

## Investment Menu



10 June 2022

Responsible Entity & Issuer: OpenInvest Limited  
ACN 614 587 183 | AFSL 504 155

Scheme: OpenInvest Portfolio Service ARSN 628 156 052

## About this Document

This Investment Menu forms part of the Product Disclosure Statement (PDS) for OpenWealth (“the Service”), provided through the OpenInvest Portfolio Service ARSN 628 156 052 (the Scheme) a registered managed investment scheme.

OpenInvest Limited ACN 614 587 183, AFSL 504 155 (“the Administrator”) is the Responsible Entity for the Scheme and is the issuer of the PDS and this Investment Menu. You should consider both the PDS and the Investment Menu before making an investment decision regarding the Service.

This Investment Menu sets out the Model Portfolios available through the Service. It is updated whenever there is a material change to the information relating to a Model Portfolio, and you should ensure you have the current version of the document.

## General Advice Warning

The information contained in this Investment Menu and in the PDS is general information only and does not take into account your individual objectives, financial situation, needs or circumstances. It is your responsibility to determine whether investing in the Service is appropriate for you as well as which Model Portfolio might be right for you, having regard to your own objectives, financial situation, needs and circumstances.

The Administrator does not provide financial advice that takes into account your personal circumstances and does not make any recommendation to invest in the Service or any particular Model Portfolio. You can also review the target market determination document available via the online application process to read the Administrator’s opinion as to the type of investor for whom each Model Portfolio might be suitable.

Should you require assistance in determining whether an investment in the Service is right for you, you may wish to seek the services of an appropriately licensed financial adviser.

# Model Portfolio Descriptions

## Portfolio Managers

The background, experience and expertise of the portfolio managers managing each Model Portfolio is described, below.

## Investment Objective

This is the investment goal that the portfolio manager is aiming to achieve for the Model Portfolio. All investing by its very nature comes with risk. Therefore, there is no guarantee that the investment objectives will be achieved over the proposed time period, or over any time period.

## Typical investor

The type of investor for whom the Model Portfolio would be suitable, taking into account the objectives and asset class profile of the Model Portfolio.

## Investment strategy and approach

The strategy for a particular Model Portfolio is the means by which the portfolio manager seeks to achieve the investment objective for the Model Portfolio.

## Asset Allocation Ranges

The asset allocation range is a description of the proportion of the Model Portfolio that is invested in each asset class. The portfolio manager will make asset allocation decisions in seeking to maximise investment performance in line with the strategy for each Model Portfolio. The asset allocation will generally remain within the asset class range unless the mandate for the Model Portfolio changes, in which case you will be notified.

## Recommended Minimum Investment

The recommended minimum investment amount is described for each Model Portfolio, below.

## Fees

Each Model Portfolio has its own fee, described in the profile for each Model Portfolio, below. The types of fee that can apply to each Model Portfolio are explained below.

## Management Fee

The Management Fee is the cost of managing your portfolio, and includes amounts paid to your portfolio manager for making investment decisions, and amounts retained by the Administrator for performing its administration functions.

The Management Fee is based on your total account balance, including the portion held in cash, and is calculated daily and deducted monthly in arrears from the cash holding in your account.

## Fee Discounts

Investors with an account balance over \$500,000 receive discounts on their Management Fee, as per the table below.

Account size	Discount % applied to your entire account balance
0 - \$500,000	0%
\$500,001 - \$1,000,000	20%
\$1,000,001 - \$2,000,000	30%
\$2,000,001 - \$3,000,000	40%
>\$3m	50%

## Indirect Costs

The Indirect Cost is an estimate of the underlying weighted ongoing fees and costs of any managed funds and ETFs within a Model Portfolio, and is described for each Model Portfolio in the Investment menu. These costs are not directly deducted from your account, but are charged within any such managed fund and ETFs for management fees, transaction costs for buying and selling of securities within a managed fund or ETF, and certain recoverable expenses, and are reflected in the unit price of those underlying managed funds and ETFs.

Actual indirect Costs may vary from time to time from those estimated due to changes within underlying managed funds or ETFs, or to the weightings of managed funds and ETFs in a model portfolio. This PDS and associated Investment Menu will be updated annually to reflect changes in Indirect Costs for each Model Portfolio. You will also be able to determine the current Indirect Cost for each Model Portfolio using the fee calculator, which is available via the online application form process, and also, should you open an account, via the “Model Portfolios” section of your Investor Portal.

