Service

27 February 2026

Changes to the Lonsec Investment Solutions Managed Models

We are writing to you because you have invested in one or more of the following models ('models') through the Netwealth Managed Account Service:

- Lonsec Retirement Portfolio - Conservative (MACC000183)
- Lonsec Retirement Portfolio - Balanced (MACC000184)
- Lonsec Retirement Portfolio - Growth (MACC000185)
- Lonsec Managed Portfolio - Multi Asset Balanced (MACC000186)
- Lonsec Managed Portfolio - Multi Asset Growth (MACC000187)
- Lonsec Managed Portfolio - Multi Asset High Growth (MACC000188)
- Lonsec Managed Portfolio – Listed Conservative (MACC000614)
- Lonsec Managed Portfolio - Listed Balanced (MACC000270)
- Lonsec Managed Portfolio - Listed Growth (MACC000271)
- Lonsec Managed Portfolio - Listed High Growth (MACC000272)

In consultation with LIS¹, in its capacity as the Model Manager, we will be making some changes to the models.

As a result of these changes, the Lonsec Investment Solutions PDS Part 2 – Managed Models Booklet ('PDS Part 2') will be re-issued on 1 April 2026.

Please see attached below the changes to the models that you are invested in.

If you are happy with these changes, you do not need to take any further action.

Need more information?

Information relating to the models not currently held in your Netwealth account can be found via the PDS Part 2. You can access the PDS Part 2 by logging into your Netwealth account and visiting the [Compare Funds & Models page](#) of the Netwealth website, by contacting your financial adviser, or by contacting Netwealth directly.

For more details about these changes, please speak to your financial adviser or contact Netwealth on 1800 888 223 or via contact@netwealth.com.au.

Thank you for using Netwealth.

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AFSL 230975

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Netwealth is the Responsible Entity of the Netwealth Managed Account Service (ARSN 633 923 887). The information provided in this notice is general information only and is not intended to imply any recommendation or opinion about a financial product. This information does not take into account your personal objectives, financial situation or needs. You should consider whether a financial product is appropriate for you in light of your personal objectives, financial situation and needs, and you should consider consulting a financial adviser before making a decision.

¹ "LIS" is Lonsec Investment Solutions Pty. Ltd. (ABN 95 608 837 583), a corporate authorised representative (CAR No. 1317908) of Evidentia Financial Services Pty Ltd (ABN 97 664 546 525 AFS Licence No. 546217).

Changes to your Lonsec Investment Solutions Managed Models

Lonsec Retirement Portfolio - Conservative (MACC000183)

- The minimum and maximum asset allocations for some asset classes will be adjusted.
- The neutral asset allocations will be updated.

Previous asset allocation (%)

Asset class	Minimum	Neutral	Maximum
Australian equities	10	18	35
International equities	0	12	30
Australian property	0	5	25
International property	0	5	25
Alternatives	0	0	30
Australian fixed interest	10	27	50
International fixed interest	5	23	45
Cash	1	10	30

Asset allocation effective from 1 April 2026 (%)

Asset class	Minimum	Neutral	Maximum
Australian equities	10	19	35
International equities	0	14	40
Australian property	0	0	15
International property	0	7	15
Alternatives	0	0	30
Australian fixed interest	10	35	55
International fixed interest	5	15	45
Cash	0	10	30

Lonsec Retirement Portfolio - Balanced (MACC000184)

- The minimum and maximum asset allocations for some asset classes will be adjusted.
- The neutral asset allocations will be updated.

Previous asset allocation (%)

Asset class	Minimum	Neutral	Maximum
Australian equities	10	29	50
International equities	5	20	35
Australian property	0	6	25
International property	0	5	25
Alternatives	0	0	30
Australian fixed interest	5	19	40
International fixed interest	0	16	35
Cash	1	5	25

Asset allocation effective from 1 April 2026 (%)

Asset class	Minimum	Neutral	Maximum
Australian equities	10	29	50
International equities	5	24	50
Australian property	0	0	15
International property	0	7	15
Alternatives	0	0	30
Australian fixed interest	5	25	40
International fixed interest	0	10	35
Cash	0	5	25

Lonsec Retirement Portfolio - Growth (MACC000185)

- The minimum and maximum asset allocations for some asset classes will be adjusted.
- The neutral asset allocations will be updated.

Previous asset allocation (%)

Asset class	Minimum	Neutral	Maximum
Australian equities	15	41	70
International equities	10	27	45
Australian property	0	6	25
International property	0	6	25
Alternatives	0	0	30
Australian fixed interest	0	10	30
International fixed interest	0	8	25
Cash	1	2	20

Asset allocation effective from 1 April 2026 (%)

Asset class	Minimum	Neutral	Maximum
Australian equities	15	40	70
International equities	10	32	55
Australian property	0	0	15
International property	0	8	15
Alternatives	0	0	30
Australian fixed interest	0	13	30
International fixed interest	0	5	25
Cash	0	2	20

Lonsec Managed Portfolio - Multi Asset Balanced (MACC000186)

- The minimum and maximum asset allocations for some asset classes will be adjusted.
- The neutral asset allocations will be updated.
- Investment strategy will be updated to reflect the changes to the neutral asset allocations, with a long-term average exposure of around 60% to growth assets and around 40% to defensive assets.

Previous investment strategy

The portfolio seeks to generate competitive income and capital returns with lower downside risk than the market, as a whole. This is achieved by diversifying the portfolio by asset class, investment strategy, fund manager and sources of return. In general, the portfolio will have a long-term average exposure of around 66% to growth assets and around 34% to defensive assets, however the allocations will be actively managed within the allowable ranges depending on market conditions.

Investment strategy effective from 1 April 2026

The portfolio seeks to generate competitive income and capital returns with lower downside risk than the market, as a whole. This is achieved by diversifying the portfolio by asset class, investment strategy, fund manager and sources of return. In general, the portfolio will have a long-term average exposure of around 60% to growth assets and around 40% to defensive assets, however the allocations will be actively managed within the allowable ranges depending on market conditions.

Previous asset allocation (%)

Asset class	Minimum	Neutral	Maximum
Australian equities	10	19	45
International equities	10	19	45
Australian property	0	3	25
International property	0	8	25
Alternatives	0	17	30
Australian fixed interest	5	12	40
International fixed interest	0	17	35
Cash	1	5	25

Asset allocation effective from 1 April 2026 (%)

Asset class	Minimum	Neutral	Maximum
Australian equities	5	18	40
International equities	5	29	57
Australian property	0	0	12
International property	0	2	12
Alternatives	0	11	30
Australian fixed interest	5	19	35
International fixed interest	5	16	40
Cash	0	5	15

Lonsec Managed Portfolio - Multi Asset Growth (MACC000187)

- The minimum and maximum asset allocations for some asset classes will be adjusted.
- The neutral asset allocations will be updated.

Previous asset allocation (%)

Asset class	Minimum	Neutral	Maximum
Australian equities	15	25	60
International equities	15	29	65
Australian property	0	3	25
International property	0	9	25
Alternatives	0	14	30
Australian fixed interest	0	12	30
International fixed interest	0	6	25
Cash	1	2	20

Asset allocation effective from 1 April 2026 (%)

Asset class	Minimum	Neutral	Maximum
Australian equities	15	21	50
International equities	15	40	70
Australian property	0	0	15
International property	0	3	15
Alternatives	0	16	30
Australian fixed interest	0	9	20
International fixed interest	0	9	25
Cash	0	2	10

Lonsec Managed Portfolio - Multi Asset High Growth (MACC000188)

- The minimum and maximum asset allocations for some asset classes will be adjusted.
- The neutral asset allocations will be updated.
- The investment strategy will be updated to reflect the changes to the neutral asset allocations, with a long-term average exposure of around 98% to growth assets and around 2% to defensive assets.

Previous investment strategy

The portfolio invests predominantly in growth assets, which may include Australian and international equities and property and infrastructure. The portfolio is designed to reduce overall portfolio risk by spreading investments across a number of specialist managers with complementary investment management styles. In general, the portfolio will have a long-term average exposure of around 99% to growth assets and around 1% to defensive assets, however the allocations will be actively managed within the allowable ranges depending on market conditions.

Investment strategy effective from 1 April 2026

The portfolio invests predominantly in growth assets, which may include Australian and international equities and property and infrastructure. The portfolio is designed to reduce overall portfolio risk by spreading investments across a number of specialist managers with complementary investment management styles. In general, the portfolio will have a long-term average exposure of around 98% to growth assets and around 2% to defensive assets, however the allocations will be actively managed within the allowable ranges depending on market conditions.

