



SENTINEL
FINANCIAL GROUP

Sentinel Financial Group Pty Ltd ABN 26 104 456 288 AFSL 230542

SUPPLEMENTARY FINANCIAL SERVICES GUIDE

SENTINEL SELECT MDA SERVICES



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This **Supplementary Financial Services Guide** supplements our general **Financial Services Guide** and is designed to assist you in making an informed decision about whether to use our Managed Discretionary Account ('MDA') Service. It has been provided to you because our MDA Service may be an attractive means of investment for you, but some details of our MDA Service are not included in our general Financial Services Guide. Both our **Financial Services Guide** and this **Supplementary Financial Services Guide** are important documents and should be read together. You should file both for later reference.

In order to assist you when making an informed decision about whether to use our MDA Service, this Supplementary Financial Services Guide contains information about:

- A. The 'Managed Discretionary Account' Facility that we provide.
- B. What is the minimum 'initial' contribution and can withdrawals be made at any time?
- C. The limitations of the scope of our MDA Service, including the range of investments which can be made on behalf of an MDA.
- D. The significance of giving us 'Discretionary Authority' to invest on your behalf.
- E. What is required before utilising our MDA Service?
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This Supplementary Financial Services Guide is dated 2nd April 2025, Version 1.5

Our Stockmarket Services Are Not Independent

Sentinel are specialist investment managers that operate exclusively via the stockmarket.

It is standard practice in the stockmarket to calculate brokerage charges based on a percentage of the value of funds transacted and Sentinel also adopts this same practice.

However, any use of percentage-calculated fees within the financial services industry triggers a regulatory requirement to inform clients that such a method of calculation may represent a conflict to your interests.

Sentinel has rigid procedures in place to manage any potential conflict of interest and to ensure your best interests are placed above all else.

A. The 'Managed Discretionary Account' Facility that we provide.

Our 'Managed Discretionary Account' Facility (MDA Service), involves us managing the funds and/or holdings you contribute to an Account we open and operate in your name and on your behalf, on a 'discretionary' basis, in accordance with an 'MDA Agreement'. It is your Account (i.e. your MDA), but we operate and manage it for you. You own the funds and investment holdings held by that Account (see Section I).

We must enter into an 'MDA Agreement' (which is a contract) with you before we provide our MDA Service to you.

The MDA Agreement specifies a range of terms and conditions, including a detailed 'Investment Program' for the Account and the bounds of the 'Discretionary Authority' granted to us so that we can manage the contributions you make to your MDA in accordance with its Investment Program. The limited 'Discretionary Authority' is replicated in a General Non-Enduring Power of Attorney, which must also be signed.

The Investment Program and the Power of Attorney are presented as separate Schedules to the MDA Agreement.

By signing the MDA Agreement, you engage Sentinel to implement and administer the Agreement, which establishes a Managed Discretionary Account Facility for you, and to establish, operate, manage, administer and maintain a MDA in your name in strict accordance with the Agreement.

Your MDA must then be operated and managed in accordance with the MDA Agreement we have with you and the special regulations which apply to a MDA Service. These special regulations are set out in Legislative Instrument 2016/968, a copy of which is available from the Australian Securities & Investments Commission (ASIC) via its website (www.asic.gov.au).

The MDA Agreement gives us ongoing authorisation to transact on behalf of your MDA, without the need to seek prior authorisation from you on each and every occasion, as if you had instructed us directly and specifically to execute the transaction. The way we invest on behalf of (i.e. the way we operate and manage) your MDA must be in accordance with the Investment Program, and within the bounds of the 'Discretionary Authority' (detailed in this Agreement and confirmed by the General Non-Enduring Power of Attorney you are also required to sign) you grant to us.

The MDA Agreement appoints Sentinel with the responsibility for the day-to-day operation and management of your MDA and it authorises, as does the Power of Attorney, Sentinel (including any director, employee, representative, authorised representative or agent of Sentinel who is authorised legally under the Corporations Act 2001 to act on our behalf) to undertake and perform all actions which are necessary, usual or desirable to enable Sentinel to fulfil all our obligations to you under the MDA Agreement in relation to your MDA.