## Buy-Sell spread

There is no buy-sell spread for moving money into or out of the Service, however, any underlying managed fund or ETF within a Model Portfolio may charge its own buy-sell spread which is deducted from amounts invested in, or withdrawn from, that managed fund or ETF at the time of the investment or withdrawal. These are not ongoing costs and are not deducted from your account in the Service. Where they are levied by an underlying managed fund or ETF they are used to recover the transaction costs arising as a result of the investment in or withdrawal from the managed fund or ETF, and are levied to protect ongoing investors from the cost of transaction activity driven by new investments and withdrawals. The effect of any buy-sell spread for any underlying managed funds or ETFs in a Model Portfolio is shown in the Cost of Model Portfolio example given for each Model Portfolio in the Investment Menu, and you can also see this cost by using the fee calculator.

Actual buy-sell spread of underlying managed funds or ETFs may vary from time to time from those estimated due to changes within underlying managed funds or ETFs, or to the weightings of managed funds and ETFs in a Model Portfolio. The PDS and this associated Investment Menu will be updated annually to reflect changes in the impact of the cost of the buy-sell spread of underlying managed funds and ETFs within each Model Portfolio. You will also be able to determine the current impact of such buy-sell spreads by using the fee calculator, which is available via the online application form process, and also, should you open an account, via the “Model Portfolios” section of your Investor Portal.

## Cost of Model Portfolio Information

### Cost of investing in each Model Portfolio for 1 year

The Cost of Model Portfolio information gives a summary calculation of the total cost of investing in that Model Portfolio over a 1-year period, and therefore shows how ongoing annual fees and costs as well as transaction costs can affect your investment. It is calculated in the manner shown in the Example of annual fees and costs in the Part A PDS.

The Cost of Model Portfolio assumes a balance of \$50,000 at the beginning of the year with a contribution of \$5,000 at the end of the year.

You should use this figure to help compare investing in each Model Portfolio with other investment products. In addition, you can use the online fee calculator to compare the cost of investing in each Model Portfolio, for any investment amount and over both annual and monthly time periods.

Fees are described in detail in the PDS.

## Market Matters delivers an incredibly easy to use financial platform, breaking down the latest financial developments into simple, actionable opinion that our members can rely on.

We give members access to some of the most trusted financial professionals in Australia and crucially, we invest in our own portfolios - putting real money where our mouth is.

Based on the popular Market Matters Portfolios, Market Matters | Invest now provides a seamless digital solution enabling direct investment into our portfolios of local & International securities and our active investment strategy, all without the hassle of day-to-day portfolio management.

Managed by James Gerrish, Portfolio Manager at Shaw and Partners and primary contributor to Market Matters, the portfolios are built on a historically strong track-record and past returns. This is an exciting time for investors and Market Matters, as we'll be investing right alongside you. We're bringing over 100+ years of market experience, as well as our commitment to risk-adjusted performance.

Whether our portfolios complement your existing approach or provide the 'active management' solution you've been looking for, we're confident we can add significant value, while still giving you total transparency.

### Market Matters Invest offer the following Model Portfolios:

Active High Conviction Portfolio	6
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Emerging Companies Portfolio	8

## Active High Conviction Portfolio

### Investment Objective

The objective is to provide an active exposure to Australian large cap shares, with reduced volatility through stock selection, targeted hedging & managing cash. Returns will be achieved through a combination of capital appreciation and income with an overall objective of outperformance of the S&P/ASX 200 Accumulation Index over 5 years but with lower volatility.

### Typical Investor

Investors who:

- ▶ Seek an actively managed Australian equity portfolio;
- ▶ Are looking to move to high cash levels when market risk warrants;
- ▶ Seek medium term growth and are prepared to accept some fluctuation in short term returns; and
- ▶ Seek Australian and International equities either as a single investment solution or as part of a wider strategy depending on their particular circumstances and goals.

### Investment Strategy and Approach

Market Matters uses an active investment strategy involving a combination of approaches that includes fundamental research, technical analysis and macro-economic influences.

Fundamental stock analysis, with focus on future earnings growth and relative valuations (PE relative to historical and peer group)

The investment Manager uses a technical overlay in two ways – to identify potential investments for further analysis and to assist in the timing of entry and exit levels.

Macroeconomic and thematic influences, including the global growth environment, cross asset analysis and the influence this has on potential money flow, industry structure and position in the investment cycle.

Recommended minimum investment	\$10,000
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Indicative number of holdings	15 to 25
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### Asset allocation ranges (%)

Asset type	Minimum	Maximum
Cash	0%	50%
Australian Shares	50%	100%
International Shares	0%	20%
Australian Property	0%	20%
International Property	0%	0%
Australian Fixed Interest	0%	0%
International Fixed Interest	0%	0%
Alternatives	0%	0%
Other	0%	0%

Management Fee (per annum)	0.85%	<b>Example</b> Balance of \$50,000 And during the year you contribute a further \$5,000	
Indirect Cost (per annum)	0.00%		
<b>Total</b>	<b>0.85%</b>		Total Fees and cost on the \$50,000 <i>(Includes estimated cost of transactions for the year)</i>
Buy-sell spread of any underlying managed funds in the Model Portfolio	0%	Plus cost of transacting when you add \$5,000	\$0.00
		<b>Total Cost for the year</b>	<b>\$425</b>

## Income Portfolio

### Investment Objective

The objective is to provide a high level of regular tax-effective income with lower volatility than the underlying share market by actively managing a portfolio of high yielding equities combined with ASX listed income securities such as debt and preference securities that offer diversification benefits to both Australian equities and cash or term deposits. The portfolio may also invest in listed funds with a focus on income or capital stability.