Previous asset allocation (%)

Asset class	Minimum	Neutral	Maximum
Australian equities	15	31	70
International equities	20	38	75
Australian property	0	3	25
International property	0	8	25
Alternatives	0	19	30
Australian fixed interest	0	0	0
International fixed interest	0	0	0
Cash	1	1	20

Asset allocation effective from 1 April 2026 (%)

Asset class	Minimum	Neutral	Maximum
Australian equities	20	35	65
International equities	15	45	90
Australian property	0	0	15
International property	0	2	15
Alternatives	0	16	30
Australian fixed interest	0	0	0
International fixed interest	0	0	0
Cash	0	2	5

Lonsec Managed Portfolio - Listed Conservative (MACC000614)

- The investment management fee will increase.
- The minimum and maximum asset allocations for some asset classes will be adjusted.
- The neutral asset allocations will be updated.
- Investment universe will be updated to include managed models.

Previous investment management fee

0.3000% p.a.

Investment management fee effective from 1 April 2026

0.3132% p.a.

Previous asset allocation (%)

Asset class	Minimum	Neutral	Maximum
Australian equities	10	16	35
International equities	0	16	30
Australian property	0	3	20
International property	0	5	20
Alternatives	0	0	30
Australian fixed interest	10	31	50
International fixed interest	5	19	45
Cash	0	10	30

Asset allocation effective from 1 April 2026 (%)

Asset class	Minimum	Neutral	Maximum
Australian equities	5	16	25
International equities	5	21	35
Australian property	0	0	10
International property	0	3	10
Alternatives	0	0	30
Australian fixed interest	5	32	50
International fixed interest	5	18	35
Cash	0	10	20

Previous investment universe

Australian listed securities, Australian listed ETFs and cash.

Investment universe effective from 1 April 2026

Australian listed securities, Australian listed ETFs, managed models and cash.

Lonsec Managed Portfolio - Listed Balanced (MACC000270)

- The investment management fee will increase.
- The minimum and maximum asset allocations for some asset classes will be adjusted.
- The neutral asset allocations will be updated.
- Investment universe will be updated to include managed models.

Previous investment management fee

0.3000% p.a.

Investment management fee effective from 1 April 2026

0.3165% p.a.

Previous asset allocation (%)

Asset class	Minimum	Neutral	Maximum
Australian equities	10	23	45
International equities	10	26	45
Australian property	0	3	25
International property	0	8	25
Alternatives	0	0	30
Australian fixed interest	5	22	40
International fixed interest	5	13	35
Cash	0	5	25

Asset allocation effective from 1 April 2026 (%)

Asset class	Minimum	Neutral	Maximum
Australian equities	10	23	40
International equities	10	34	57
Australian property	0	0	12
International property	0	3	12
Alternatives	0	0	30
Australian fixed interest	5	23	35
International fixed interest	5	12	25
Cash	0	5	15

Previous investment universe

Australian listed securities, Australian listed ETFs and cash.

Investment universe effective from 1 April 2026

Australian listed securities, Australian listed ETFs, managed models and cash.

Lonsec Managed Portfolio - Listed Growth (MACC000271)

- The investment management fee will increase.
- The minimum and maximum asset allocations for some asset classes will be adjusted.
- The neutral asset allocations will be updated.
- Investment universe will be updated to include managed models.

Previous investment management fee

0.3000% p.a.

Investment management fee effective from 1 April 2026

0.3231%

Previous asset allocation (%)

Asset class	Minimum	Neutral	Maximum
Australian equities	15	32	60
International equities	15	36	65
Australian property	0	3	25
International property	0	9	25
Alternatives	0	0	30
Australian fixed interest	0	12	30
International fixed interest	0	6	25
Cash	0	2	20

Asset allocation effective from 1 April 2026 (%)

Asset class	Minimum	Neutral	Maximum
Australian equities	20	31	50
International equities	20	46	70
Australian property	0	0	15
International property	0	3	15
Alternatives	0	0	30
Australian fixed interest	3	13	20
International fixed interest	0	5	15
Cash	0	2	10

Previous investment universe

Australian listed securities, Australian listed ETFs and cash.

Investment universe effective from 1 April 2026

Australian listed securities, Australian listed ETFs, managed models and cash.

Lonsec Managed Portfolio - Listed High Growth (MACC000272)

- The investment management fee will increase.
- The minimum and maximum asset allocations for some asset classes will be adjusted.
- The neutral asset allocations will be updated.
- Investment universe will be updated to include managed models.

Previous investment management fee

0.3000% p.a.

Investment management fee effective from 1 April 2026

0.3297% p.a.

Previous asset allocation (%)

Asset class	Minimum	Neutral	Maximum
Australian equities	15	40	70
International equities	20	46	75
Australian property	0	4	25
International property	0	8	25
Alternatives	0	0	30
Australian fixed interest	0	0	0
International fixed interest	0	0	0
Cash	0	2	20

Asset allocation effective from 1 April 2026 (%)

Asset class	Minimum	Neutral	Maximum
Australian equities	25	46	65
International equities	20	49	90
Australian property	0	0	15
International property	0	3	15
Alternatives	0	0	30
Australian fixed interest	0	0	0
International fixed interest	0	0	0
Cash	0	2	5

Previous investment universe

Australian listed securities, Australian listed ETFs and cash.

Investment universe effective from 1 April 2026

Australian listed securities, Australian listed ETFs, managed models and cash.

Netwealth Managed Account Service Online Product Disclosure Update

Lonsec Investment Solutions PDS Part 2 - Managed Models Booklet

23 October 2025 – Change of AFSL for the Model Manager

Lonsec Investment Solutions Pty Ltd (ABN 95 608 837 583) ('LIS', previously defined as 'Lonsec') is the Model Manager of the Lonsec Investment Solutions Managed Models. LIS was formerly a corporate authorised representative (CAR No. 123681) of Lonsec Research Pty Ltd (ABN 11 151 658 561, AFS Licence No. 421445).

As of 15 October 2025, LIS is now a corporate authorised representative (CAR No. 1317908) of Evidentia Financial Services Pty Ltd (ABN 97 664 546 525, AFS Licence No. 546217). The investment philosophy, approach, and key investment resources for the Model Manager remains unchanged.

Managed Account

Product Disclosure
Statement
29 January 2025

Part 2 - Managed Models Booklet Lonsec Investment Solutions

Lonsec Retirement Portfolio - Conservative - MACC000183

Lonsec Retirement Portfolio - Balanced - MACC000184

Lonsec Retirement Portfolio - Growth - MACC000185

Lonsec Managed Portfolio - Multi Asset Balanced - MACC000186

Lonsec Managed Portfolio - Multi Asset Growth - MACC000187

Lonsec Managed Portfolio - Multi Asset High Growth - MACC000188

Lonsec Managed Portfolio - Listed Conservative - MACC000614

Lonsec Managed Portfolio - Listed Balanced - MACC000270

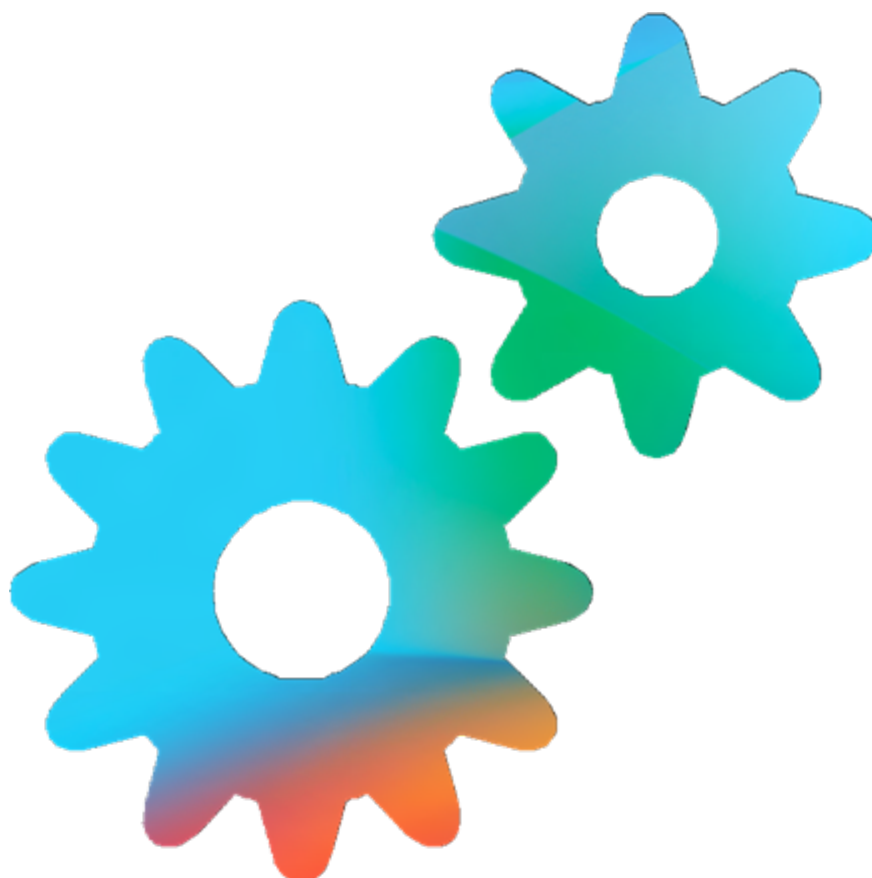
Lonsec Managed Portfolio - Listed Growth - MACC000271