We aren't permitted to put an MDA Agreement to you for consideration unless we reasonably believe that the way in which it will require us to invest and transact on your Account on your behalf is both suitable and appropriate for you as an 'Investment Solution'. For this to be the case, the Investment Program, which in effect is a Statement of Advice (see our general FSG for a description of the purpose and content of a Statement of Advice), must be recommending that it would be suitable and appropriate for you to enter into the MDA Agreement to operate a MDA in strict accordance with all the elements of the Investment Program.

The 'Investment Program' presents a summary analysis of the investment objectives for the funds/holdings to be contributed to the Account (i.e. what you're reasonably hoping to achieve), given the level of 'Investment Risk' you are prepared to accept, and the 'Time-Horizon' (i.e. the period during which the contributed funds/holdings will remain in the Account), and those elements of your other financial circumstances which are relevant for the purposes of developing a suitable 'Investment Strategy' for the funds/holdings contributed to the Account. The Investment Program then goes on to propose establishing a Portfolio (your MDA Portfolio) of holdings selected from the limited 'Investment Universe' of Securities and some other categories of Financial Products having the investment attributes and potential which we believe to be suitable for you, to be managed in accordance with an 'Investment Strategy' we believe to be appropriate, and within the bounds of the other terms and conditions of the MDA Agreement, including the 'Discretionary Authority' granted to us.

Therefore, we must 'profile' you by collecting sufficient information about your investment objectives, your investment time horizon, your risk-appetite, and other relevant elements of your financial circumstances and needs (your 'Relevant Circumstances') in order to design an 'Investment Program' which is suitable and appropriate as an 'Investment Solution'.

B. What is the minimum 'initial' contribution and can withdrawals be made at any time?

The minimum initial contribution required to open an MDA is \$10,000 which permits sufficient diversification of the MDA Portfolio. You may contribute further funds or holdings to your MDA and you are required to inform us of your intention to do so. We may refuse to accept the additional contribution(s) to your MDA.

Subject to the value of your MDA Portfolio remaining above \$10,000 you may withdraw holdings or funds. Withdrawals which result in your MDA Portfolio valuation falling below the 'operating' minimum of \$10,000 may result in suspension of your MDA until further contributions of funds or holdings are made to raise the Portfolio value above that minimum. During the period of suspension, day-to-day management of your MDA would fall entirely to you, as would be the case for an account which is not a MDA.

This suspension of your MDA will be at the discretion of Sentinel and we will contact you should the value of your MDA Portfolio drop below the minimum.

C. The limitations of the scope of our MDA Service, including the range of investments which can be made on behalf of an MDA.

We are specialists in relation to stockmarket-traded (and to be traded) Securities (particularly shares, hybrids and other classes of Equity Securities) and Managed Products (e.g. ETFs). Our services in relation to other categories of Financial Products are more 'incidental' to (i.e. are not the focus of) our service-suite. We are not Financial Planners, who must necessarily explore the scope of your financial situation and affairs in depth in order to design a 'whole-of-life' investment plan. If you need 'Personal Advice' on a 'Whole-of-Life Investment Plan', the adequacy of your 'Superannuation', or with a focus on such matters as 'Retirement-Planning' or 'Estate-Planning', you need to seek that specialist advice elsewhere (we may be able to assist in arranging for you to consult a specialist in that field).

The 'Investment Universe' for a MDA is constrained

We invest on behalf of MDAs in financial products traded or to be traded (in the case of IPOs and new issues) on markets operated by or accessible through the Australian Securities Exchange/CBOE Australia (or any other Australian regulated Exchange).

Typically, these dealings will be limited to quality financial products such as shares, Listed Investment Companies and Exchange Traded Funds.

If necessary or desirable in pursuit of your Investment Program, we may invest in foreign financial products traded on major overseas Stock Exchanges.

We will invest in accordance with the 'Investment Strategy'

The investment activities which we conduct on behalf of your MDA are limited solely to confines of your agreed Investment Strategy. That is, we do not invest in financial products or in a manner which exceeds the limited scope of achieving your clearly defined Investment Strategy.

Your Funds and Holdings will not be 'pooled' with others

Your MDA (i.e. your MDA Portfolio) will be managed individually. Your funds and holdings will not be pooled with other clients to enhance diversification or to access investment opportunities.

Overriding the 'Discretionary Authority' you grant to us

Although you will have the right to withdraw funds or override the discretionary authorities given to us in the Managed Discretionary Account Agreement, we do not encourage you to do so.

