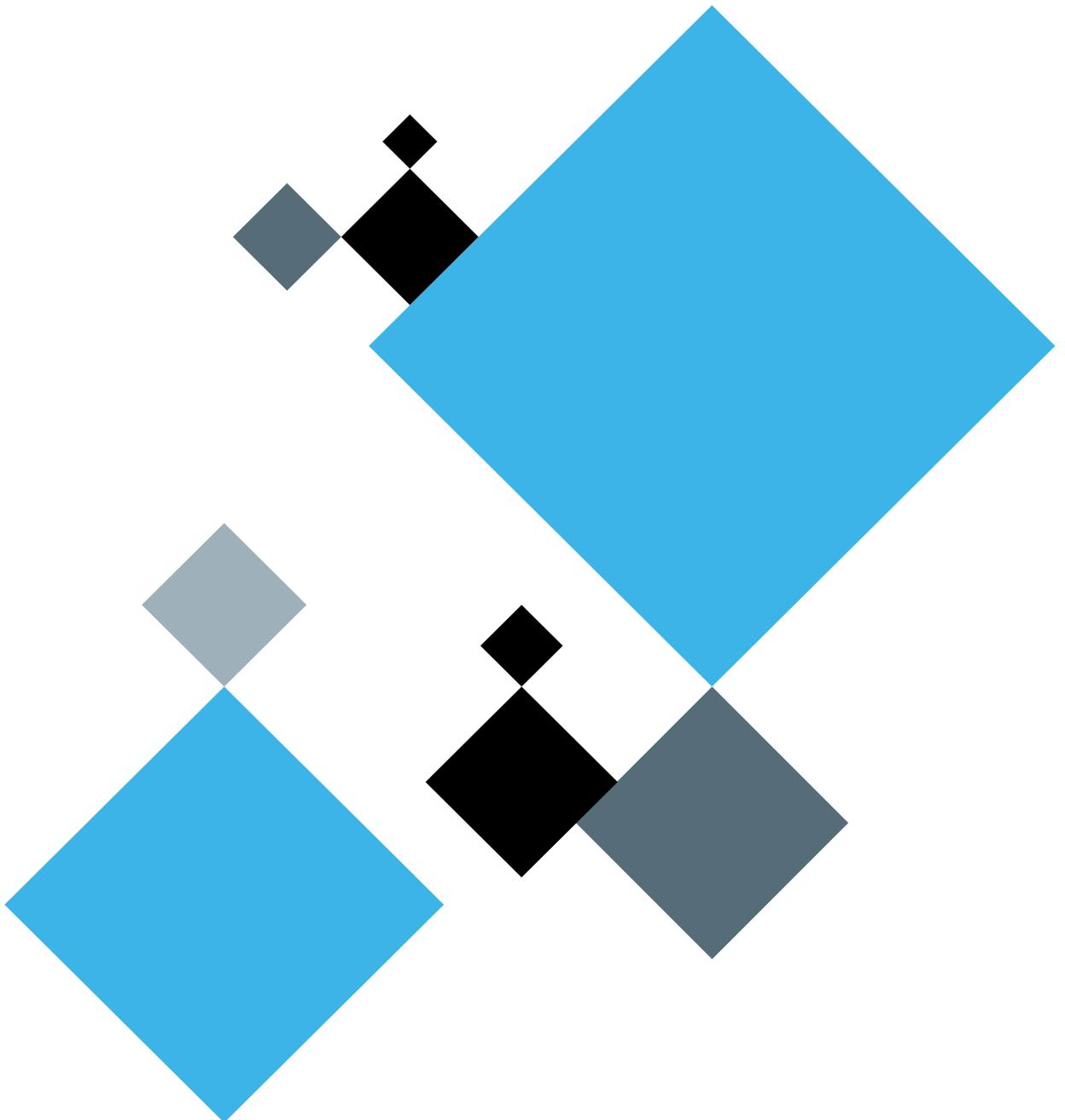
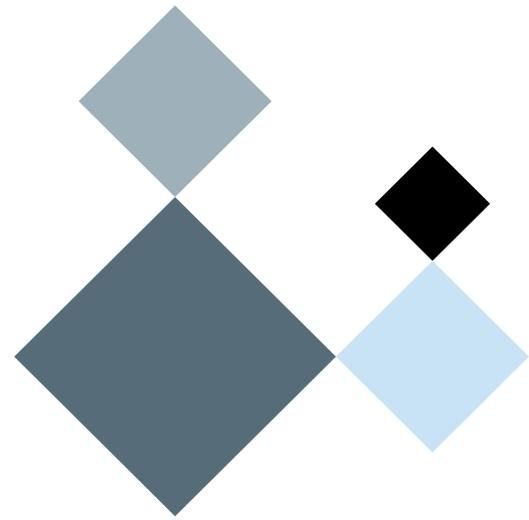
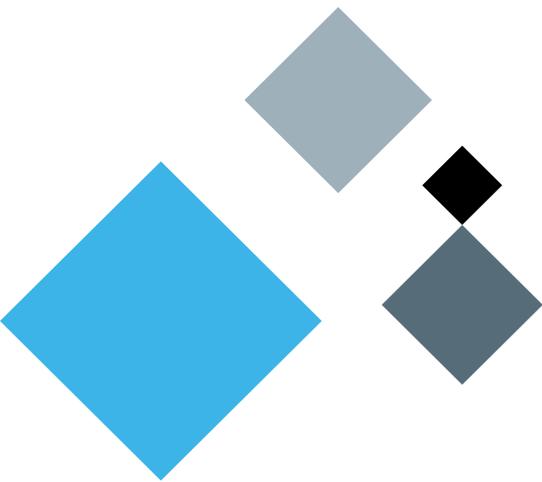