Lonsec Managed Portfolio - Listed High Growth - MACC000272

Lonsec Sustainable Managed Portfolio - Balanced - MACC000443

Lonsec Sustainable Managed Portfolio - Growth - MACC000444

Lonsec Sustainable Managed Portfolio - High Growth - MACC000445



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General information only

The information provided in the Managed Account disclosure documents is general information only and is not intended to imply any recommendation or opinion about a financial product. This information does not take into account your personal objectives, financial situation or needs. You should consider whether the information is appropriate for you in light of your personal objectives, financial situation and needs, and you should consider consulting a financial adviser before making a decision about whether to invest in the Managed Account or any of the models.

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Important Information

This Managed Models Booklet is Part 2 of the product disclosure statement for the Netwealth Managed Account Service (ARSN 633 923 887) ('PDS'). It has been prepared and issued by Netwealth Investments Limited (ABN 85 090 569 109, AFS Licence No. 230975) ('Netwealth', 'we', 'us' or 'our') in our capacity as the responsible entity of the Netwealth Managed Account Service ('Managed Account') which is a registered managed investment scheme (ARSN 633 923 887).

The PDS in relation to the Managed Account issued by Netwealth is made up of two parts:

- a document titled 'Part 1 – General Information'; and
- this 'Part 2 – Managed Models Booklet' document.

The PDS also incorporates information from the Managed Account Guide for the Managed Account ('Managed Account Guide'). The PDS should be read together with the Managed Account Guide (together, the 'Managed Account disclosure documents'). Part 1 of the PDS sets out some important terms which are also used in this document.

This document describes the Lonsec Investment Solutions Managed Models ('models') for which Netwealth has appointed Lonsec Investment Solutions Pty. Ltd. (ABN 95 608 837 583) ('Lonsec'), a corporate authorised representative (CAR No. 1236821) of Lonsec Research Pty Ltd (ABN 11 151 658 561, AFS Licence No. 421445) ('Lonsec Research') as the Model Manager. It also contains information about the fees and other costs you may be charged if you invest in any of these models. There is a different 'Part 2 – Managed Models Booklet' for each suite of Managed Models in the Managed Account.

If you received any of the Managed Account disclosure documents electronically, we will provide a paper copy free upon request. If obtaining an electronic copy, please ensure you have a complete copy of each of the other Managed Account disclosure documents that are relevant to you.

The information in this document about Lonsec and the models is based on information provided to us by Lonsec and:

- Lonsec and its related bodies corporate have not authorised or caused the issue of the Managed Account disclosure documents, or been involved in the preparation of them, other than providing information about Lonsec and information about the models;
- we have not independently verified the information provided by Lonsec and, to the extent permitted by law, take no responsibility for it; and
- Lonsec and each of its related bodies corporate expressly disclaim and take no responsibility for any part of the Managed Account disclosure documents other than in respect of any part of this document to which they have expressly given their consent.

We may choose not to implement the advice provided by Lonsec in relation to the investment portfolio for the Lonsec Investment Solutions models where we believe that doing so may breach relevant law or result in an outcome that is not consistent with the investment mandate of the Lonsec Investment Solutions models. We may adjust the investment portfolios of the Lonsec Investment Solutions models in our absolute discretion.

An investment in the Managed Account is not a deposit with, or other liability of, Lonsec or any of its related bodies corporate. An investment in the Managed Account is subject to risk including possible delays in repayment and loss of income or principal invested (see 'Key risks' in Part 1 of the PDS). Netwealth, Lonsec and its related bodies corporate do not guarantee the performance of the Managed Account, the repayment of capital from the Managed Account or any particular rate of return.

Lonsec has given and not withdrawn its consent:

- to be named in this document in the form and context in which it is named;
- to any statements made by, or attributable to, Lonsec in the form and context in which those statements appear; and
- to the inclusion of the information about Lonsec and the models in the form and context in which such information appears.

¹ The documents described on this page are available free of charge, on [Managed Accounts forms and documents page](#) of the Netwealth website, in printed form by calling Freecall 1800 888 223 or from your Nominated Financial Adviser.

About the Model Manager

Lonsec is a specialist model portfolio manager with extensive expertise in portfolio construction, asset allocation and investment selection. Lonsec constructs a series of managed portfolios to meet different client needs.

Drawing on Lonsec Research's in-depth investment product research, Lonsec's portfolios invest in managed funds and listed securities, including Exchange Traded Funds ('ETFs').

At the core of Lonsec's philosophy are four key beliefs:

- A dynamic approach to portfolio management to achieve investment objectives while managing downside risk;
- Investing in high quality investments underpinned by Lonsec Research's extensive research;
- A strong risk management culture supported by a rigorous governance process; and
- A diversified approach to portfolio construction.

ESG approach for the sustainable models

For the purpose of selecting, retaining or realising the investments in the models listed below, Lonsec aims to invest in products with strategies that demonstrate strong environmental, social and governance ('ESG') practices and where possible, aims to select investments that can make a positive impact on the world by contributing to the United Nation's Sustainable Development Goals ('SDG') agenda. The SDGs are 17 individual goals which are a "universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity". Lonsec does not take into account labour standards for the purpose of selecting, retaining or realising the investment for the models.

The sustainable models are:

- Lonsec Sustainable Managed Portfolio – Balanced;
- Lonsec Sustainable Managed Portfolio – Growth; and
- Lonsec Sustainable Managed Portfolio – High Growth.

By incorporating ESG factors into its investment decision making for the sustainable models, Lonsec aims to reduce the risks associated with the impacts of ESG issues and generate more sustainable, long-term returns for its investors. Consequently, ESG considerations are heavily embedded in Lonsec's investment selection process for these sustainable portfolios.

From a bottom-up perspective, ESG considerations are explicitly factored into Lonsec's qualitative assessment of investments, alongside other factors such as team, process, performance and fees. From a top-down perspective, in addition to its initial quality filter of a Lonsec rating of 'recommended' or higher, Lonsec's process seeks to identify ESG leaders across each asset class.

To identify ESG leaders Lonsec's ESG specialists qualitatively score fund managers on their approach to and integration of ESG factors. This includes testing fund managers on their engagement with companies on specific ESG issues. Lonsec's analysts score investments from Low to High with respect to ESG integration and aim to select investments that rank in the top scoring categories according to Lonsec's ESG scores.

In addition to the ESG scores, Lonsec uses the 'Lonsec Sustainable Score' that quantitatively assesses funds against the United Nations' SDG framework. The Lonsec Sustainable Score is a peer relative assessment of a fund at a point in time. The Lonsec Sustainable Score looks at the goods and services a company produces and nets the positive contributions to the 17 SDGs against the negative impact of exposures to controversial industries from the activities of the companies held in a fund's portfolio. The Lonsec Sustainable Score is only available for rated funds in equities, property & infrastructure asset classes. In constructing the sustainable models, Lonsec aims to include securities or funds that have a Lonsec Sustainable Score of 3 and above.

While ESG integration is important for understanding and managing risk, identifying ESG leaders does not in itself lead to a portfolio that is sustainable. Some investments may rank highly with respect to ESG integration; however, they may still invest in companies that are widely considered to have a detrimental impact on society or the environment such as tobacco or coal miners.

Therefore, once Lonsec has identified the ESG leaders in each asset class, Lonsec turns its attention to tilting the portfolio to strategies that have a net positive impact on society or the environment. The portfolios aim to minimise their exposure to sectors/industries that Lonsec believes investors would consider as harmful to society or the environment including tobacco, alcohol, gambling, weapons, adult entertainment, uranium and coal mining.