We will NOT provide Advice to you about certain elements

Other than to express our view about the reasonableness of whether your investment objectives and other needs can be met using the funds and holdings you intend to contribute, and whether the funds include debt, we will not be examining whether the level of contribution(s) is an appropriate course of action for you, nor will we consider the question of whether you should be investing in your own name or via a company or trust structure. It will be up to you to determine the appropriate course of action for you in these respects. If you inform us that you have certain funds to invest using this service, we will assume that you have considered and determined that it is appropriate for you to do so. If you need assistance with this determination, you should ask your professional adviser.

We will NOT be developing, and do not wish to be involved in developing, a Financial Plan for you.

For example, we will NOT provide you with 'Personal Advice' about:

- whether you should even be investing in Shares;
- the amount to be invested (i.e. 'contributed');
- whether and, if so, which of your existing Holdings might be contributed; and
- other aspects of your financial or investment affairs, such as your other investments (including your current 'Asset Allocation'), cash-flow, debt and related arrangements, superannuation and retirement planning, estate planning, personal risk insurance or your 'Tax' situation.

Our focus will be limited to development of a suitable and appropriate Investment Program (if it can be done), the 'Investment Strategy' in particular, for the funds and holdings you intend to contribute.

Self-Managed Superannuation Funds

If you are considering investing funds you have available in your Self-Managed Superannuation Fund, using our MDA Service, be aware that our focus will be limited to development of a suitable and appropriate Investment Program (if it can be done) for the funds and holdings you intend to contribute. We will not consider your situation with respect to 'Superannuation', your 'Superannuation' strategy or the matter of the level of your contributions to 'Superannuation'.

Use of Derivatives

Our MDA Service does not extend to dealings or investments in futures or commodity contracts, CFDs or other 'excluded products' such as life insurance investment products.

Use of Margin Lending Facilities

The 'Discretionary Authority' you grant to us to will NOT be used to establish a Standard Margin Lending Facility for your MDA, and if you 'contribute' an existing Margin Lending Facility to your MDA, we will not use our 'Discretionary Authority' to increase the Facility Limit.

D. The significance of giving us 'Discretionary Authority' to invest on your behalf.

The MDA Agreement grants specific and on-going discretionary authority to Sentinel, and day-to-day we are obliged to manage the MDA Portfolio in accordance with the agreed Investment Program and that authority.

Although your Managed Discretionary Account (MDA) will be in your name, and the Financial Products held in your MDA Portfolio and the cash management account linked to your MDA will be in your name (i.e. you will hold Legal Title to, and Beneficial Ownership of, all holdings and funds contributed and managed on behalf of your MDA), we will be authorised to invest as we see fit, within the limits of the Investment Program for your MDA, using the funds and holdings you contribute to your MDA, and you will be bound by these investments as if you had made them (i.e. you had instructed us to make each of them) yourself. You will not control, but will be liable for, the investment and related decisions we make in accordance with this Agreement. If you wish to retain direct control of all investment decisions made in your name, this service will not be appropriate for you.

Investments on your behalf in the name of your MDA will be made without the need, on each and every occasion, to consult and get your agreement or instructions to sell, buy, apply for or redeem investments in financial products prior to actually doing so.

As long as we act in accordance with your Investment Program and the 'Discretionary Authority' granted to us, we are empowered to deal and invest on your behalf at any time and to bind you to those dealings or investments as if you'd given us the order or other instructions in the usual manner for dealings on an Account which is not a MDA. You would not be able to refuse to accept or settle any transaction executed on behalf of your MDA just because you didn't give us direct instructions for that transaction.

You may instruct us expressly at any time regarding your MDA portfolio or particular holdings, which in that instance overrides the discretionary authority previously given to us. You may terminate the MDA Agreement by giving notice to us in accordance with the Agreement.

You should always take an active interest in your MDA. Monitor its progress and consider the detail of our Reports.

E. What is required before utilising our MDA Service?

Before a MDA can be opened and operated on your behalf, we are required to:

- send you our FSG and this SFSG (consider them carefully);
- request you provide us with information about your investment preferences which we use to develop your Investment Strategy and Investment Program, and to ensure operating a MDA in accordance with that Investment Strategy/Program is in fact appropriate for you;
- discuss the scope of the discretionary authorities necessary to operate your MDA in pursuit of your Investment Strategy/Program; and

We must then:

- use the detailed information you provide about your investment preferences to discuss, develop and propose an Investment Strategy and overall Investment Program, and to ensure operating a MDA in accordance with that Investment Program would in fact be appropriate for you;
- discuss the scope of the 'Discretionary Authority' necessary to operate your MDA in pursuit of your Investment Strategy/Program;
- despatch the MDA Agreement, with its Investment Program, to you for consideration and discussion; and
- despatch the 'New Account Creation' Pack, comprising all the forms and instructions to be completed and followed in order to open a 'new' Account.

