

MANAGED ACCOUNTS ON FIRSTCHOICE

AVAILABLE LATE 2017

Managed Accounts on FirstChoice leads the way in delivering the advice efficiencies of a managed account solution within Colonial First State FirstChoice Super & Pension products. Colonial First State has maintained a strong belief in the value of advice and we see managed accounts as a key way that we can provide support and drive efficiencies in your business. What does this mean for you? More time to spend seeing clients, growing your business and developing strategies, and less time on paperwork and routine administration.

Background on Managed Accounts

While managed accounts have been around since the 1990s, they have had a relatively slow uptake in the Australian market. This has changed significantly over the last two years where we have seen an alignment of the benefits for licensees, advisers and investors.

What are Managed Accounts on FirstChoice?

Available to super and pension clients of approved licensees from late 2017, Managed Accounts on FirstChoice will deliver advice efficiencies of a managed account solution within Colonial First State FirstChoice Super & Pension products.

This new service offer is aimed at businesses who are looking to help reduce the risk, complexity and cost of delivering advice, while maintaining transparency of client portfolio holdings

and direct involvement in portfolio construction via licensees. Unlike some other managed account solutions, FirstChoice makes it easy for licensees to set-up and run managed account portfolios, and easy for advisers to access and attach their clients to the portfolios. Best of all, Managed Accounts on FirstChoice is delivered at no extra cost to you or your clients.

Why Managed Accounts on FirstChoice?

- Portfolio construction from over 100 investment options currently available on the FirstChoice super and pension product investment options menu
- No additional fees
- Simplified ongoing portfolio management
- May reduce the need to generate a Record of Advice for portfolio changes¹
- The reputation and strength of Colonial First State

The benefits are clear

	INVESTOR	ADVISER	LICENSEE
EFFICIENCY	<ul style="list-style-type: none"> • Investors are not disrupted or relied upon to implement portfolio changes, enabling timely, efficient portfolio management. • Simple on-boarding experience for new and existing FirstChoice clients 	<ul style="list-style-type: none"> • Less administration in preparing ROAs and ongoing portfolio management • Spend less time following up clients for client authority to implement ongoing portfolio changes • Increase business efficiency by utilising professional portfolio managers for the day-to-day management of managed account portfolios • Efficient on-boarding process for new and existing FirstChoice clients 	<ul style="list-style-type: none"> • Easy to set-up and run • Can reduce the number of ROAs required to be maintained and reviewed
VALUE	<ul style="list-style-type: none"> • Reduced paperwork in adviser reviews leads to increased capacity for valuable, holistic financial advice conversations. 	<ul style="list-style-type: none"> • Spend more time with clients providing valuable holistic financial advice and less time on administration, document generation and follow-ups when portfolio changes are made • Reinvest time in maintaining and growing your business. Provide more service to your existing clients, and more focus to new business opportunities 	<ul style="list-style-type: none"> • Increase service proposition to advisers using your investment research and portfolio construction expertise • More time to spend on supporting your advisers to grow their business and enable more quality of advice
RISK	<ul style="list-style-type: none"> • Automatic realignment means no client is left in an out-of-date portfolio when portfolio changes are made • Increased portfolio construction guidelines adds an extra layer of investment oversight. 	<ul style="list-style-type: none"> • Reduce risk through quicker, more consistent implementation aligning the investor to the portfolio manager's target weights • Ensures clients are invested in the most up-do-date managed account portfolio 	<ul style="list-style-type: none"> • Implementation risk may be reduced, leading to more consistent investment outcomes • Ensuring all advisers within an advice business are implementing the same centralised managed account portfolio
COST	Managed Accounts on FirstChoice are administered at no extra cost to clients or advice businesses		

¹ Seek your own professional advice regarding the requirements for issuing Records of Advice.

How do Managed Accounts on FirstChoice work?

Managed Accounts on FirstChoice will sit as a product feature available through selected licensees on the FirstChoice platform.