Model Profiles

Lonsec Retirement Portfolio - Conservative (MACC000183)

Investment objective and timeframe	The portfolio aims to generate 4% income per annum with some capital growth over the suggested minimum investment timeframe of 3 years. Although the portfolio is largely 'benchmark unaware', comparison of its returns against the Morningstar Australia Moderate Target Allocation NR AUD Index (after fees and costs) is considered appropriate for the purpose of assessing the portfolio's relative performance.																																				
Investment strategy	<p>The portfolio seeks to generate competitive income and capital returns with lower downside risk than the market, as a whole. This is achieved by diversifying the portfolio by asset class, investment strategy, fund manager and sources of return. In general, the portfolio will have a long-term average exposure of around 40% to growth assets and around 60% to defensive assets, however the allocations will be actively managed within the allowable ranges depending on market conditions.</p> <p>The model invests a minimum of 50% in defensive assets.</p>																																				
Investment category	Diversified																																				
Asset allocation ranges	<table><thead><tr><th>Asset class</th><th>Minimum allocation (%)</th><th>Neutral allocation (%)</th><th>Maximum allocation (%)</th></tr></thead><tbody><tr><td>Australian equities</td><td>10</td><td>18</td><td>35</td></tr><tr><td>International equities</td><td>0</td><td>12</td><td>30</td></tr><tr><td>Australian property</td><td>0</td><td>5</td><td>25</td></tr><tr><td>International property</td><td>0</td><td>5</td><td>25</td></tr><tr><td>Alternatives</td><td>0</td><td>0</td><td>30</td></tr><tr><td>Australian fixed interest</td><td>10</td><td>27</td><td>50</td></tr><tr><td>International fixed interest</td><td>5</td><td>23</td><td>45</td></tr><tr><td>Cash</td><td>1</td><td>10</td><td>30</td></tr></tbody></table>	Asset class	Minimum allocation (%)	Neutral allocation (%)	Maximum allocation (%)	Australian equities	10	18	35	International equities	0	12	30	Australian property	0	5	25	International property	0	5	25	Alternatives	0	0	30	Australian fixed interest	10	27	50	International fixed interest	5	23	45	Cash	1	10	30
Asset class	Minimum allocation (%)	Neutral allocation (%)	Maximum allocation (%)																																		
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International fixed interest	5	23	45																																		
Cash	1	10	30																																		
Investment universe	Unlisted managed funds, ETFs and cash. The model typically holds between 10 and 25 investments.																																				
Income setting	Accumulate income (Note that different combinations of this model income setting and your individual income instruction (as defined in Part 1 of the PDS) can impact cash holdings, rebalancing, and transaction costs. More information about income settings is available in the 'Managed Account income instruction' section of the Managed Account Guide).																																				
Minimum investment amount	\$25,000																																				

Lonsec Retirement Portfolio - Balanced (MACC000184)

Investment objective and timeframe The portfolio aims to generate 4% income per annum with moderate capital growth over the suggested minimum investment timeframe of 4 years. Although the portfolio is largely 'benchmark unaware', comparison of its returns against the Morningstar Australia Balanced Target Allocation NR AUD Index (after fees and costs) is considered appropriate for the purpose of assessing the portfolio's relative performance.

Investment strategy The portfolio seeks to generate competitive income and capital returns with lower downside risk than the market, as a whole. This is achieved by diversifying the portfolio by asset class, investment strategy, fund manager and sources of return. In general, the portfolio will have a long-term average exposure of around 60% to growth assets and around 40% to defensive assets, however the allocations will be actively managed within the allowable ranges depending on market conditions.

Investment category The model invests a minimum of 20% in defensive assets.

Asset allocation ranges Diversified

Asset class	Minimum allocation (%)	Neutral allocation (%)	Maximum allocation (%)
Australian equities	10	29	50
International equities	5	20	35
Australian property	0	6	25
International property	0	5	25
Alternatives	0	0	30
Australian fixed interest	5	19	40
International fixed interest	0	16	35
Cash	1	5	25

Investment universe Unlisted managed funds, ETFs and cash. The model typically holds between 10 and 25 investments.

Income setting Accumulate income
(Note that different combinations of this model income setting and your individual income instruction (as defined in Part 1 of the PDS) can impact cash holdings, rebalancing, and transaction costs. More information about income settings is available in the 'Managed Account income instruction' section of the Managed Account Guide).

Minimum investment amount \$25,000

Lonsec Retirement Portfolio - Growth (MACC000185)

Investment objective and timeframe The portfolio aims to generate 4% income per annum with high capital growth over the suggested minimum investment timeframe of 5 years. Although the portfolio is largely 'benchmark unaware', comparison of its returns against the Morningstar Australia Growth Target Allocation NR AUD Index (after fees and costs) is considered appropriate for the purpose of assessing the portfolio's relative performance.

Investment strategy The portfolio seeks to generate competitive income and capital returns with lower downside risk than the market, as a whole. This is achieved by diversifying the portfolio by asset class, investment strategy, fund manager and sources of return. In general, the portfolio will have a long-term average exposure of around 80% to growth assets and around 20% to defensive assets, however the allocations will be actively managed within the allowable ranges depending on market conditions.

The model invests a minimum of 5% in defensive assets.

Investment Category Diversified

Asset allocation ranges

Asset class	Minimum allocation (%)	Neutral allocation (%)	Maximum allocation (%)
Australian equities	15	41	70
International equities	10	27	45
Australian property	0	6	25
International property	0	6	25
Alternatives	0	0	30
Australian fixed interest	0	10	30
International fixed interest	0	8	25
Cash	1	2	20

Investment universe Unlisted managed funds, ETFs and cash. The model typically holds between 10 and 25 investments.

Income setting Accumulate income
(Note that different combinations of this model income setting and your individual income instruction (as defined in Part 1 of the PDS) can impact cash holdings, rebalancing, and transaction costs. More information about income settings is available in the 'Managed Account income instruction' section of the Managed Account Guide).

Minimum investment amount \$25,000

Lonsec Managed Portfolio - Multi Asset Balanced (MACC000186)

Investment objective and timeframe The portfolio aims to generate a balance of income with moderate capital growth over the suggested minimum investment timeframe of 5 years through exposure across a range of asset classes and by using several investment managers. The portfolio aims to outperform the Morningstar Australia Balanced Target Allocation NR AUD Index (after fees and costs).

Investment strategy The portfolio seeks to generate competitive income and capital returns with lower downside risk than the market, as a whole. This is achieved by diversifying the portfolio by asset class, investment strategy, fund manager and sources of return. In general, the portfolio will have a long-term average exposure of around 66% to growth assets and around 34% to defensive assets, however the allocations will be actively managed within the allowable ranges depending on market conditions.

The model invests a minimum of 20% in defensive assets.

Investment Category Diversified

Asset allocation ranges

Asset class	Minimum allocation (%)	Neutral allocation (%)	Maximum allocation (%)
Australian equities	10	19	45
International equities	10	19	45
Australian property	0	3	25
International property	0	8	25
Alternatives	0	17	30
Australian fixed interest	5	12	40
International fixed interest	0	17	35
Cash	1	5	25

Investment universe Unlisted managed funds, ETFs and cash. The model typically holds between 10 and 25 investments.

Income setting Accumulate income
(Note that different combinations of this model income setting and your individual income instruction (as defined in Part 1 of the PDS) can impact cash holdings, rebalancing, and transaction costs. More information about income settings is available in the 'Managed Account income instruction' section of the Managed Account Guide).

Minimum investment amount \$25,000

Lonsec Managed Portfolio - Multi Asset Growth (MACC000187)

Investment objective and timeframe The portfolio aims to generate capital growth with some income over the suggested minimum investment timeframe of 6 years through exposure across a range of asset classes and by using several investment managers. The portfolio aims to outperform the Morningstar Australia Growth Target Allocation NR AUD Index (after fees and costs).

Investment strategy The portfolio seeks to generate competitive income and capital returns with lower downside risk than the market, as a whole. This is achieved by diversifying the portfolio by asset class, investment strategy, fund manager and sources of return. In general, the portfolio will have a long-term average exposure of around 80% to growth assets and around 20% to defensive assets, however the allocations will be actively managed within the allowable ranges depending on market conditions.

The model invests a minimum of 5% in defensive assets.

Investment Category Diversified

Asset allocation ranges

Asset class	Minimum allocation (%)	Neutral allocation (%)	Maximum allocation (%)
Australian equities	15	25	60
International equities	15	29	65
Australian property	0	3	25
International property	0	9	25
Alternatives	0	14	30
Australian fixed interest	0	12	30
International fixed interest	0	6	25
Cash	1	2	20

Investment universe Unlisted managed funds, ETFs and cash. The model typically holds between 16 and 25 investments.

