

Investment Guide

1 October 2016



Farnam Managed Accounts

Farnam Managed Accounts is a comprehensive investment administration platform that delivers superior administration, tailored investment solutions and flexible reporting, all providing a powerful investor experience.

The investment universe

Farnam Managed Accounts offers a comprehensive range of investment solutions including:

- Managed Funds
- Model Portfolios
- ASX securities
- Cash
- Term Deposits
- International securities
- Initial Public Offers
- Exchange Traded Funds (ETF)/Listed Investment Companies
- Fixed Interest securities
- Exchange Traded Options (ETO) (available through Managed Funds and Model Portfolios)

This Investment Guide contains a list of both Managed Funds and Model Portfolios available to you for investment. Please refer to the PDS available on the website farnam.com.au for further details.

Available Investment options

Model Portfolios

All investment fees are quotes GST inclusive, unless otherwise stated.

	Farnam Equity Leaders Portfolio	Farnam Equity Value Portfolio								
Portfolio Code	FIMELP	FIMEVP								
Portfolio Name	Farnam Equity Leaders Portfolio	Farnam Equity Value Portfolio								
Replication	N/A	N/A								
Investment Manager	Farnam Investment Management Pty Ltd	Farnam Investment Management Pty Ltd								
Strategy	To use active stock selection to invest in quality businesses. The businesses are assessed as meeting our investment criteria of a high return on equity, growth potential and their ability to consistently deliver dividend to investors.	To use active stock selection to invest in quality businesses that are trading below their intrinsic value. The businesses are assessed as meeting our value investment criteria of high return on equity and reasonable margin of safety and as likely to provide attractive returns to investors.								
Benchmark	S&P/ASX 200 Accumulation (XJOAI)	S&P/ASX Small Ords Accumulation (XSOAI)								
Investment Objective	To provide investors with tax-effective income, dividends and capital growth. The portfolio aims to out-perform its benchmark over a rolling three to five year period.	To provide investors with medium to long term capital growth and tax-effective income. The portfolio aims to out-perform its benchmark over a rolling three to five year period.								
Investment Universe	Companies listed on the ASX that have a market capitalisation similar to those in the S&P/ASX200. The portfolio may include some international equities.	Primarily companies listed on the ASX with market capitalisation of less than \$1B plus some international equities.								
Asset Allocation	<table border="0"> <tr> <td>Equities</td> <td>30 - 100%</td> </tr> <tr> <td>Cash</td> <td>0 - 70%</td> </tr> </table>	Equities	30 - 100%	Cash	0 - 70%	<table border="0"> <tr> <td>Equities</td> <td>30 - 100%</td> </tr> <tr> <td>Cash</td> <td>0 - 70%</td> </tr> </table>	Equities	30 - 100%	Cash	0 - 70%
Equities	30 - 100%									
Cash	0 - 70%									
Equities	30 - 100%									
Cash	0 - 70%									
Investment Fee	0.77%	0.99%								
Performance Fee	15%	15%								
Number Of Securities	10 – 30	10 – 30								
Cash Holding	0 – 70%	0 – 70%								
Investment Timeframe	3 – 5 years minimum	3 – 5 years minimum								
Customisable	No	No								
Min Investment Amount	\$50,000	\$50,000								

	Farnam Fixed Income Portfolio	Farnam International Opportunities Portfolio								
Portfolio Code	FIMFIP	FIMIOP								
Portfolio Name	Farnam Fixed Income Portfolio	Farnam International Opportunities Portfolio								
Replication	N/A	N/A								
Investment Manager	Farnam Investment Management Pty Ltd	Farnam Investment Management Pty Ltd								
Strategy	To invest in credit securities from companies with strong management, and balance sheets that display characteristics such as sufficient liquidity and low levels of gearing. Diversification is achieved mainly through investment in securities across a range of industries.	To use active bottom up stock selection to invest in quality businesses.								
Benchmark	N/A	MSCI World excl Aust Index - AUD (M2WDO)								
Investment Objective	To provide a return comprised of a secure and predictable income stream with moderate capital growth. The portfolio aims to outperform the Bloomberg AusBond Bank Bill Index on an annual basis.	The portfolio aims to outperform its benchmark over a rolling 3 to 5 year period.								
Investment Universe	Investment grade fixed income. Primarily the Portfolio will comprise of Australian corporate bonds, listed hybrids, term deposits and cash. Dependent on market conditions the Portfolio may also invest in international corporate bonds and government bonds.	Primarily mid to large cap international equities listed on major international exchanges. Portfolio may invest in listed ETFs or interest bearing investments.								
Asset Allocation	<table border="0"> <tr> <td>Fixed Interest</td> <td>30 - 100%</td> </tr> <tr> <td>Cash</td> <td>0 - 70%</td> </tr> </table>	Fixed Interest	30 - 100%	Cash	0 - 70%	<table border="0"> <tr> <td>Equities</td> <td>30 - 100%</td> </tr> <tr> <td>Cash</td> <td>0 - 70%</td> </tr> </table>	Equities	30 - 100%	Cash	0 - 70%
Fixed Interest	30 - 100%									
Cash	0 - 70%									
Equities	30 - 100%									
Cash	0 - 70%									
Investment Fee	0.55%	0.99%								
Performance Fee	N/A	15%								
Number Of Securities	10 – 20	10 – 30								
Cash Holding	0 – 70%	0 – 70%								
Investment Timeframe	2 – 4 years	3 – 5 years								
Customisable	No	No								
Min Investment Amount	\$50,000	\$50,000								

Farnam Equity Growth Portfolio					
Portfolio Code	FIMEGP				
Portfolio Name	Farnam Equity Growth Portfolio				
Replication	N/A				
Investment Manager	Farnam Investment Management Pty Ltd				
Strategy	To use active stock selection to invest in quality businesses. The businesses are assessed as meeting our investment criteria of high return on equity and earnings growth and as likely to provide attractive returns to investors.				
Benchmark	S&P/ASX 300 Accumulation (XKOA1)				
Investment Objective	To provide investors with long term capital growth and tax-effective income. The portfolio aims to out-perform its benchmark over a rolling three to five year period.				
Investment Universe	All companies listed on the ASX plus some international equities. The portfolio will include a combination of smaller and larger capitalisation companies and represents our highest conviction investment ideas.				
Asset Allocation	<table border="1"> <tbody> <tr> <td>Equities</td> <td>30 - 100%</td> </tr> <tr> <td>Cash</td> <td>0 - 70%</td> </tr> </tbody> </table>	Equities	30 - 100%	Cash	0 - 70%
Equities	30 - 100%				
Cash	0 - 70%				
Investment Fee	0.88%				
Performance Fee	15%				
Number Of Securities	15 - 40				
Cash Holding	0 – 70%				
Investment Timeframe	3 – 5 years				
Customisable	No				
Min Investment Amount	\$50,000				

Managed Funds

APIR Code	Name
LAM0040AU	TBF Small Cap Value Growth Fund