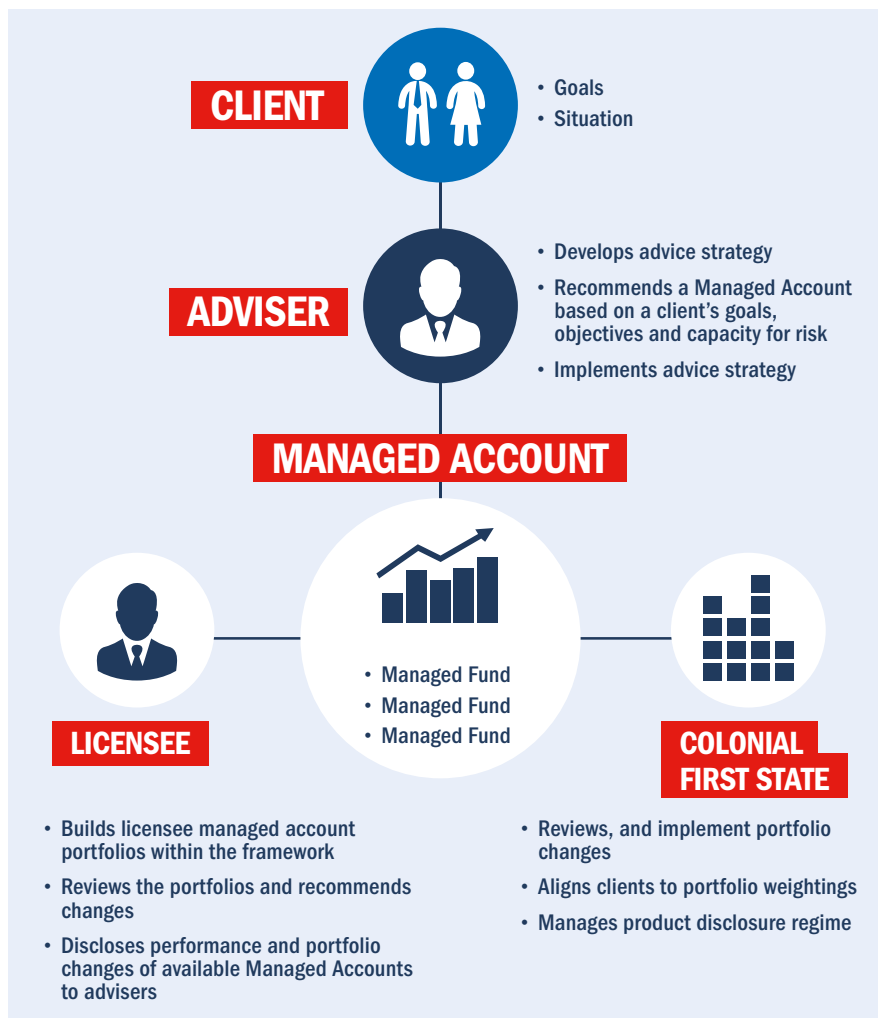
Managed Account portfolios can be comprised of over 100 investment options currently available on the FirstChoice super and pension product investment options menu.²

Realignment – Adhoc

All clients will automatically align to managed account portfolio changes via a bulk re-alignment process. This means no client will be left in an out-of-date portfolio if an adviser is unable to make contact with them in regards to a managed account portfolio change.

Realignment – Regular

Once a quarter, all clients will automatically align to intended investment weightings.



At a glance

Who can invest?	Available for FirstChoice Super and Pension clients of approved licensees
Investment options	Over 100 investment options on the FirstChoice investment options menu
Licensee role	A service provider to Colonial First State for portfolio construction, monitoring and operational support
Trustee	Colonial First State Investments Limited (CFS)
Fund	Colonial First State FirstChoice Superannuation Trust
Product or Advice Offer	Managed Accounts is a product feature
PDS disclosure	Colonial First State FirstChoice Super & Pension PDSs

Want more information?

For more information about how Managed Accounts on FirstChoice can support efficiencies in your business, contact your Colonial First State Strategic Account Manager, or Business Development Manager.

² Via selected licensees.

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