Income setting Accumulate income
(Note that different combinations of this model income setting and your individual income instruction (as defined in Part 1 of the PDS) can impact cash holdings, rebalancing, and transaction costs. More information about income settings is available in the 'Managed Account income instruction' section of the Managed Account Guide).

Minimum investment amount \$25,000

Lonsec Managed Portfolio - Multi Asset High Growth (MACC000188)

Investment objective and timeframe	The portfolio aims to primarily generate capital growth over the suggested minimum investment timeframe of 7 years through exposure across a range of asset classes and by using several investment managers. The portfolio aims to outperform the Morningstar Australia Aggressive Target Allocation NR AUD Index (after fees and costs).																																				
Investment strategy	The portfolio invests predominantly in growth assets, which may include Australian and international equities and property and infrastructure. The portfolio is designed to reduce overall portfolio risk by spreading investments across a number of specialist managers with complementary investment management styles. In general, the portfolio will have a long-term average exposure of around 99% to growth assets and around 1% to defensive assets, however the allocations will be actively managed within the allowable ranges depending on market conditions. The model invests a minimum of 1% in defensive assets.																																				
Investment category	Diversified																																				
Asset allocation ranges	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Minimum allocation (%)</th> <th>Neutral allocation (%)</th> <th>Maximum allocation (%)</th> </tr> </thead> <tbody> <tr> <td>Australian equities</td> <td>15</td> <td>31</td> <td>70</td> </tr> <tr> <td>International equities</td> <td>20</td> <td>38</td> <td>75</td> </tr> <tr> <td>Australian property</td> <td>0</td> <td>3</td> <td>25</td> </tr> <tr> <td>International property</td> <td>0</td> <td>8</td> <td>25</td> </tr> <tr> <td>Alternatives</td> <td>0</td> <td>19</td> <td>30</td> </tr> <tr> <td>Australian fixed interest</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>International fixed interest</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Cash</td> <td>1</td> <td>1</td> <td>20</td> </tr> </tbody> </table>	Asset class	Minimum allocation (%)	Neutral allocation (%)	Maximum allocation (%)	Australian equities	15	31	70	International equities	20	38	75	Australian property	0	3	25	International property	0	8	25	Alternatives	0	19	30	Australian fixed interest	0	0	0	International fixed interest	0	0	0	Cash	1	1	20
Asset class	Minimum allocation (%)	Neutral allocation (%)	Maximum allocation (%)																																		
Australian equities	15	31	70																																		
International equities	20	38	75																																		
Australian property	0	3	25																																		
International property	0	8	25																																		
Alternatives	0	19	30																																		
Australian fixed interest	0	0	0																																		
International fixed interest	0	0	0																																		
Cash	1	1	20																																		
Investment universe	Unlisted managed funds, ETFs and cash. The model typically holds between 16 and 25 investments.																																				
Income setting	Accumulate income (Note that different combinations of this model income setting and your individual income instruction (as defined in Part 1 of the PDS) can impact cash holdings, rebalancing, and transaction costs. More information about income settings is available in the 'Managed Account income instruction' section of the Managed Account Guide).																																				
Minimum investment amount	\$25,000																																				

Lonsec Managed Portfolio - Listed Conservative (MACC000614)

Investment objective and timeframe The portfolio aims to generate income and some capital growth over the medium term, through exposure across a range of asset classes, by investing in listed securities. The portfolio aims to outperform the Morningstar Australia Moderate Target Allocation NR AUD Index (after fees and costs), over a period of 4 years.

Investment strategy The model seeks to achieve this objective by investing in a mix of listed income and growth assets, which may include Australian and international equities, property and infrastructure, fixed interest and income securities, alternative assets and cash.

In general, the portfolio will have a long-term average exposure of around 40% to growth assets and around 60% to defensive assets, however the allocations are actively managed within the allowable ranges depending on market conditions.

Investment category Diversified

Asset allocation ranges

Asset class	Minimum allocation (%)	Neutral allocation (%)	Maximum allocation (%)
Australian equities	10	16	35
International equities	0	16	30
Australian property	0	3	20
International property	0	5	20
Alternatives	0	0	30
Australian fixed interest	10	31	50
International fixed interest	5	19	45
Cash	0	10	30

Investment universe ASX listed securities (including ETFs) and cash. The model typically holds between 15 and 40 investments.

Income setting Accumulate income
(Note that different combinations of this model income setting and your individual income instruction (as defined in Part 1 of the PDS) can impact cash holdings, rebalancing, and transaction costs. More information about income settings is available in the 'Managed Account income instruction' section of the Managed Account Guide).

Minimum investment amount \$50,000

Lonsec Managed Portfolio - Listed Balanced (MACC000270)

Investment objective and timeframe The portfolio aims to provide investors with a balance of income and capital growth over the medium term, through exposure across a range of asset classes, by investing in listed securities. The portfolio aims to outperform the Morningstar Australia Balanced Target Allocation NR AUD Index (after fees and costs), over a period of 5 years.

Investment strategy The portfolio seeks to achieve the objective by investing in a mix of listed income and growth assets, which may include Australian and international equities, property and infrastructure, fixed interest and income securities, alternative assets and cash.

In general, the portfolio will have a long-term average exposure of around 60% to growth assets and around 40% to defensive assets, however the allocations will be actively managed within the allowable ranges depending on market conditions.

Investment category Diversified

Asset allocation ranges

Asset class	Minimum allocation (%)	Neutral allocation (%)	Maximum allocation (%)
Australian equities	10	23	45
International equities	10	26	45
Australian property	0	3	25
International property	0	8	25
Alternatives	0	0	30
Australian fixed interest	5	22	40
International fixed interest	5	13	35
Cash	0	5	25

Investment universe ASX listed securities (including ETFs) and cash. The model typically holds between 15 and 40 investments.

Income setting Accumulate income
(Note that different combinations of this model income setting and your individual income instruction (as defined in Part 1 of the PDS) can impact cash holdings, rebalancing, and transaction costs. More information about income settings is available in the 'Managed Account income instruction' section of the Managed Account Guide).

Minimum investment amount \$50,000

Lonsec Managed Portfolio - Listed Growth (MACC000271)

Investment objective and timeframe	The portfolio aims to provide investors with capital growth and some income over the medium term, through exposure across a range of asset classes, by investing in listed securities. The portfolio aims to outperform the Morningstar Australia Growth Target Allocation NR AUD Index (after fees and costs), over a period of 6 years.																																				
Investment strategy	<p>The portfolio seeks to achieve the objective by investing in a mix of listed income and growth assets, which may include Australian and international equities, property and infrastructure, fixed interest and income securities, alternative assets and cash.</p> <p>In general, the portfolio will have a long-term average exposure of around 80% to growth assets and around 20% to defensive assets, however the allocations will be actively managed within the allowable ranges depending on market conditions.</p>																																				
Investment category	Diversified																																				
Asset allocation ranges	<table> <thead> <tr> <th>Asset class</th> <th>Minimum allocation (%)</th> <th>Neutral allocation (%)</th> <th>Maximum allocation (%)</th> </tr> </thead> <tbody> <tr> <td>Australian equities</td> <td>15</td> <td>32</td> <td>60</td> </tr> <tr> <td>International equities</td> <td>15</td> <td>36</td> <td>65</td> </tr> <tr> <td>Australian property</td> <td>0</td> <td>3</td> <td>25</td> </tr> <tr> <td>International property</td> <td>0</td> <td>9</td> <td>25</td> </tr> <tr> <td>Alternatives</td> <td>0</td> <td>0</td> <td>30</td> </tr> <tr> <td>Australian fixed interest</td> <td>0</td> <td>12</td> <td>30</td> </tr> <tr> <td>International fixed interest</td> <td>0</td> <td>6</td> <td>25</td> </tr> <tr> <td>Cash</td> <td>0</td> <td>2</td> <td>20</td> </tr> </tbody> </table>	Asset class	Minimum allocation (%)	Neutral allocation (%)	Maximum allocation (%)	Australian equities	15	32	60	International equities	15	36	65	Australian property	0	3	25	International property	0	9	25	Alternatives	0	0	30	Australian fixed interest	0	12	30	International fixed interest	0	6	25	Cash	0	2	20
Asset class	Minimum allocation (%)	Neutral allocation (%)	Maximum allocation (%)																																		
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Alternatives	0	0	30																																		
Australian fixed interest	0	12	30																																		
International fixed interest	0	6	25																																		
Cash	0	2	20																																		
Investment universe	ASX listed securities (including ETFs) and cash. The model typically holds between 15 and 40 investments.																																				
Income setting	Accumulate income (Note that different combinations of this model income setting and your individual income instruction (as defined in Part 1 of the PDS) can impact cash holdings, rebalancing, and transaction costs. More information about income settings is available in the 'Managed Account income instruction' section of the Managed Account Guide).																																				
Minimum investment amount	\$50,000																																				

Lonsec Managed Portfolio - Listed High Growth (MACC000272)

Investment objective and timeframe The portfolio aims to provide investors with capital growth over the long term, through exposure across a range of asset classes, by investing in listed securities. The portfolio aims to outperform the Morningstar Australia Aggressive Target Allocation NR AUD Index (after fees and costs), over a period of 7 years.

