

LISTED SECURITIES POLICY

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THE AIM OF THIS POLICY

The aim of this policy is to detail the policy requirements that apply when providing investment advice on Direct Equities and Listed Income Securities (Hybrids).

WHO THIS POLICY APPLIES TO

This policy applies to all authorised representatives under Insight Investment Partner's AFSL.

WHAT THIS POLICY COVERS

This policy provides you with the requirements for recommending listed securities, direct equities portfolio construction and ongoing review and maintenance, in relation to:

- Direct equities: Model portfolios, Shares, Corporate Actions (e.g. share buy-backs and take-over offers), A-REITS (Real Estate Investment Trusts), Pre-approved Initial Public Offering (IPOs), Listed Investment Companies (LICs), Approved Index Tracking Exchange Traded Funds (ETFs).
- Listed Income Securities: Hybrid securities on the ASX, listed corporate debt and convertible preference shares. These are to be treated as Australian Equity unless otherwise directed.

VARYING FROM THIS POLICY

Where you wish to take action that falls outside of this policy, you must contact the Responsible Manager before discussing or making a recommendation to the client.

GENERAL OBLIGATIONS

Best Interests Duty

In providing listed securities advice to a retail client you must act in the best interests of the client.

ADVISER AUTHORISATION

You must only provide advice in relation to the products covered by this policy where your authorisation allows you to do so. There are two authorisation levels:

1. Limited Authority

Minimum experience and education requirements:

- RG 146 in Listed Securities (or equivalent) and your Authorisation Certificate shows 'Shares' or 'Securities'.
- The minimum 30 hours CPD points completed, including 2 hours of securities CPD training completed.

You are authorised to advise on:

- Direct Equities and ETFs/LICs, up to \$200,000 per client in total recommendations. Any additional direct equities investment is subject to Responsible Manager approval and oversight.

- Equity Model Portfolios as determined by IIP Investment Committee (where implementing one of these in full, the value of the shares does not count towards the limit above).

2. Full Authority

The accreditation required is

Minimum experience and education requirements:

- RG 146 in Listed Securities (or equivalent), plus the specialist course in Securities (ALPA) - Advanced Shares Authorisation and your Authorisation Certificate shows 'Shares' or 'Securities'.
- A minimum 5 years of Direct Equities and Listed Income Securities experience.
- The minimum 30 hours CPD points completed, including 2 hours of securities CPD training completed.
- Subject to periodic review by Responsible Manager upon request at any time.

You are authorised to advise on:

- Equity Model Portfolios;
- Direct equities ETFs/LICs with no account balance restrictions;
- Listed income securities; and
- Pre-approved IPOs.

LISTED SECURITIES INVESTMENT GUIDELINES

The Approved Product List incorporates all companies within the ASX 300. Given a portfolio may have a relatively small number of shares we could at times hold a significant underweight position in a particular sector or nil.

To reduce risk, we have given guidelines for the Direct Australian share allocation to each risk profile. These ranges are only guidelines, and discretion can be used by the representative when selecting appropriate assets.

The table below shows the ASX Range for each risk profile:

Risk Profile	Defensive	Moderate	Balanced	Growth	High Growth
ASX Range	Nil	Top 50 Only	0 - 100	0 - 200	0 - 300

LISTED INCOME SECURITIES INVESTMENT GUIDELINES

The adviser may only recommend Listed Income Securities that are listed on the Approved Product List. The Authorised Representative will need to obtain an Off APL Product Approval to recommend any Listed Income Security not on the APL.

Authorised Representatives may use Listed Income Securities in any risk profile.

We have split the Listed Income Securities into 2 categories for Asset Allocation purposes on our Approved Product List:

1. Defensive (to be considered as Australian Fixed Interest for Asset Allocation purposes):
 - Fixed maturity date, with less than 30 years to final maturity.
 - Includes convertible instruments where conversion is only at holders' request.

- Where interest if deferrable it is cumulative interest.
 - Excludes Basel 3 compliant subordinated notes with non-viability triggers.
2. Growth (to be considered as Australian equities for Asset Allocation purposes):
- No maturity date or perpetual.
 - Conversion to ordinary shares at issuers' decision.
 - Interest is deferrable and non-cumulative.

Note that there are exceptions to the above whereby we may classify certain listed income securities as defensive which may otherwise be considered growth under the above basic criteria (refer to Approved Product List).

YOU MUST

- Only provide advice on listed securities as outlined in the Approved Product List provided by Insight Investment Partners and this policy, unless you receive Off APL Product Approval to do otherwise.
- Only provide advice on ETFs, A-REITs, Corporate Actions, Corporate Debt or any IPOs which are on the Approved Product List, unless you seek and are granted Off APL Product Approval.
- All IPOs must be supported and approved by the IIP Investment Committee.
- Adhere to the Client Advice Fee Policy when receiving a stamping fee.
- Evidence of each contact with a client, as well as comprehensive file notes must be recorded on file.
- Take into consideration the client's personal situation, overall risk profile, and their needs and objectives before making a recommendation. Refer to Best Interest Duty Policy on advice considerations while preparing your advice.
- Obtain an Off-APL Product Approval to provide personal advice for corporate actions which are not on the Approved Product List. An Off-APL Product Approval is not required where you have determined that the corporate action is not in the best interest of your client and a decision not to participate is reached.
- Only provide factual information, such as the summary information, when not providing advice on a corporate action and ensure that clients understand that you are not providing them with personal advice.
- Advise clients that they may need to consult a professional tax adviser and/or legal specialist before deciding whether or not to participate in a corporate action.
- Offer to review the client's portfolio at least annually.

YOU MUST NOT

- Provide short term, speculative advice or engage in discretionary trading including 'day trading'.

GOOD OPERATING PRACTICE

- You should ensure you construct a diversified direct equity portfolio for your clients.