### Typical Investor

Investors who:

- ▶ Seek an actively managed Australian income portfolio;
- ▶ Seek lower volatility than the underlying equity market;
- ▶ Seek a sustainable income stream (inclusive of franking credits) over a 5 year + time frame with the chance of some capital growth; and
- ▶ Seek a portfolio predominately made up of Australian equities either as a single investment solution or as part of a wider strategy depending on their particular circumstances and goals

### Investment Strategy and Approach

Market Matters uses an active investment strategy involving a combination of approaches that includes fundamental research, technical analysis and macro-economic influences.

Fundamental stock analysis, with a focus on earnings stability and dividend payout policies to maximise the rate & consistency of income.

The Investment Manager uses a technical overlay in two ways - to identify potential investments for further analysis and to assist in the timing of entry and exit levels.

Macroeconomic and thematic influences, including the global growth environment, cross asset analysis and the influence this has on potential money flow, industry structure and position in the investment cycle.

Recommended minimum investment	\$10,000
Indicative number of holdings	10 to 20

### Asset allocation ranges (%)

Asset type	Minimum	Maximum
Cash	0%	50%
Australian Shares	30%	80%
International Shares	0%	0%
Australian Property	0%	20%
International Property	0%	0%
Australian Fixed Interest	20%	70%
International Fixed Interest	0%	0%
Alternatives	0%	0%
Other	0%	0%

Management Fee (per annum)	0.85%	<b>Example</b> Balance of \$50,000 And during the year you contribute a further \$5,000 Total Fees and cost on the \$50,000 <span style="float: right;">\$440</span> <i>(Includes estimated cost of transactions for the year)</i>
Indirect Cost (per annum)	0.03%	
<b>Total</b>	<b>0.88%</b>	
Buy-sell spread of any underlying managed funds in the Model Portfolio	0%	Plus cost of transacting when you add \$5,000 <span style="float: right;">\$0.50</span>
		<b>Total Cost for the year <span style="float: right;">\$440.50</span></b>

## Emerging Companies Portfolio

### Investment Objective

The objective is to provide an active exposure to Australian emerging companies defined as all listed stocks outside the S&P/ASX 100. Returns will primarily be achieved through capital appreciation rather than income with an overall objective of outperformance of the S&P/ASX Small Ordinaries Index over 5 years.

### Typical Investor

Investors who:

- ▶ Seek an actively managed portfolio of Australia's smaller, growth-oriented companies;
- ▶ Can handle higher volatility in returns;
- ▶ Are looking to move to high cash levels when market risk warrants; and
- ▶ Seek primarily growth over a 5 year + time frame.

### Investment Strategy and Approach

Market Matters uses an active investment strategy involving a combination of approaches that includes fundamental research, technical analysis and macro-economic influences.

Fundamental stock analysis, with focus on future earnings growth and relative valuations (PE relative to historical and peer group)

The investment Manager uses a technical overlay in two ways - to identify potential investments for further analysis and to assist in the timing of entry and exit levels.

Macroeconomic and thematic influences, including the global growth environment, cross asset analysis and the influence this has on potential money flow, industry structure and position in the investment cycle.

Recommended minimum investment	\$5,000
Indicative number of holdings	18 to 30

### Asset allocation ranges (%)

Asset type	Minimum	Maximum
Cash	0%	50%
Australian Shares	50%	100%
International Shares	0%	0%
Australian Property	0%	20%
International Property	0%	0%
Australian Fixed Interest	0%	0%
International Fixed Interest	0%	0%
Alternatives	0%	0%
Other	0%	0%

Management Fee (per annum)	0.85%	<b>Example</b> Balance of \$50,000 And during the year you contribute a further \$5,000  Total Fees and cost on the \$50,000 <span style="float: right;">\$425</span> <i>(Includes estimated cost of transactions for the year)</i>
Indirect Cost (per annum)	0.00%	
<b>Total</b>	<b>0.85%</b>	
Buy-sell spread of any underlying managed funds in the Model Portfolio	0%	Plus cost of transacting when you add \$5,000 <span style="float: right;">\$0.00</span>
		<b>Total Cost for the year <span style="float: right;">\$425</span></b>



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