You must then:

- consider, sign and return our MDA Agreement (don't return the Investment Program unless it needs amendment), including the 'Acknowledgement' of the Warning and the General Non-Enduring Power of Attorney;
- complete, sign and return the 'new' Account Application; and
- prepare to contribute funds and/or holdings to the minimum value required.

All Agreements and Account Application material must be completed properly and in full, signed where necessary and returned to us before your MDA can be opened and investment commence. A copy of the MDA Agreement will be provided to you once it is executed by us.

F. Ensuring that our MDA Service is a suitable and appropriate 'Investment Solution' for you.

Our MDA Service does not simply facilitate trading in any financial products at any time with a view to making profits, and charging you fees along the way.

Legislative Instrument 2016/968 (i.e. the law) obliges us to ensure we only enter into a MDA Agreement (which includes the Investment Program for the MDA) with you that is suitable and appropriate for your 'Relevant Personal Circumstances'. In other words, the recommendation in the Investment Program to enter into a personally tailored MDA Agreement with us amounts to 'Personal Advice', and in order to come to that recommendation, we must have discharged properly the 'Best Interests', 'Appropriateness' and 'Priority to the Client's Interests' Duties. As a consequence, all dealings on behalf of your MDA have to reflect the proper performance of these duties, and must be both suitable and appropriate for you personally (i.e. within the bounds of the Investment Program).

G. How a suitable Investment Program is developed for an MDA.

Sentinel will first consider the appropriateness of you using our MDA Service. To this end, we will seek information from you regarding your investment preferences including your tolerance to risk, investment preferences, performance expectations, and your time-horizon before you expect to have to recall your funds for other purposes.

This will assist us to understand your particular financial situation and needs and facilitates development of an Investment Strategy, all of which is necessary to ensure we develop an Investment Program for your MDA which is personally appropriate for you.

The Investment Program will be presented to you as part of the Managed Discretionary Account Agreement for your signature.

The Investment Program will present our recommendation as to whether it is appropriate and suitable for you to contribute certain funds, or funds and existing holdings, to a MDA facility operated and managed by us, which implements the Investment Strategy designed for your MDA, using the classes of Financial Product (i.e. the 'Investment Universe') identified, for at least the minimum time-horizon specified, all in strict accordance with the MDA Agreement. This recommendation will be based on the assumption you've provided information (which we've relied upon) about your investment objectives, financial situation and needs (your 'Relevant Personal Circumstances') which is accurate and sufficiently complete for the purposes of developing your Investment Program.

The Investment Program will comply with the requirements of Division 3 of Part 7.7 of the Corporations Act (i.e. the requirements relating to 'Retail Personal Advice', including the requirements in relation to 'Statements of Advice') and Division 2 of Part 7.7A (i.e. the 'Best Interests', 'Appropriateness' and 'Priority to the Client's Interests' Duties, and the requirement to give the 'Incomplete/Inaccurate Profile Warning' when triggered).

The Investment Program will, among other information, also:

- state the nature and scope of the 'Discretions' we will be authorised and required to exercise under the MDA Agreement, in pursuit of the Investment Program for your MDA, and the 'Investment Strategy' that will be applied in exercising those 'Discretions';
- include information about any significant risks associated with signing the MDA Agreement and operating a MDA;
- set out why we believe your MDA Agreement, including your Investment Program, is suitable for you; and
- include warnings that your Agreement may not be suitable for you if you have only provided us with limited or inaccurate information relating to your 'Relevant Personal Circumstances', and that your Agreement may cease to be suitable if your financial situation, investment objectives or needs change.

Time Horizon

Your time-horizon for the MDA portfolio should be at least 3 years to allow your Investment Program to best exploit the economic investment cycle.

Tax Considerations

Sentinel are not Tax Advisers. We do however note that MDA dealings will have tax implications. We therefore recommend that you consult a Tax Adviser prior to signing the MDA Agreement if you are unsure of your tax position.

