



**Making the  
future happen.**

**Making the future happen.**



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# Separately Managed Account (SMA)

Share investing made easy

Stuart Fechner

Distribution Development Manager – Investment Products

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**41%** of all

Australians own shares\*

\* Share Ownership Study 2008, Australian Securities Exchange

# Three ways to invest in shares

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1

- direct ownership

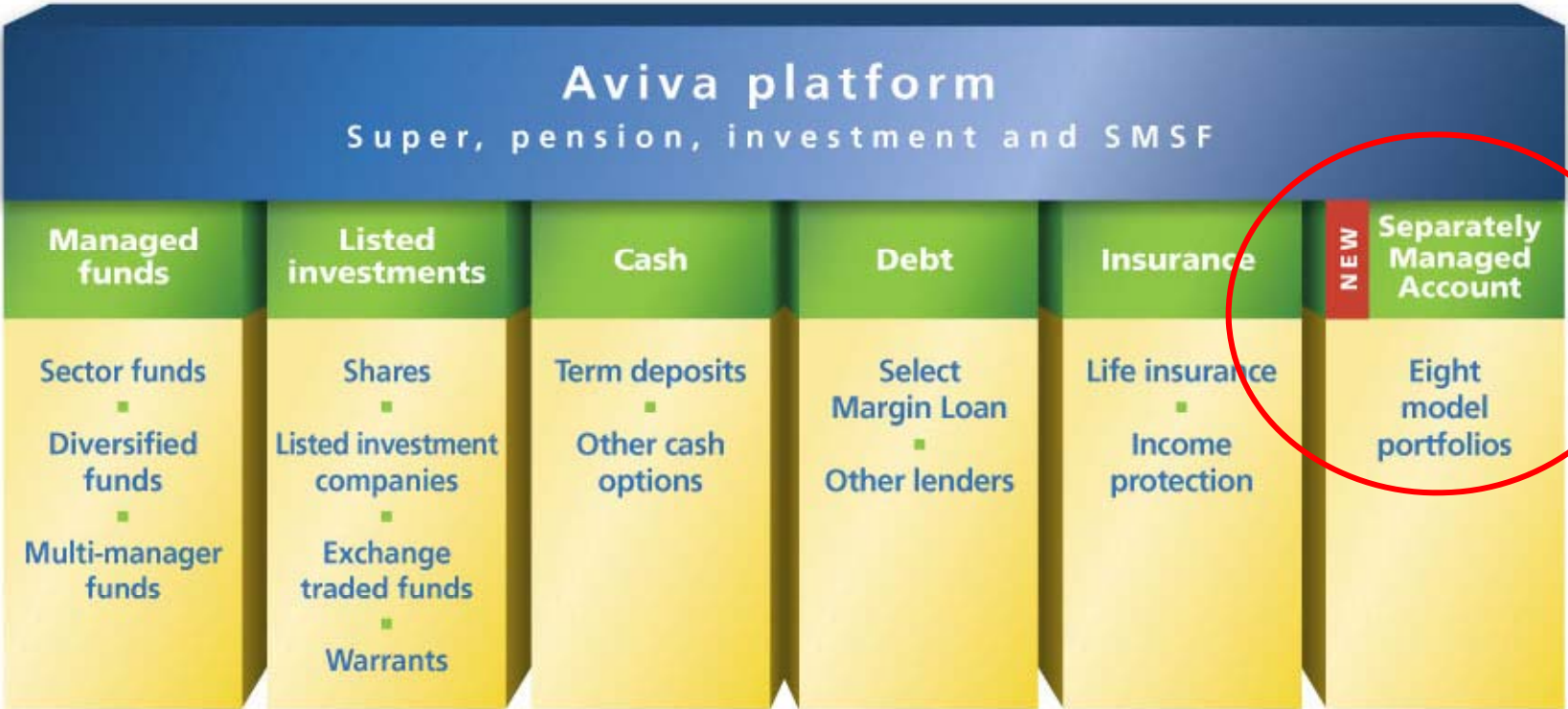
2

- a managed fund

3

- an SMA

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## Why use a platform ? Making the future happen.