# JBWere SMA Income Portfolio

The JBWere SMA Income Portfolio provides investors with tax effective income by investing in a portfolio of Australian equities that delivers high dividend yields and high levels of franking.

JBWere

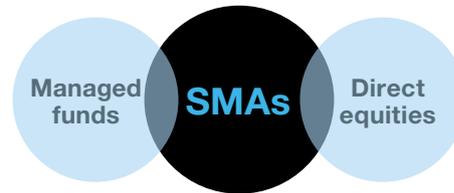




## What are SMAs?

For years investors have been weighing up the flexibility and transparency of listed security ownership against the convenience and expertise of managed funds.

Separately Managed Accounts (SMAs) offer a third way to invest that combines some of the best features of listed securities and managed funds in one investment – giving you direct ownership of a professionally managed portfolio.



## How do they work?

Investment manager	You
<ul style="list-style-type: none"> <li>• Builds portfolios of shares, cash or other securities with specific investment strategies</li> <li>• Makes all investment decisions and buys and sells the underlying securities</li> <li>• Manages share registry paperwork, corporate actions and ongoing reporting for investors</li> </ul>	<ul style="list-style-type: none"> <li>• Start your SMA investment by making an initial investment of cash and/or eligible shares</li> <li>• Choose the portfolio(s) you want to invest in, with your funds used to buy securities directly</li> <li>• Receive dividends and franking credits as the beneficial owner of the securities</li> </ul>

## What are the benefits?

### Access to professional investment management

You can invest in shares with the added benefit of a professionally managed portfolio.

### Lower brokerage

With SMAs, share trades are consolidated, which means the brokerage is spread across a number of investors. So you may pay lower brokerage costs than you would pay if trading shares directly.

### Individual accounts

Unlike a managed fund, where investors hold units in a pooled fund, a separate account is established for each individual investor in an SMA. This means that you (or the trustee for super) are the beneficial owner of the underlying listed securities, so the dividends and franking credits are paid to each individual account.

### Transparency

You can see the individual listed securities that are held within an SMA portfolio through consolidated reports and statements.

### Tax position unaffected by other investors

In an SMA, each investor will have an individual cost base for each of their listed securities. This means there are no tax consequences for you as a result of other investors' transactions.

### Portability

You will have no CGT events, and avoid buy/sell spreads and broker fees, when you transfer commonly-held shares into an SMA and between SMA portfolios<sup>1</sup>.

1. Provided the shares transferred do not have a greater weighting than the weighting of the chosen portfolio.

# JBWere SMA Income Portfolio

## Portfolio description

The JBWere Income Portfolio (Portfolio) provides investors with tax effective income by investing in a portfolio of Australian shares that delivers high dividend yields and higher levels of franking in comparison to the S&P/ASX 200 Accumulation Index. The Portfolio is comprised of mainly blue-chip companies with an income focus.

## Investment objective

To enhance the value of investment capital by generating combined capital and income returns that exceed the rate of inflation over the longer term (5 years plus).

The Portfolio aims to produce a consistent income stream, with a dividend yield target of 1% per annum higher than that of the S&P/ASX 200 Accumulation Index. The targeted volatility of the Portfolio is at or below the Performance Benchmark volatility over a rolling 5-year period.

## Investor profile

The Portfolio may be suitable for investors seeking an equities portfolio that provides an income stream with higher yield and franking than the Australian equity market, and for investors seeking a concentrated blue-chip portfolio which includes resources.