H. Significant 'Risks' associated with opening, maintaining and investing through a MDA.

The various categories of risk summarised in our general FSG, which are applicable to any direct investment in financial products traded on a Financial Markets (e.g. ASX/CBOE), similarly apply to a MDA. Portfolio diversification, and particular investment constraints or limits, in accordance with your Investment Program (see Section G above) are designed to reduce risk, but there can never be 'no risk'.

A point you should consider carefully is that even though you will receive a 'Confirmation' for each On-Market transaction executed on behalf of your MDA, and we will report to you in detail continuously online via our website, your MDA Portfolio assets are invested without your involvement day-to-day. All investment activity must be in accordance with the 'Discretionary Authority' specified in the MDA Agreement and the Investment Program for the MDA. Any unauthorised dealings are prohibited, and should they occur inadvertently, would be reversed or refunded to your MDA in full. Our review processes, Professional Indemnity and other insurance cover, our membership of a professional complaints body and your legal rights ensure protection against unauthorised investments or transfers of funds.

As required by regulation, you will receive transaction Confirmations following each transaction On-Market on behalf of your MDA. Not only are these Confirmations important for Tax purposes, they enable you (together with the online and Annual Reports you will receive) to remain informed of the dealings occurring in your name on behalf of your MDA.

As you would be the registered and beneficial owner of all holdings and funds held in the name of your MDA, any investment growth or profits are yours, and any losses are yours. We do not, and the nature of investing in financial markets is such that we can not, guarantee any particular investment performance or outcome.

We will do our professional best to achieve your investment objectives, but given the nature of Financial Markets, domestically and globally, there are no guarantees that any reasonably foreseeable investment performance will be achieved. Our dealings on behalf of your MDA must be in your 'Best Interests', but this relies on you keeping us informed of significant changes over time in any of your 'Relevant Personal Circumstances' (see Section G). If we aren't made aware of such changes, our dealings and investing on behalf of your MDA may no longer be suitable for you.

Where we face a conflict between your interests and ours (or any associate), we must give 'Priority to your Interests'.

Our dealings on behalf of your MDA will at times crystallise losses as well as gains (both are a fact of 'investing-life'), which (in the case of 'net' gains) will trigger a tax liability, and given our 'active' management of your MDA Portfolio these gains may be treated as 'income' rather than 'capital gains' for tax purposes.

I. Who will own your MDA holdings?

Unless your holdings are in Retail Superannuation, our MDA Service does not include custodial or depository services. Your holdings will not be pooled with other MDA Service clients, nor will they be held by, or in the name of, a third-party (e.g. a Custodian or Nominee Service). If your holdings are in Retail Superannuation, we may utilise the services of a specialist Retail Superannuation APRA-regulated fund which will hold investments on your behalf for superannuation governance purposes.

In all cases, our MDA will be established in your name and you will be the Beneficial Owner of all MDA Holdings. Our role is to manage them in accordance with your Investment Program. We will control day-to-day investment on behalf of your MDA.

This 'ownership' transparency maximises administrative and settlement efficiency, reduces costs, and facilitates your ability to monitor your MDA Portfolio.

At any particular time, you may not know what holdings your MDA actually holds. However, we will send transaction Confirmations (previously known as 'Contract Notes') to you after every transaction executed On-Market. You will be able to monitor your MDA by accessing our website. We will report to you in the required form each Quarter (or more frequently if you require and we agree).

The 'registration address' for your MDA holdings will be your address. The mailing address for your MDA (for 'Confirmations' and other notifications) will usually be your email address, residential address or another address nominated by yourself.

If you are managing your own portfolio already and you decide to use our MDA Service, you may contribute some or all of your existing holdings to establish or add to your MDA Portfolio, but those holding would have to be CHESS Sponsored.

J. How is an MDA Operated and Administered?

Day-to-day your MDA would be operated and managed by Sentinel and its Investment Management team.

Each transaction executed on-market on behalf of your MDA will be confirmed to you by means of a Confirmation.

K. When, how and what will we Report to you?

We will report to you at least Quarterly (more frequently if you require and we agree) the following information:

- all transactions effected;
- all holdings and funds held at the end of the period;
- total assets and liabilities held at the beginning and end of the period; and
- all fees whether payable by you or third-parties, all brokerage or other charges or expenses relating to the operation of your MDA.