- combine all your investments in the one account
- easier for you and Muirfield to manage and keep track of your investments in a cost-effective way
- Navigator's platform online account and statement provides you with a single view of your investments
- makes tax time easier and more efficient



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## What is an SMA?

- a professionally constructed and managed investment portfolio of Australian shares and cash
- the customer (or trustee for superannuation) is the beneficial owner of the underlying securities



# The benefits of investing in an SMA

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**Pay less**  
to manage your  
investment

**No inherited**  
capital gains tax

**Transparency**  
of your shares

**Diversify**  
your portfolio

**Professional**  
investment

**Beneficial**  
ownership of the  
shares remains with  
you



## How does an SMA work ?

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- when you invest in the SMA, we establish an individual portfolio of shares for you that is based on the model portfolios you have chosen
- the number and type of shares you hold will depend on the model portfolio you have selected
- each share will have a different value, and the price of each share can change daily
- shares in the portfolio can change from time to time as a result of the investment manager changing the weightings or shares in your chosen model portfolio

# How much do I need to get started? Making the future happen.



- minimum investment: \$10,000 per SMA model portfolio
- to make it cost effective we suggest a minimum investment of \$30,000
- to determine the right amount for you, we'll need to look at your overall investment objectives and needs

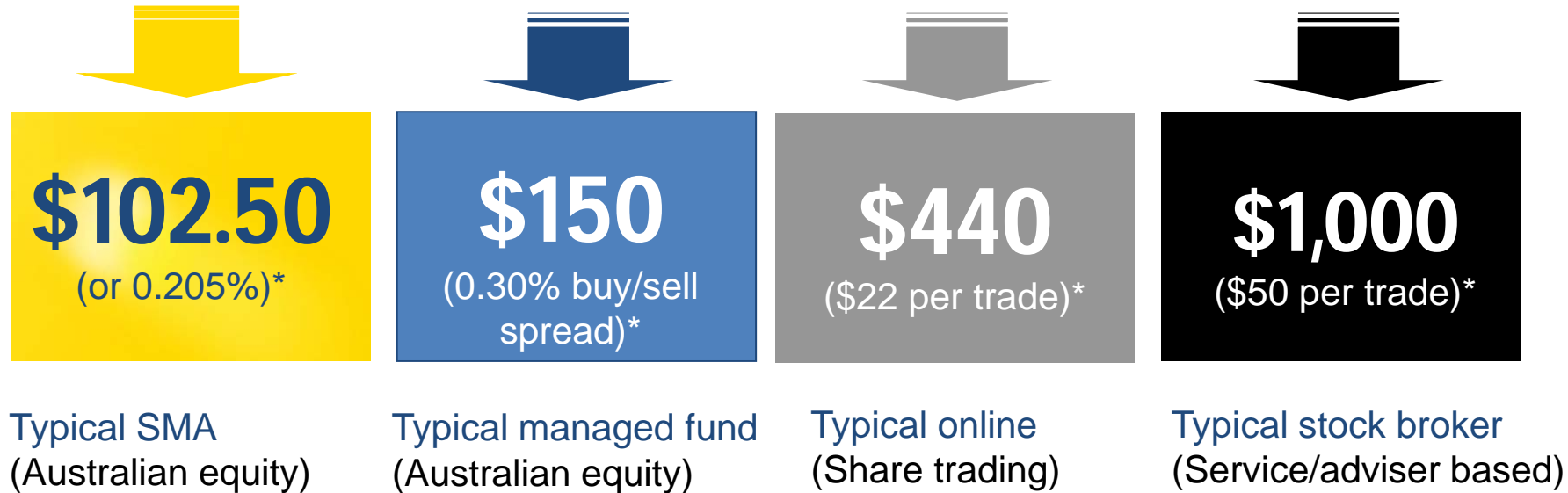
# How do brokerage costs compare ?

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### \$500,000 investment

(10 investors x \$50,000)



\* All prices as at 1 July 2009. Inclusive of GST, stamp duty and net of reduced input tax credit.