Investment strategy The portfolio seeks to achieve the objective by investing predominately in growth assets, which may include Australian and international equities, property and infrastructure.

In general, the portfolio will have a long-term average exposure of around 98% to growth assets and around 2% to defensive assets, however the allocations will be actively managed within the allowable ranges depending on market conditions.

Investment category Diversified

Asset allocation ranges

Asset class	Minimum allocation (%)	Neutral allocation (%)	Maximum allocation (%)
Australian equities	15	40	70
International equities	20	46	75
Australian property	0	4	25
International property	0	8	25
Alternatives	0	0	30
Australian fixed interest	0	0	0
International fixed interest	0	0	0
Cash	0	2	20

Investment universe ASX listed securities (including ETFs) and cash. The model typically holds between 15 and 40 investments.

Income setting Accumulate income
(Note that different combinations of this model income setting and your individual income instruction (as defined in Part 1 of the PDS) can impact cash holdings, rebalancing, and transaction costs. More information about income settings is available in the 'Managed Account income instruction' section of the Managed Account Guide).

Minimum investment amount \$50,000

Lonsec Sustainable Managed Portfolio - Balanced (MACC000443)

Investment objective and timeframe The portfolio aims to deliver a balance of income and growth over the medium term, through exposure across a range of asset classes, by investing in listed securities and managed funds with a bias towards those that incorporate ESG and sustainable principles within their investment processes (refer to page 4 for more information). The portfolio aims to outperform the Morningstar Australia Balanced Target Allocation NR AUD Index (after fees and costs), over a minimum period of five years.

Investment strategy The portfolio invests in a mix of defensive and growth assets, which includes Australian and international equities, property, fixed interest, alternative assets and cash. This may be done either by investment in listed securities (such as ETFs or exchange traded products ('ETPs')) or through unlisted managed funds. In general, the portfolio will have a long-term average exposure of around 60% to growth assets and around 40% to defensive assets, however the allocation will be actively managed within the allowable ranges depending on market conditions. The model invests a minimum of 30% in defensive assets.

Investment category Diversified

Asset allocation ranges

Asset class	Minimum allocation (%)	Neutral allocation (%)	Maximum allocation (%)
Australian equities	10	23	45
International equities	10	26	45
Australian property	0	4	15
International property	0	7	15
Alternatives	0	0	30
Australian fixed interest	5	19	40
International fixed interest	5	16	35
Cash	0	5	25

Investment universe Managed funds, ETFs, ETPs, managed models and cash. The model typically holds between 14 and 20 investments.

Income setting Accumulate income
(Note that different combinations of this model income setting and your individual income instruction (as defined in Part 1 of the PDS) can impact cash holdings, rebalancing, and transaction costs. More information about income settings is available in the 'Managed Account income instruction' section of the Managed Account Guide).

Minimum investment amount \$25,000

Lonsec Sustainable Managed Portfolio - Growth (MACC000444)

Investment objective and timeframe The portfolio aims to deliver capital growth and some income over the medium term, through exposure across a range of asset classes, by investing in listed securities and managed funds with a bias towards those that incorporate ESG and sustainable principles within their investment processes (refer to page 4 for more information). The portfolio aims to outperform the Morningstar Australia Growth Target Allocation NR AUD Index (after fees and costs), over a minimum period of six years.

Investment strategy The portfolio invests in a mix of defensive and growth assets, which includes Australian and international equities, property, fixed interest, alternative assets and cash. This may be done either by investment in listed securities (such as ETFs or ETPs) or through unlisted managed funds. In general, the portfolio will have a long-term average exposure of around 80% to growth assets and around 20% to defensive assets, however the allocation will be actively managed within the allowable ranges depending on market conditions. The model invests a minimum of 10% in defensive assets.

Investment category Diversified

Asset allocation ranges

Asset class	Minimum allocation (%)	Neutral allocation (%)	Maximum allocation (%)
Australian equities	15	32	60
International equities	15	36	65
Australian property	0	5	15
International property	0	7	15
Alternatives	0	0	30
Australian fixed interest	0	10	30
International fixed interest	0	8	25
Cash	0	2	20

Investment universe Managed funds, ETFs, ETPs, managed models and cash. The model typically holds between 14 and 20 investments.

Income setting Accumulate income
(Note that different combinations of this model income setting and your individual income instruction (as defined in Part 1 of the PDS) can impact cash holdings, rebalancing, and transaction costs. More information about income settings is available in the 'Managed Account income instruction' section of the Managed Account Guide).

Minimum investment amount \$25,000

Lonsec Sustainable Managed Portfolio - High Growth (MACC000445)

Investment objective and timeframe The portfolio aims to deliver primarily with capital growth over the long term, through exposure across a range of asset classes, by investing in listed securities and managed funds with a bias towards those that incorporate ESG and sustainable principles within their investment processes (refer to page 4 for more information). The portfolio aims to outperform the Morningstar Australia Aggressive Target Allocation NR AUD Index (after fees and costs), over a minimum period of seven years.

Investment strategy The portfolio invests predominantly in growth assets, which includes Australian and international equities and property. This may be done either by investment in listed securities (such as ETFs or ETPs) or through unlisted managed funds. In general, the portfolio will have a long-term average exposure of around 98% to growth assets and around 2% to defensive assets, however the allocation will be actively managed within the allowable ranges depending on market conditions.

Investment category Diversified

Asset allocation ranges

Asset class	Minimum allocation (%)	Neutral allocation (%)	Maximum allocation (%)
Australian equities	15	41	70
International equities	20	47	75
Australian property	0	4	15
International property	0	6	15
Alternatives	0	0	30
Cash	0	2	20

Investment universe Managed funds, ETFs, ETPs, managed models and cash. The model typically holds between 10 and 16 investments.

Income setting Accumulate income
(Note that different combinations of this model income setting and your individual income instruction (as defined in Part 1 of the PDS) can impact cash holdings, rebalancing, and transaction costs. More information about income settings is available in the 'Managed Account income instruction' section of the Managed Account Guide).

Minimum investment amount \$25,000

Fees and other 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 investment 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.

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.

Information about taxes is set out on page 16 of Part 1 of the PDS.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

Fees and costs for particular models are shown from page 23 in this document.

Fees and costs summary

Netwealth Managed Account Service

Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs		
Management fees and costs²	Investment management fee	Calculated daily and deducted monthly in arrears from your managed account cash account. ⁵
The fees and costs for managing your investment ^{3,4}	An investment management fee is payable for each model. The fee is 0.3% p.a. of the value of your investment in the model/s.	
	PLUS	
	Interest retained on the cash account	We retain our share of the interest (from the total interest paid by the bank) at the end of each month, before any interest is credited to your managed account cash account. ⁵ It is not deducted from your managed account cash account.
	Estimated to range from 0.03% to 0.0611% p.a. of the value of your investment in the model/s and depends on the model/s you select, the amount of cash held in the Managed Account for all investors, and the interest earned on the pooled cash account.	
	PLUS	
	Indirect costs	Indirect costs are costs that are not deducted from your managed account cash account, but which reduce the return from the underlying investments in your selected model.
	Estimated to range from 0.2425% to 0.8318% p.a. of the value of your investment in the model/s and depends on the model/s you select.	In the case of underlying investments held in your managed account such as managed funds, indirect costs are reflected in the unit price of the relevant managed fund.
Performance fees⁶	Underlying performance fees	In the case of underlying investments held in your selected model, the underlying performance fees are reflected in the unit price of the relevant investment. These underlying performance fees are not deducted from your managed account cash account.
Amounts deducted from your investment in relation to the performance of Netwealth Managed Account Service	Estimated to range from 0.0006% to 0.0972% p.a. of the value of your investment in the model/s and depends on the model/s you select.	

² For more information on the various fees and costs described in this section, and how they are calculated, see 'Management fees and costs' under 'Additional explanation of fees and costs' in this document.

³ None of these fees and costs includes amounts payable to an adviser.

⁴ The relevant fees and costs for each model is set out in the 'Additional explanation of fees and costs' in this document.

