MARCUS TODAY SMA

INVESTMENT MENU

Dated 3 April 2018

This Investment Menu is issued by Praemium Australia Limited (ABN 92 117 611 784, AFSL 297956).

The information in this document forms part of the following Product Disclosure Statement:

- Marcus Today SMA
  Product Disclosure Statement (PDS) dated 3 April 2018.

Marcus Today SMA

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Model Portfolio Managers and Model profiles

Marcus Today

Founded in 1998 by veteran stockbroker Marcus Padley, Marcus Today is one of Australia's leading independent stock market newsletters known for its in-depth company research and recommendations, financial market and economic analysis, trading and technical ideas and model portfolios. Marcus Today is part of MTIS Private Wealth, a privately owned financial services group offering a broad range of services including comprehensive financial and strategic advice, Self-Managed Super Fund (SMSF) and Family Office advice, and accounting and taxation services.

The Marcus Today culture of "telling it as it is" has translated into a unique portfolio management style which aims to outperform the "average" index return through a top-down assessment of dominant long-term themes combined with superior bottom-up stock selection. This high-conviction style is balanced by a candid approach to risk management and a strong focus on capital preservation.

Model Portfolio Profile: MT0001
Marcus Today SMA Model Portfolio

Investment objective: The Marcus Today SMA Portfolio aims to achieve superior "total return", combining capital growth with income, by investing in a portfolio of Australian equities listed on the Australian Stock Exchange.

Model Portfolio manager

Marcus Today Pty Ltd

Designed for investors who...

- Are seeking an actively managed Australian equity portfolio;
- Are seeking medium to long term capital growth, with some income; and
- Are prepared to accept some fluctuation in short term returns.

Investment Strategy and Approach

Marcus Today is a style-neutral investment manager with a non-benchmark aware philosophy. The investment strategy involves a combination of approaches to identify attractive companies and their suitability for portfolio inclusion, including

• Fundamental stock analysis, with particular focus on Return on Equity, future earnings growth and relative valuation (PE relative to historical and peer level). The analysis is based on the proprietary MT STOCK BOX and ratings are given based on a number of quantitative features such as Growth, Value, Income and Financial Strength.

• Consideration of a"quality" rating through features such as management quality and track record, corporate governance, balance sheet management, company direction and market sentiment.

• Macroeconomic and thematic influences, including the global growth environment, industry structure and position in the investment cycle and investment "themes". (E.g. the search for yield).

• Technical analysis – Marcus Today uses a technical overlay to assist in timing the entry into a stock which has already met fundamental, quality and thematic filters. Marcus Today also use technical features to monitor the position and help time any exit. It is a secondary tool which complements the other components of the Marcus Today investment approach.

Benchmark Index

S&P/ASX 300 Accumulation Index

Indicative number of stocks

Maximum of 50 stocks

Minimum Model Investment

$50,000

Fees

Investment Fee		
	Base	0.75% p.a.
	Performance (estimate)*	0.01% p.a.
	Total (estimate)^	0.76% p.a.
Indirect Cost Ratio (approx)		0.00% p.a.
Performance Fee		10.00%*

The Performance Fee is based on the Model's out- performance above the performance benchmark index. Further details can be found under 'Additional explanation of Performance Fees' in this Investment Guide. nvestment Fee - Performance (estimate) is based on the average fee per investor over the past 5 years p.a., and is a guide only. Performance Fee is only paid when absolute return is positive.

* Investment Fee - Performance (estimate) is based on the average fee per investor over the past 5 years p.a., and is a guide only. Performance Fee is only paid when absolute return is positive.

^ Investment fee - Total (estimate) is the sum of the Base and the Performance (estimate) Investment fees.

* Indirect Cost Ratio (approx) does not include Cash Holding Fee; see PDS for further information.

Asset allocation ranges (%)	Minimum	Maximum
Australian equities	0	100
Cash	0	100

* Performance Fee is only paid when absolute return is positive. Full details can be found under "Fees and other costs" in the PDS.

Model Portfolio Profile: MT0002

Marcus Today Equity Income SMA Model Portfolio

Investment objective: The Marcus Today Equity Income SMA aims to provide a high level of regular tax-effective income, combined with competitive capital growth over the medium to long-term by investing in a portfolio of Australian equities listed on the Australian Stock Exchange.

Model Portfolio manager

Marcus Today Pty Ltd

Designed for investors who...

- Are seeking a high level of tax-effective income;
- Are seeking a moderate level of medium to long term capital growth; and
- Are prepared to accept some fluctuation in short term returns.

Investment Strategy and Approach

Marcus Today is a style-neutral investment manager with a non-benchmark aware philosophy. Our investment strategy involves a combination of approaches to identify attractive companies and their suitability for portfolio inclusion, including:

• Fundamental stock analysis, with particular focus on tax-effective yield, Return on Equity, relative valuation (PE relative to historical and peer level) and future earnings growth. The analysis is based on the proprietary MT STOCK BOX and ratings are given based on a number of quantitative features such as Income, Growth, Value, Income and Financial Strength.

• Consideration of a "quality" rating through features such as management quality and track record, corporate governance, balance sheet management, company direction and market sentiment.

• Macroeconomic and thematic influences, including the global growth environment, industry structure and position in the investment cycle and investment "themes". (E.g. the impact of low global interest rates).

• Technical analysis – we use a technical overlay to assist in timing the entry into a stock which has already met our fundamental, quality and thematic filters. We also use technical features to monitor the position and help time any exit. It is a secondary tool which complements the other components of our investment approach

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Benchmark Index

S&P/ASX 200 Industrials Accumulation Index

Indicative number of stocks

Maximum of 50 stocks

Minimum Model Investment

$50,000

Fees

Investment Fee		
	Base	0.75% p.a.
	Performance (estimate)*	0.00% p.a.
	Total (estimate)^	0.75% p.a.
Indirect Cost Ratio (approx)		0.00% p.a.
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Asset allocation ranges (%)	Minimum	Maximum
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Cash	0	100

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