## Investment strategy

JBWere uses stock selection and portfolio construction to obtain an outcome that is defensive in nature with a dividend yield higher than the Performance Benchmark.

Reflecting the nature and focus on delivering a consistent income stream, the Portfolio is likely to have a greater component of income relative to capital gains in comparison to the S&P/ASX 200 Accumulation Index.

## Investment approach

JBWere's investment philosophy emphasises:

- buying high-quality companies with earnings growth potential at appropriate valuations;
- the use of an agnostic and bottom-up with a top-down overlay approach to portfolio management;
- a focus on long-term portfolio positions with low turnover.

Quantitative analysis involves the assessment of financial variables such as return on equity, balance sheet strength, valuation support, earnings per share growth, dividend yields, payout ratios, price earnings ratios, cash flow ratios and margin analysis.

Qualitative factors include the strength of company management, the business model, industry structure, corporate governance, competitive advantages, macroeconomic variables and capital management initiatives.

## Portfolio details

### Performance Benchmark

S&P/ASX 200 Accumulation Index

### Management fee<sup>2</sup>

0.55%

### Minimum suggested investment timeframe

5 years

### Indicative number of securities

15 – 25

### Indicative cash holding

1% – 10%

### Investment universe

S&P/ASX 200 Index

## JBWere SMA Portfolios

Fixed Income	Australian Equities			Multi-Asset Class
	Income	Growth	Core	
JBWere Listed Fixed Income	JBWere Income	JBWere Growth	JBWere Leaders	JBWere Multi Strategy
	JBWere Industrials	JBWere Small Companies		

2. Inclusive of GST and net of Reduced Input Tax Credits (where available).

## About JBWere

Established in 1840, JBWere is a leading Australian private wealth manager who provides bespoke wealth and investment advice to Australia's most successful families, companies and non-profit organisations.

Quality research is at the core of JBWere's business. The JBWere Investment Strategy Group (ISG) undertakes in-house research across a diversified suite of asset classes including Australian equities, international equities, Australian and international fixed income, cash and alternative investments. Supporting the team's research is a wide range of views including those from National Australia Bank (NAB), UBS and external industry research. The breadth of market views and in-house expertise, coupled with JBWere ISG's Charter of Investment Independence, enables the portfolio managers to confidently navigate changing market conditions and deliver an objective outcome.

The JBWere ISG adheres to a well-defined portfolio construction methodology with extensive risk management tools. The team's proven track record is a result of its consistent strategy of investing in high conviction portfolios. The JBWere ISG picks the most appropriate investments for each SMA portfolio and invests for the long term.

JBWere is a wholly owned subsidiary of the National Australia Bank Group Limited (the NAB Group). This unique strategic alliance provides organisational strength, significant depth of global investment and economic experience, capital security, strong governance, systems and asset platforms.

## JBWere portfolio management team

The JBWere ISG provides investment insights and portfolio management solutions to retail, high net worth and institutional investors.

The JBWere ISG's provision of quality research and insights is the core of the JBWere SMA offering. The portfolio management team has substantial experience in researching investment opportunities and managing high conviction SMA portfolios.

The team of investment strategy experts accesses a wide range of research views and then provides its own 'proprietary overlay' and investment solutions. This enables the team to have substantial confidence in responding to market developments. The team also uses a variety of company and industry databases and insights from company management meetings to enhance the portfolio construction process and ensure competitive returns.

The JBWere SMA portfolios adhere to a rigorous and disciplined compliance and governance process under the NAB Wealth framework to deliver on the portfolio's objectives.

The portfolio management team has substantial experience in researching investment opportunities and managing high conviction SMA portfolios.

**Want more information on how to invest in JBWere SMAs?**  
**Please contact your financial adviser or email [sma@jbwere.com](mailto:sma@jbwere.com)**

### Important information

This document comprises general advice only. In preparing it, JBWere Ltd (JBWere) did not take into account the investment objectives, financial situation or particular needs ('financial circumstances') of any particular person. Accordingly, before acting on any advice contained in this document, you should assess whether the advice is appropriate in light of your own financial circumstances or contact your adviser. JBWere and its respective related entities distributing this document and each of their respective directors, officers and agents ('JBWere Group') believe that the information contained in this document is correct and that any estimates, opinions, conclusions or recommendations contained in this document are reasonably held or made as at the time of compilation. However, no warranty is made as to the accuracy or reliability of any estimates, opinions, conclusions, recommendations (which may change without notice) or other information contained in this document and, to the maximum extent permitted by law, the JBWere Group disclaims all liability and responsibility for any direct or indirect loss or damage which may be suffered by any recipient through relying on anything contained in or omitted from this document.

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