# Range of models

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Model portfolio name	Investment manager	Indicative number of shares held	Automatic payment of Investment Income*	Benchmark Index	Model m'gmt fee (% p.a.)†	Standard & Poor's Rating‡
<b>Index</b>						
Blue Chip Top 20	Aviva Investors	20	✓	S&P/ASX 20 Accumulation Index	0.21	
<b>Value/Income</b>						
Aviva Investors Dividend Builder	Aviva Investors	10 to 20	✓	S&P/ASX 200 Industrials Accumulation Index	0.46	
Perennial Value Shares for Income	Perennial Value	25 to 30	✓	S&P/ASX 300 Accumulation Index (gross dividend yield)	0.77	Not rated
<b>Core/Growth</b>						
Aviva Investors Core Opportunities	Aviva Investors	15 to 25	✗	S&P/ASX 200 Accumulation Index	0.62	
Ausbil Australian Concentrated Equity	Ausbil Dexia	20 to 30	✗	S&P/ASX 300 Accumulation Index	0.92	
Goldman Sachs JBWere Core Australian Equities	Goldman Sachs JBWere Asset Management	20 to 30	✗	S&P/ASX 200 Accumulation Index	0.77	
Perennial Growth Shares	Perennial Growth	25 to 30	✗	S&P/ASX 300 Accumulation Index	0.77	Not rated
UBS High Alpha Long Term Opportunity ('HALO')	UBS Global Asset Management (Australia)	20 to 30	✗	S&P/ASX 200 Accumulation Index	0.62	



\* for further information about the automatic payment of investment income to your platform refer to the Separately Managed Account Product Disclosure Statement (PDS)

† Including GST and net of RITC and rounded to two decimal places

‡ ratings are subject to change – for the latest ratings information please visit [www.standardandpoors.com.au](http://www.standardandpoors.com.au). Ratings issued by Standard & Poor's Information

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# Blue Chip Top 20

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### Model Portfolio holdings

ASX Code	Share	% Held
BHP	BHP Billiton Limited	17.46
CBA	Commonwealth Bank of Australia	10.95
WBC	Westpac Banking Corporation	10.91
NAB	National Australia Bank Limited	8.49
ANZ	ANZ Banking Group Limited	7.81
WOW	Woolworths Limited	5.02
TLS	Telstra Corporation Limited	4.87
WES	Wesfarmers Limited	4.65
RIO	Rio Tinto Limited	3.72
WDC	Westfield Group	3.67

ASX Code	Share	% Held
QBE	QBE Insurance Group Limited	3.21
WPL	Woodside Petroleum Limited	3.12
CSL	CSL Limited	2.65
NCM	Newcrest Mining Limited	2.26
MQG	Macquarie Group Limited	2.05
ORG	Origin Energy Limited	1.93
AMP	AMP Limited	1.68
FGL	Foster's Group Limited	1.54
SUN	Suncorp-Metway Limited	1.51
BXB	Brambles Limited	1.33
Cash	Cash	1.17



# Model Portfolio holdings (Top 10 stocks)

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### AFI – Australian Foundation Investment Co.

ASX Code	Share	% Held
BHP	BHP Billiton	12.40
CBA	Commonwealth Bank of Australia	9.40
WBC	Westpac Banking Corporation	9.30
RIO	RIO Tinto	5.40
NAB	National Australia Bank Limited	4.80
WES	Wesfarmers Limited	4.80
WOW	Woolworths Limited	3.50
TLS	Telstra Corporation Limited	3.50
ANZ	ANZ Banking Group Limited	2.90
WPL	Woodside Petroleum Limited	2.50

### Blue Chip Top 20

ASX Code	Share	% Held
BHP	BHP Billiton Limited	17.46
CBA	Commonwealth Bank of Australia	10.95
WBC	Westpac Banking Corporation	10.91
NAB	National Australia Bank Limited	8.49
ANZ	ANZ Banking Group Limited	7.81
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WDC	Westfield Group	3.67

The top 9 shares are common to both models

# UBS 'HALO' (High Alpha Long-term Opportunities)

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### Model Portfolio holdings

