BlueRock

The BlueRock Investment Solution

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The BlueRock Investment Committee oversees **3 core investment offerings** on behalf of BlueRock clients via a Managed Discretionary Account (MDA), or 'mandated' portfolio management structure.

The 'MDA' provides BlueRock with **discretion** (within defined risk parameters) to make proactive portfolio changes, without requiring approval from clients on each occasion. This helps us to deliver a more active, efficient and arguable better risk managed solution.

These portfolios are administered via the **Mason Stevens** Trading Platform. Mason Stevens are our technology, investment and governance partner. NAB is the custodian of assets.

Our investment solution is **not a BlueRock product**, we do not invest into 'in-house' investments, and at no stage do BlueRock directly hold or transfer any client assets. Our service is one of portfolio management, which can be turned off by you at any time, without needing to sell your investments.

This presentation details the various portfolio management options we provide for clients, the BlueRock Investment Committee and its function, and our current Asset Allocation views.

The appendix has more in-depth information on each of these topics. Information in this document should not be considered advice and should not be acted off without consulting your adviser.

The BlueRock Investment Committee & Process

Adam Morse CFP®

Managing Director
BlueRock Private Wealth

Tom Bignill

Managing Director &
Chief Investment Officer
Mason Stevens

Stirling Larkin

Chief Investment Officer
Australian Standfirst

Craig Ferguson

Managing Director
Antipodean Capital

Asset Allocation – April 2020

Asset Allocation (that is, selecting what type of assets, see below examples, to include in an investment portfolio), is the main driver of risk and return when investing. Within reason, it is actually more important than the underlying investments. Green represents a positive or 'overweight' position we currently have for each asset class, orange/red is negative or 'underweight', and yellow neutral.

Australian Shares

Global Shares

Infrastructure

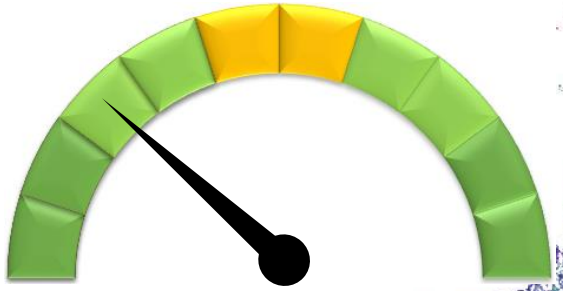
Alternatives

Listed Property

Fixed Income / Bonds

Cash

USD vs AUD



Risk Profiling

Setting the right Risk Profile and therefore the mix of growth assets (such as shares and property), and defensive assets (such as cash, fixed income and gold) in your portfolio is a critical starting point to ensuring you have a portfolio which you will feel comfortable with should the climate turn volatile.

Your investment timeframe, capacity to deal physiologically and financially with short term losses and your investment experience are all important aspects we will discuss with you when determining the right strategy for you.

The numbers on the right are research based 'targets'. The BlueRock Investment Committee actively moves above and below these long term targets based on the global macro economic landscape.

	Conservative	Moderate	Balanced	Growth	High Growth
Minimum Investment Period	2 Years	3 Years	5 Years	7 Years	9 Years