⁵ The amount of this fee or cost may be negotiated. For more information, see 'Negotiation of fees or costs' under 'Additional explanation of fees and costs' in this document.

⁶ For more information, see 'Underlying performance fees' under 'Additional explanation of fees and costs' in this document.

Type of fee or cost	Amount	How and when paid
Transaction costs⁷ The costs incurred by the scheme when buying or selling assets	Managed Account transaction fee – listed securities 0.150% of the value of each sale and each purchase of Australian listed securities and/or international securities. PLUS Underlying transaction costs Estimated to range from 0.0147% to 0.2472% p.a. of the value of your investment in the model/s and depends on the model/s you select.	The 'Managed Account transaction fee – listed securities' is deducted from your managed account cash account at the time of the trade. ⁸ Underlying transaction costs are not deducted from your managed account cash account. Rather, they are deducted from the investments held in your selected model. In the case of investments in your managed account such as managed funds, the underlying transaction costs are reflected in the unit price of the relevant managed fund.
Member activity related fees and costs (fees for services or when your money moves in or out of Netwealth Managed Account Service)⁹		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee¹⁰ The fee on each amount contributed to your investment	Nil ¹¹	Not applicable
Buy-sell spread An amount deducted from your investment representing costs incurred in transactions by Netwealth Managed Account Service	Nil ¹¹	Not applicable
Withdrawal fee¹⁰ The fee on each amount you take out of your investment	Nil ¹¹	Not applicable
Exit fee¹⁰ The fee to close your investment	Nil ¹¹	Not applicable
Switching fee The fee for changing models	Nil ¹¹	Not applicable

⁷ For more information, see 'Transaction costs' under 'Additional explanation of fees and costs' in this document.

⁸ The amount of this fee or cost may be negotiated. For more information, see 'Negotiation of fees or costs' under 'Additional explanation of fees and costs' in this document.

⁹ See 'Additional explanation of fees and costs' in this document for other additional service fees, special request fees and incidental fees and costs that may apply.

¹⁰ None of these fees and costs includes amounts payable to an adviser.

¹¹ We do not charge a contribution fee, buy-sell spread, withdrawal fee, exit fee or switching fee when you move your investments in and out of the Managed Account. However, if you make additional investment(s) or withdrawal(s) from your managed account, transaction costs may be incurred. See 'Transaction costs' under 'Additional explanation of fees and costs' in this document for more information.

Example of annual fees and costs - Lonsec Managed Portfolio - Multi Asset Balanced

This table gives an example of how the ongoing annual fees and costs in Lonsec Managed Portfolio - Multi Asset Balanced can affect your investment over a 1-year period. You should use this table to compare this product with other managed accounts.

EXAMPLE – Lonsec Managed Portfolio - Multi Asset Balanced		Balance of \$50,000 with a contribution of \$5,000 during year ¹²
Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0
PLUS	Investment management fee of 0.3% p.a.	And , for every \$50,000 you have in the Lonsec Managed Portfolio - Multi Asset Balanced you will be charged or have deducted from your investment \$503.35 each year
Management fees and costs ¹³	+ Interest retained on the cash account of 0.0523% p.a.	
	+ Indirect costs of 0.6544% p.a.	
PLUS	Underlying performance fee of 0.0586% p.a.	
Performance fees ¹⁴		And , you will be charged or have deducted from your investment \$29.30 in performance fees each year
PLUS	Transaction fees of 0.032% p.a. relating to the purchase of Australian listed securities.	And , you will be charged or have deducted from your investment \$88.55 in transaction costs
Transaction costs ¹⁵	+ Underlying transaction costs of 0.1451% p.a.	
EQUALS		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of: \$621.20*
Cost of the Lonsec Managed Portfolio - Multi Asset Balanced		What it costs you will depend on the models you choose and the fees you negotiate.

* **Note:** This example is illustrative only and assumes you have chosen the Lonsec Managed Portfolio - Multi Asset Balanced. Fees and costs vary depending on the model you choose. The allocation to underlying investments may change depending on market movements and decisions made by the Model Manager. The 'Additional explanation of fees and costs' in this document includes estimated ongoing annual fees and costs for each model.

¹² This example assumes that there is a constant balance of \$50,000 throughout the year with \$5,000 invested at the end of the year.

¹³ See 'Management fees and costs' under 'Additional explanation of fees and costs' in this document for more information on how these fees are calculated.

¹⁴ See 'Performance fees' under 'Additional explanation of fees and costs' in this document for more information on how these fees are calculated.

¹⁵ See 'Transaction costs' under 'Additional explanation of fees and costs' in this document for more information on how these fees are calculated. And, if you leave the Managed Account, additional transaction costs may apply depending on the assets you hold, see 'Transaction costs' under 'Additional explanation of fees and cost' in this document for more information.

Cost of product for 1 year

The cost of product gives a summary calculation of how ongoing annual fees and costs can affect your investment over a 1-year period for all investment options. It is calculated in the manner shown in the Example of annual fees and costs.

The cost of product assumes a balance of \$50,000 at the beginning of the year with a contribution of \$5,000 during the year. (Additional fees such as an establishment fee or an exit fee may apply; refer to the Fees and costs summary for the relevant option).

You should use this figure to help compare this product with other products offered by managed investment schemes.

Managed Model	Model Code	Cost of Product
Lonsec Retirement Portfolio - Conservative	MACC000183	\$515.10
Lonsec Retirement Portfolio - Balanced	MACC000184	\$560.10
Lonsec Retirement Portfolio - Growth	MACC000185	\$636.00
Lonsec Managed Portfolio - Multi Asset Balanced	MACC000186	\$621.20
Lonsec Managed Portfolio - Multi Asset Growth	MACC000187	\$712.10
Lonsec Managed Portfolio - Multi Asset High Growth	MACC000188	\$782.95
Lonsec Managed Portfolio – Listed Conservative	MACC000614	\$386.45
Lonsec Managed Portfolio - Listed Balanced	MACC000270	\$393.65
Lonsec Managed Portfolio - Listed Growth	MACC000271	\$401.65
Lonsec Managed Portfolio - Listed High Growth	MACC000272	\$405.35
Lonsec Sustainable Managed Portfolio - Balanced	MACC000443	\$535.60
Lonsec Sustainable Managed Portfolio - Growth	MACC000444	\$588.75
Lonsec Sustainable Managed Portfolio - High Growth	MACC000445	\$628.30

Additional explanation of fees and costs

The following table provides additional information about the fees and costs for each of the models in the Managed Account offered under this Part 2 – Managed Models Booklet.

Managed Model	Model Code	Management fees and costs			Performance fees	Transaction costs		Risk band
		Investment management fee (p.a.)	Interest retained on the cash account (estimate p.a.)	Indirect costs (estimate p.a.)	Underlying performance fee (estimate p.a.)	Transaction fees (estimate p.a.)	Underlying transaction costs (estimate p.a.)	
Lonsec Retirement Portfolio - Conservative	MACC000183	0.3000%	0.0458%	0.6082%	0.0008%	0.0040%	0.0714%	4 - Medium
Lonsec Retirement Portfolio - Balanced	MACC000184	0.3000%	0.0447%	0.6950%	0.0006%	0.0074%	0.0725%	5 - Medium to high
Lonsec Retirement Portfolio - Growth	MACC000185	0.3000%	0.0484%	0.7899%	0.0616%	0.0080%	0.0641%	6 - High
Lonsec Managed Portfolio - Multi Asset Balanced	MACC000186	0.3000%	0.0523%	0.6544%	0.0586%	0.0320%	0.1451%	5 - Medium to high
Lonsec Managed Portfolio - Multi Asset Growth	MACC000187	0.3000%	0.0410%	0.7758%	0.0783%	0.0338%	0.1953%	6 - High
Lonsec Managed Portfolio - Multi Asset High Growth	MACC000188	0.3000%	0.0426%	0.8318%	0.0972%	0.0471%	0.2472%	6 - High
Lonsec Managed Portfolio – Listed Conservative	MACC000614	0.3000%	0.0312%	0.2425%	0.0018%	0.1716%	0.0258%	4 - Medium
Lonsec Managed Portfolio - Listed Balanced	MACC000270	0.3000%	0.0312%	0.2723%	0.0018%	0.1503%	0.0317%	5 - Medium to high
Lonsec Managed Portfolio - Listed Growth	MACC000271	0.3000%	0.0304%	0.2843%	0.0027%	0.1668%	0.0191%	6 - High
Lonsec Managed Portfolio - Listed High Growth	MACC000272	0.3000%	0.0300%	0.3052%	0.0022%	0.1586%	0.0147%	6 - High

Managed Model	Model Code	Management fees and costs			Performance fees	Transaction costs		Risk band
		Investment management fee (p.a.)	Interest retained on the cash account (estimate p.a.)	Indirect costs (estimate p.a.)	Underlying performance fee (estimate p.a.)	Transaction fees (estimate p.a.)	Underlying transaction costs (estimate p.a.)	
Lonsec Sustainable Managed Portfolio - Balanced	MACC000443	0.3000%	0.0451%	0.6633%	0.0131%	0.0008%	0.0489%	5 - Medium to high
Lonsec Sustainable Managed Portfolio - Growth	MACC000444	0.3000%	0.0569%	0.7425%	0.0189%	0.0008%	0.0584%	6 - High
Lonsec Sustainable Managed Portfolio - High Growth	MACC000445	0.3000%	0.0611%	0.7999%	0.0226%	0.0011%	0.0719%	6 - High

Additional explanation of fees and costs (continued)

Management fees and costs

Investment management fee

The investment management fee described in the table above is deducted from your managed account cash account and paid to us. The investment management fee is calculated based on the fee rates for the models you select and the amount you hold in those models.