You may request a copy of a previous Quarterly Report. If we agree to do so, your Report format may be tailored to include additional information.

Annually, for the Financial Year ending 30 June, we will provide:

- a Summary Report of the transactions effected on your behalf;
- an Auditor's Report regarding the adequacy of our MDA Service procedures and internal controls, the accuracy of Reports provided to you, and expressing an opinion whether any Report has been materially misstated; and
- a Statement of Advice regarding the on-going suitability of the MDA Agreement with you and its Investment Program in the light of your relevant investment objectives, financial situation and needs (i.e. your 'Relevant Personal Circumstances'). Should it NOT be suitable for you, we will advise what needs to change to ensure it is suitable.

You may request a copy of material provided previously in relation to a particular year.

L. How rights relating to MDA holdings are to be exercised in response to 'Corporate Actions' and the right to vote at General Meetings.

Unless your holdings are in Retail Superannuation, then your address will be the 'Registration Address' for all your MDA Portfolio holdings, you will receive all holdings communications (for example, dividend statements) directly from the share registry.

Dividends and capital returns will be deposited directly to your cash management account. You will receive Statements from the Bank for your cash management account.

You will receive Annual (i.e. Audited Financial Statements) or other Reports, Notices of Annual or Extraordinary General Meetings (and the resolutions to be voted on at those Meetings) and other important information directly from the Issuer in the usual manner by post or email from the Issuer.

Where relevant, we will either advise you, or respond to the Corporate Action on your behalf under the Discretionary Authority granted to us.

M. Will access to Sentinel be restricted?

You will be free to meet or consult with us regarding your MDA. The MDA Service necessarily involves us keeping a watchful eye over all MDA Portfolios, and arrangements have been designed with limited Client contact in mind, and to minimise the administration necessary (and related costs) in support of the MDA Service.

N. How frequently will the Investment Program be reviewed?

You may request a Review at any time, and should do so if your circumstances or needs have changed materially. You should advise Sentinel as soon as practicable of material changes to your financial situation, particular financial needs and investment objectives so the ongoing appropriateness of your Investment Program can be reviewed.

Your Investment Program must (in accordance with Legal Instrument 2016/968) be reviewed at least annually.

If a material change in your Investment Program is required, particularly in relation to the Investment Strategy, an updated Investment Program in the form of a Statement of Advice will be sent to you and (should you agree) your MDA will henceforth be managed in accordance with the amended Investment Program.

O. Does our MDA Service include any 'Outsourcing Arrangements'?

Where Sentinel's MDA services involve the investment of retail superannuation funds, Sentinel utilises the services of Acclaim Super. Acclaim Super is a specialist provider of retail superannuation services enabling investment in the stockmarket.

Sentinel and Acclaim Super are entirely unrelated and separate businesses and the combination of their respective services is purely designed to enable the delivery of a unique actively managed investment service normally not available in the retail superannuation context.

To facilitate the seamless delivery of this combined service, Sentinel and Acclaim charge a single Reporting & Administration fee which is shared.

P. The fees and costs - how Sentinel is remunerated by you and others for our MDA Service.

The fees and costs - how Sentinel is remunerated by you and others for our MDA Service

The following Table lists the fees and costs which apply to the establishment, operation and management of a Managed Discretionary Account. It describes how they are calculated. These fees and costs may be deducted from your money (i.e. the funds you've contributed), from the returns on your MDA, or from the assets of the Portfolio. You should read all the information about fees and costs because it is important to understand their impact on your investment using our MDA Service.

DID YOU KNOW?

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

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

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

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

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.

Fees and Other Costs

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 your MDA as a whole.

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 investment options (management expense ratios) depend on the particular investments held within your portfolio at any time and will change frequently as part of our active management. Please see 'Additional Explanation of Fees & Costs' section following for more information.

Taxation is not part of our advice service and not considered in this summary.

Fees and Costs Summary

Sentinel delivers its MDA service to all investor types (eg individual, trusts, companies, etc), as well as for retail superannuation investors.

For our retail superannuation offering, our investment services and our fees are combined with an external retail superannuation service provider.