ASX Code	Share	% Held	ASX Code	Share	% Held
BHP	BHP Billiton Limited	14.99	AIO	Asciano Group	3.47
NAB	National Australia Bank Limited	10.79	CSL	CSL Limited	3.38
ANZ	ANZ Banking Group Limited	9.06	DJS	David Jones Limited	3.04
QBE	QBE Insurance Group Limited	7.95	AMP	AMP Limited	2.6
TOL	Toll Holdings Limited	5.08	WOR	WorleyParsons Limited	2.48
NWS	News Corporation	4.98	HGG	Henderson Groups Dep Int	2.24
JHX	James Hardie Industries Dep Int	4.09	PRY	Primary Health Care Limited	2.16
IPL	Incitec Pivot Limited	3.96	CEY	Centennial Coal Company Limited	2.12
ALL	Aristocrat Leisure Limited	3.84	RMD	Resmed Inc Dep Int	1.84
			Cash	Cash	11.93

Portfolio holdings as at 3 February 2010



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Your reports  
'SMA high level'

**Portfolio Valuation**  
as at 24 March 2009

Mr C Demo  
50 New Street  
MELBOURNE VIC 3004

Sample Adviser  
Sample Dealer Group

Product	Sector	Holding	Price	Value	%
<b>Navigator Personal Investment Plan</b>					
Investor account: 12952800005 Demo, Chris					
<b>Managed Investments</b>					
Perpetual's (W) Ind Fund		96,339.0000	\$1.0380	\$99,999.88	19.72%
Pre Select Growth		120,511.0000	\$0.8298	\$100,000.03	19.72%
<b>Shares</b>					
AMCOR	Materials	3,738.0000	\$6.7000	\$25,044.60	4.94%
ANZ BANK	Financials	2,419.0000	\$20.7100	\$50,097.49	9.88%
NAT. BANK ORDS	Financials	877.0000	\$28.5500	\$25,038.35	4.94%
RIO TINTO	Materials	356.0000	\$140.6000	\$50,053.60	9.87%
TELSTRA ORDS	Telecommunication Services	11,011.0000	\$4.5500	\$50,100.05	9.88%
<b>Separately Managed Accounts (SMA)</b>					
Blue Chip Top 20				\$98,890.92	19.50%
Cash account				\$7,780.16	1.53%
<b>Total</b>				<b>\$507,005.08</b>	<b>100.00%</b>

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Your reports  
SMA 'detailed'

Portfolio Valuation  
as at 24 March 2009

Mr C Demo  
50 New Street  
MELBOURNE VIC 3004

Sample Adviser  
Sample Dealer Group

Product	Sector	Holding	Price	Value	%
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Navigator Personal Investment Plan

Product	Sector	APIR/ASX	Value	
<b>Separately Managed Account (SMA)</b>				
<b>Blue Chip Top 20</b>				
NAT BANK ORDS	Financials	NAB	\$25,038.35	
TELSTRA ORDS	Telecommunication Services	TLS	\$12,097.49	
BHP BLT	Materials	BHP	\$25,044.60	
RIO TINTO	Materials	RIO	\$17,100.05	
	Blue Chip Top 20		\$98,890.92	19.50%
	Cash account		\$7,780.16	1.53%
	<b>Total</b>		<b>\$507,005.08</b>	<b>100.00%</b>

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Key differences	Shares	SMA	Managed funds
Beneficial ownership	✓	✓	✗
Professionally managed	✗	✓	✓
Transparent investment	✓	✓	✗
Tax efficient	✓	✓	✗
In specie flexibility	✓	✓	✗
Single licensing	✗	✓	✓
Consolidated reporting	✗	✓	✓
Pooled & netted transaction costs	✗	✓	✓
Cost effective	✗	✓	✗
No embedded CGT	✓	✓	✗
Switch transactions confirmed daily	✓	✓	✗

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## The future is happening

- cost effectiveness compared to managed funds
- professional management of shares in your portfolio
- stock diversification
- transparent exposure to Australian shares
- no embedded capital gains
- increased investment flexibility
- less share paperwork