Interest retained on the cash account

All investors' cash held in the Managed Account is pooled in one or more interest-bearing accounts with an Australian bank ('**pooled cash account**'). Each month we retain part or all of the interest earned on the pooled cash account. The interest retained is the difference between the amount of interest earned on the pooled cash account and the amount of interest we credit to investors' cash accounts and depends on the amount of cash held in the Managed Account and the models in which you invest. We set the amount of interest we retain so that the rate of interest credited to each investor's managed account cash account is equal to the current declared interest rates available on our website. The rate is variable and, as at the date of this document, is no less than 0.80% p.a. below the average target cash rate set by the Reserve Bank of Australia for the month (which is often referred to as the official cash rate ('**Official Cash Rate**')).¹⁶

The amount of interest we retain is deducted from the interest earned on the pooled cash account before interest is allocated to investors at the declared rate. This amount is not deducted out of your managed account cash account.

Indirect costs

Indirect costs are an estimate of the costs incurred on the underlying investments in a model and are set out in the table above under the 'Additional explanation of fees and cost' heading. Indirect costs are not charged by us in relation to the model/s and are deducted from the underlying investments in your selected model/s. In the case of underlying investments such as managed funds, indirect costs are reflected in the unit price of the relevant managed fund and may include (but are not limited to) management fees charged by the issuer of the underlying investments and certain recoverable expenses (such as legal, accounting, custody and regulatory compliance expenses).

Other fees and costs

We are entitled to recover certain expenses payable in relation to the operation of the Managed Account from your managed account. These expenses include, but are not limited to, audit fees, legal fees, accountancy fees, custody fees and fees or levies imposed by regulators. We do not currently intend to deduct any such operating expenses from your managed account, and we will provide investors with 30 days' notice prior to doing so.

Performance fees

Underlying performance fees

In the case of underlying investments such as managed funds, the performance fees (if any) charged by the underlying fund managers are reflected in the unit price of the relevant funds. These fees are not deducted by us out of the assets of the Managed Account.

The total estimated annual performance fees charged by the underlying fund managers for each model, which are based on their average performance fee for the last 5 years, are set out in the table above under the 'Additional explanation of fees and cost' heading.

Transaction costs

Transaction fees

Managed Account transaction fee – listed securities

Investments are bought and sold in your managed account when a rebalance occurs. When listed securities are bought or sold in your managed account, we charge the Managed Account transaction fee – listed securities of 0.15% of the value of each sale and each purchase. This fee is deducted from your managed account cash account at the time of the trade and is an additional cost to you.

¹⁶ The interest rate cannot be less than 0% p.a. even if the Official Cash Rate is less than 0.80% p.a. At the date of this document, the Official Cash Rate is 4.35% p.a. and the rate of interest is currently 3.55% p.a.

Underlying transaction costs

Buy-sell spread on underlying managed funds

Buy-sell spreads are incurred when purchasing and redeeming interests in managed funds. The responsible entity of the relevant fund is usually entitled to charge an amount to the member for the cost of purchasing or selling the managed fund's assets. These costs are an additional cost incurred at the time of the transaction and are usually reflected in the difference between the application price and withdrawal price of an interest in the managed fund. This is called the 'buy-sell spread'. Buy-sell spreads are generally used to fairly distribute the costs of buying and selling assets between those joining (in the case of buy costs), those leaving (in the case of sell costs) and the other investors in the managed fund. Buy-sell spread estimates for each model are included in the 'Underlying transaction costs' column as set out in the table above under the 'Additional explanation of fees and cost' heading.

Other underlying transactional and operational costs

Some underlying investments may incur additional transactional and operational costs which may reduce the value of your investment. These costs arise from trading activities and may include brokerage on investments made by the underlying managed fund, buy-sell spreads incurred by the underlying managed fund, settlement costs, clearing costs and stamp duty on an investment transaction. In the case of investments in your selected model/s such as managed funds, the underlying transactional and operational costs are reflected in the unit price of the relevant managed fund. Other underlying transaction and operational cost estimates for each model are included in the 'Underlying transaction costs' column as set out in the table above under the 'Additional explanation of fees and cost' heading.

Other costs

Foreign exchange conversion costs

The exchange rates used for any purchase, sale, income receipt, corporate action, or any other foreign currency requirement in relation to international securities are the exchange rates provided to us by the third parties through which the conversion is settled.

Estimated fees and costs

The estimates of fees and costs for each model are set out in the table above under the 'Additional explanation of fees and cost' heading. Generally, these estimates are based on the applicable model's holdings, fees, costs and transactions that have occurred for the model over a previous financial year. Where the model was not available over the previous financial year, the estimated fees and costs are based on the assets held in the model at its commencement or at a point in time. Future estimates may differ from past estimates.

Negotiation of fees or costs

We may, at our discretion, negotiate the amount of the fees or costs where indicated in the above 'Fees and costs summary' table. You should contact us for further information regarding this.

Your Nominated Financial Adviser (if you have one) may negotiate the fees or costs. By using a financial adviser, you provide us with certain efficiencies which may be reflected in the negotiated fees or costs. If you change or remove your Nominated Financial Adviser, you may lose access to those negotiated fees or costs and the fees or costs set out in this document will subsequently apply to your managed account. Your financial adviser can provide you with more information about any negotiated fee or cost arrangements that they have agreed with us.

GST on fees and costs

All fees and costs referred to in this document include GST (where applicable). We may be entitled to claim a reduced input tax credit ('RITC') on the GST payable on certain fees. If the Government changes the rate of GST or RITC or the method of determining the RITC, fees and costs deducted from your managed account may change.

Changes to fees and costs we charge

Until you are notified otherwise, the fees and costs applying to the Managed Account will remain as set out in this document. We cannot charge more than the maximum fees permitted under the constitution of the Managed Account, which are:

- a management fee of up to 3% per annum of the gross value of the investments in your managed account; and
- a transaction fee of up to the greater of \$200 or 2% of the value of any transaction in your managed account.

We are also able to recover all expenses we incur in relation to the proper performance of our duties in respect of the Managed Account. We may, at our discretion, either waive or defer payment of any fees or costs payable to us. We will give at least 30 days' prior notice to investors of any proposed increase in fees or introduction of new fees for the Managed Account.

Other payments and benefits paid or received by Netwealth

Payments from Model Managers

We may receive an ongoing fee from a Model Manager for each model managed by them that is available in the Managed Account. As of the date of this document, this ongoing fee may be up to \$22,000 p.a. per model. This fee is for services in connection with making each model available. This is paid to us from the Model Manager's own resources and is not an additional cost to you. The fee is retained by us.

Payments to Model Managers

If we appoint a Model Manager (and we are not ourselves the Model Manager), we may pay the Model Manager a component of the investment management fee (which may be up to 100% of the investment management fee) received by us in relation to each model they manage, for the ongoing provision of investment expertise and advice regarding the investments of the model.

Are our related parties paid fees?

Our related parties may perform various functions and services in relation to the Managed Account, subject to meeting any applicable requirements of the relevant law regarding transactions with related parties. Related parties may receive benefits from organisations, such as fund managers, including the opportunity to subscribe for securities. This is not done in competition with our clients or in a way that would adversely affect our clients. In all dealings in relation to the Managed Account, we deal with related parties on arm's length terms. Fees paid to our related parties in connection with the Managed Account are paid at no more than commercial rates.

Netwealth, as platform operator of Netwealth Wealth Accelerator and administrator of Netwealth Super Accelerator, receives administration fees based on amounts invested in the Managed Account through the relevant platform service. You should refer to the disclosure documents for the relevant platform service.