We therefore charge two distinct sets of fees depending on whether you are investing in retail superannuation or otherwise:

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Sentinel Select MDA (All investor types EXCEPT Retail Superannuation)

This includes accounts for individuals, joint, trusts, companies and self-managed superfunds:

Sentinel Select MDA (All investor types EXCEPT Retail Superannuation)		
Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs		
Administration fees and costs The cost of performance and taxation reporting on your investments	0.52% p.a. of invested funds, capped at a maximum of \$1,200 p.a.	Monthly in arrears by automatic deduction from your account.
Management fees and costs ¹ The external manager fees and costs for managing your investment ¹	Total portfolio MERs between 0.15% p.a. and 0.50% p.a.	Indirectly charged with the value of the price/value
Performance fees Amounts deducted from your investment in relation to the performance of the product	Nil	N/A
Transaction Costs ² The costs incurred by the account when buying or selling assets	Brokerage is charged at 0.33% of the value transacted with a minimum fee per transaction of \$66.	Paid automatically at time of transaction by incorporating into the transaction cost or proceeds
Member Activity related fees and costs (fees for services or when your money moves in or out of the Managed Discretionary Account scheme)¹		
Establishment fee ² The fee to open your investment	Nil	N/A
Contribution fee ² The fee on each amount contributed to your investment	Nil	N/A
Buy-sell spread ² An amount deducted from your investment representing costs incurred in transactions by the scheme	Nil	N/A
Withdrawal fee ² The fee on each amount you take out of your investment	Nil	N/A
Exit fee ² The fee to close your investment	Nil	N/A
Switching fee ² The fee for changing investment options	Nil	N/A

Notes To Table:

- Please see 'Additional Explanation of Fees & Costs' section following for more information.
- Sentinel does not charge fees for entering or exiting the MDA itself as these are incorporated into part of its Transaction (Brokerage) Costs.

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Example of annual fees and costs for a balanced investment option or other investment option

This table gives an example of how the ongoing annual fees and costs in the balanced investment option for this product can affect your investment over a 1-year period. You should use this table to compare this product with other products offered by managed investment schemes.

EXAMPLE—Sentinel Select MDA		BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING YEAR
Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0
PLUS Administration fees and cost	0.52% (capped at \$1,200)	And , for every \$50,000 you have in your Sentinel Select MDA you will be charged or have deducted from your investment \$260 each year (capped at \$1,200)
PLUS Management fees and costs charged by external managers of listed investments	0.15% and 0.50%	And , for every \$50,000 you have in your Sentinel Select MDA you will be charged or have deducted from your investment between \$75 and \$250 each year
PLUS Performance fees	Nil	And , you will be charged or have deducted from your investment \$0 in performance fees each year
PLUS Transaction costs	0.33% (min \$66)	And , you will be charged or have deducted from your investment \$66 in transaction costs
EQUALS Cost of Sentinel Select MDA		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 in the range of: \$401 to \$576 . What it costs you will depend on the investment option you choose and the fees you negotiate.

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Sentinel Select MDA – Retail Superannuation

This includes accounts for retail superannuation only:

Sentinel Select MDA Retail Superannuation		
Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs		
Administration fees and costs ¹ The cost of performance and taxation reporting on your investments	Tiered Fees \$0-\$250k = 0.49% p.a. \$250k-\$500K = 0.39% p.a. \$500K-750K = 0.29% p.a. \$750k-\$1M = 0.1% p.a. \$1M - \$2M = 0.03% p.a. Over \$2M = Nil Capped at \$3,625 p.a. \$150 p.a. Member Fee	Charged monthly on a pro-rata basis. The fee will be automatically deducted from your CMA within 7 days of month end
Management fees and costs ¹ The external manager fees and costs for managing your investment ¹	Total portfolio MERs between 0.15% p.a. and 0.50% p.a.	Indirectly charged within the value of the price/value
Performance fees Amounts deducted from your investment in relation to the performance of the product	Nil	N/A
Transaction Costs ² The costs incurred by the account when buying or selling assets	Brokerage is charged at 0.33% of the value transacted with a minimum fee per transaction of \$66.	Paid automatically at time of transaction by incorporating into the transaction costs or proceeds
Member Activity related fees and costs (fees for services or when your money moves in or out of the Managed Discretionary Account scheme) ¹		
Establishment fee ² The fee to open your investment	Nil	N/A
Contribution fee ² The fee on each amount contributed to your investment	Nil	N/A
Buy-sell spread ² An amount deducted from your investment representing costs incurred in transactions by the scheme	Nil	N/A
Withdrawal fee ² The fee on each amount you take out of your investment	Nil	N/A
Exit fee ² The fee to close your investment	Nil	N/A
Switching fee ² The fee for changing investment options	Nil	N/A

Notes To Table:

1. Please see 'Additional Explanation of Fees & Costs' section following for more information.
2. Sentinel does not charge fees for entering or exiting the MDA itself as these are incorporated into part of its Transaction (Brokerage) Costs.