Portfolio Characteristics %

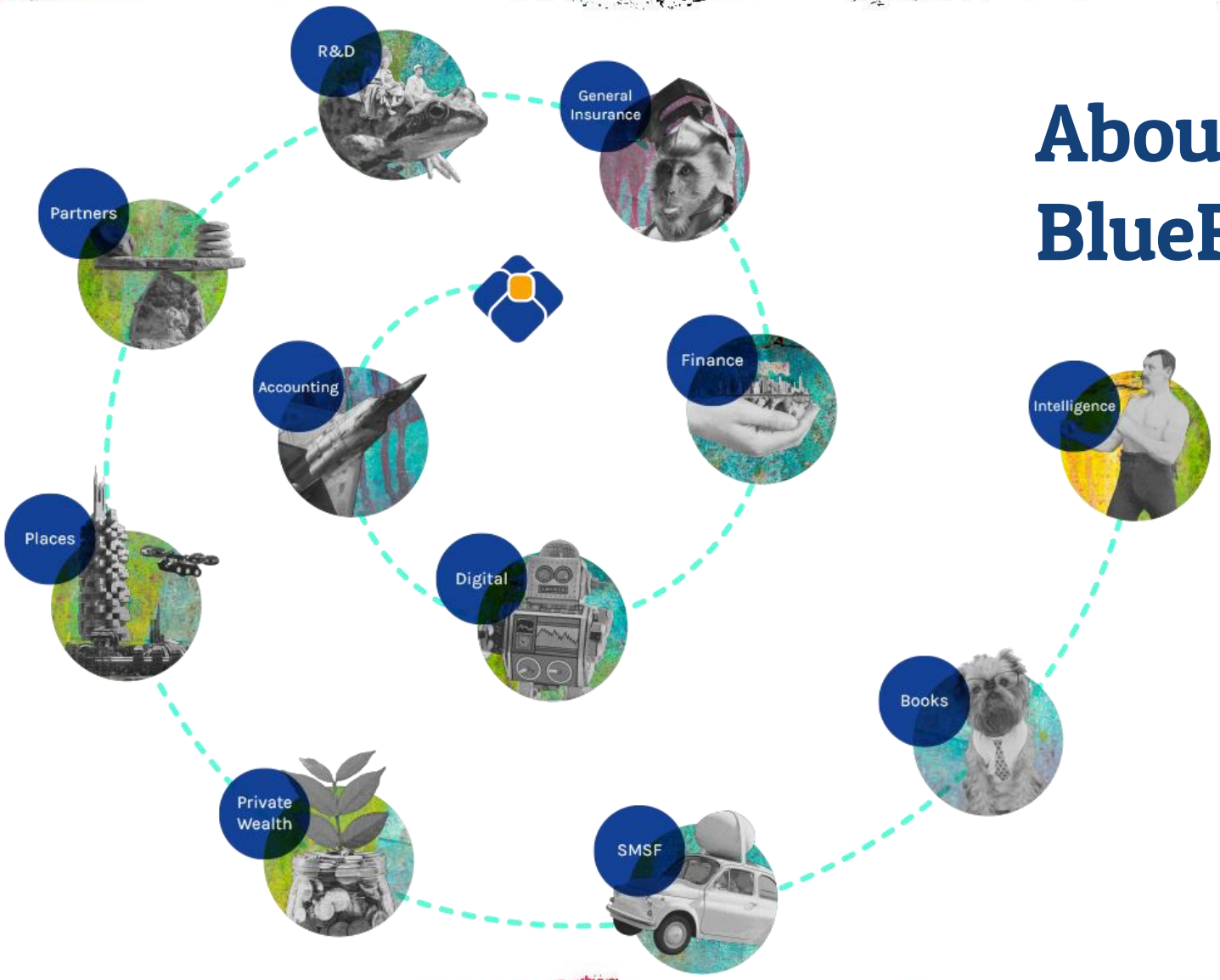
	Conservative	Moderate	Balanced	Growth	High Growth
Growth Assets	15	30	50	70	90
Defensive Assets	85	70	50	30	10

Strategic Asset Allocation %

	Conservative	Moderate	Balanced	Growth	High Growth
Australian Equity	5	9	16	22	29
International Equity (50% Hedged)	7	13	23	33	44
Property and Infrastructure	3	5	8	11	14
Alternatives	0	6	6	8	6
Australian Fixed Interest	28	23	20	12	4
International Fixed Interest	21	17	14	8	0
Cash	36	27	13	6	3

	Dynamic Index	Wholesale Active	Global Opportunities	Bespoke
Management	Discretionary Mandate via BlueRock Investment Committee			Client Approved
Asset Allocation	Dynamic (+/- 20%)	Dynamic (+/- 20%)	Unconstrained	Bespoke
Asset Classes	Limited by ETFs	All	All	All
Minimum Investment	$10,000	$300,000	$100,000	$500,000
Investment Exposure	ETF	Funds, ETF, LIC, SMA, Direct	Funds, ETF, LIC, SMA, Direct	Funds, ETF, LIC, SMA, Direct
Portfolio Management Fee	0.44% p/a	0.88% p/a	0.88% p/a	1.10% or Fixed Fee
Total Portfolio Fee (inc admin & investments)	0.8% – 1.0% p/a	1.5% – 2.0%	1.5% – 2.5%	Variable
Risk Profiles	Moderate, Balanced, Growth, High Growth	Moderate, Balanced, Growth, High Growth	High Growth+	Moderate, Balanced, Growth, High Growth
Simplicity	✓	✗	✗	✓
Transparency of investment holdings	✗	✓	✓	Variable
Number of holdings (approx.)	10	100	30	Bespoke
Retail Investors	✓	✗	✗	✓
Wholesale (Sophisticated Investors)	✓	✓	✓	✓
Liquidity (access to all capital)	< 5 days	< 1 month	< 3 months	Variable
Client direction of portfolios	✗	✗	✗	✓
BlueRock Financial Product?	✗	✗	✗	✗

About BlueRock



BlueRock

OUR VALUES

Be Relentless

In finding a great solution and being the best we can be

Be Proactive

In supporting each other and our clients

Be Responsible

For our decisions, and our mistakes

Be Honest

In the way we communicate - be a straight talker

Be Innovative

In everything we do - look for better ways to get the job done

Be Positive

Look for opportunities to have fun and have strong meaningful relationships