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Example of annual fees and costs for a balanced investment option or other investment option

This table gives an example of how the ongoing annual fees and costs in the balanced investment option for this product can affect your investment over a 1-year period. You should use this table to compare this product with other products offered by managed investment schemes.

EXAMPLE—Sentinel Select MDA Retail Superannuation Only		BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING YEAR
Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0
PLUS Administration fees and cost	0.49% plus \$150 p.a. Member Fee	And , for every \$50,000 you have in your Sentinel Select MDA you will be charged or have deducted from your investment \$245 each year, plus the separate \$150 pa Member Fee
PLUS Management fees and costs charged by external managers of listed investments	0.15% and 0.50%	And , for every \$50,000 you have in your Sentinel Select MDA you will be charged or have deducted from your investment between \$75 and \$250 each year
PLUS Performance fees	Nil	And , you will be charged or have deducted from your investment \$0 in performance fees each year
PLUS Transaction costs	0.33% (min \$66)	And , you will be charged or have deducted from your investment \$66 in transaction costs
EQUALS Cost of Sentinel Select MDA		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 in the range of: \$536 to \$711 . What it costs you will depend on the investment option you choose and the fees you negotiate.

Additional Explanation of Fees and Costs

Sentinel's fee structure is designed to be as simple and transparent as possible. We only charge two fees being:

1. Reporting & Administration (Administration Fees)
2. Brokerage (Transaction Fees)

We do not charge or source revenue from external Management Fees for our services.

However, you will indirectly be charged product management fees through the primary investment vehicles that we utilise – Exchange Traded Funds (ETFs). All exchanged traded funds (or products) charge an imbedded cost known as a Management Expense Ratio (MER), also sometimes known as an Investment Cost Ratio (ICR). This is normally expressed as a percentage rate per annum.

These fees are unrelated to Sentinel (i.e. Sentinel earns/receives no revenue from them) and are charged by the ETF manufacturers for providing the exchange traded investment products. Any such fees are charged internally within the pricing of the investment itself, meaning you are not directly invoiced for the cost as such but instead the value of the investment is reduced over the year by the rate of MER.

As we actively manage your portfolio, the individual ETFs held in your account will change frequently from time to time and therefore so will your portfolio MERs. However, **as a general guide, you should expect your collective portfolio MER (ie the weighted average of all the individual ETFs collectively owned) to range from 0.15% p.a. to 0.50% p.a.** Depending on your investment objectives, this can be higher or lower but most portfolios will fall within this range. You can request an estimate of your current portfolio MER at any time.

Retail Superannuation

Sentinel provides its MDA investment services for retail superannuation in conjunction with a retail superannuation provider called Acclaim Wealth.

As Sentinel provides significant non-advisory Reporting & Administration functions in this relationship with Acclaim Wealth, Sentinel receives a portion of the Administration Fees which are detailed below:

<i>Investor Funds</i>	<i>Acclaim Fee/Share</i>	<i>Sentinel Fee/Share</i>	<i>Total Investor Fee</i>
First \$250K	0.30% p.a.	0.19% p.a.	0.49% p.a.
\$250K - \$500K	0.24% p.a.	0.15% p.a.	0.39% p.a.
\$500K - \$750K	0.19% p.a.	0.10% p.a.	0.29% p.a.
\$750K - \$1m	0.08% p.a.	0.02% p.a.	0.10% p.a.
\$1m - \$2m	0.03% p.a.	0.00% p.a.	0.03% p.a.

Full details, including Acclaim Super's PDS and TMD, can be found at <https://acclaimwealth.com.au>. Alternatively, please contact Sentinel's office.

Questions, Clarification and Additional Information?

Please do not hesitate to contact Sentinel should you have any questions or would like any further information on (08) 9225 0000, or via email at info@sentinelgroup.com.au.

Thank you for considering Sentinel's services.



SENTINEL
FINANCIAL GROUP

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