

FAT SHEET

FAT PROPHETS CONCENTRATED AUSTRALIAN SHARE MODEL PORTFOLIO

About the model portfolio

INVESTMENT OBJECTIVE:

The Fat Prophets Concentrated Australian Share Model Portfolio (the 'Model') seeks to outperform the total return (both income and capital growth) of the S&P/ASX 200 Accumulation Index, before taking into account Model fees and expenses.

INVESTMENT STRATEGY:

The Model aims to achieve its investment objective by investing in a sample of securities taken from within and outside the S&P/ASX 200 Accumulation Index ('Index'). The Index is comprised of the 200 largest and most liquid securities within the Australian stock market. The Model typically holds 10 to 30 securities and may retain up to 25% in cash.

DESIGNED FOR INVESTORS WHO:

- Seek a concentrated portfolio of Australian companies;
- Are looking for a medium to long term investment;
- Accept the risk of significant price fluctuations.

Performance

Performance as at 31/12/2009	Gross	S&P/ASX 200 Accumulation Index	Outperformance*
1 Month	2.27%	3.74%	-0.97%
3 Months	4.37%	3.39%	0.98%
6 Months	23.71%	25.62%	-1.91%
1 Year	39.32%	37.03%	2.29%
2 Year (%p.a)	-4.60%	-8.16%	3.56%
Since Inception (p.a)^	-0.15%	-5.36%	5.21%

*Shows the difference between Portfolio Gross Return and Benchmark Return

^Model Performance inception date 31/5/2007

Top 10 Stocks as at 31/12/09

1. BHP Billiton
2. Australia and New Zealand Banking
3. National Australia Group
4. Westpac Banking
5. Rio Tinto
6. Newcrest Mining
7. Commonwealth Bank of Australia
8. Telstra
9. QBF Insurance
10. Oil Search

FAT PROPHETS CONCENTRATED AUSTRALIAN SHARE MODEL PORTFOLIO

Model Portfolio name	Fat Prophets Concentrated Australian Share
Code	FP0001
Model inception date	31/5/07
Principle investment objective	To invest in a small sample of securities taken from within and outside the S&P/ASX 200 Accumulation Index ('Index')
Can derivatives be used?	No
Indicative number of stocks	10-30
Minimum Model investment	\$20,000
Model Provider fees*	
Investment fee	0.50%
Performance fee applicable?	Yes
Brief description	15% of any outperformance of the benchmark index
Benchmark Index	S&P/ASX 200 Accumulation Index

*Please refer to the Fat Prophets Separately Managed Account Product Disclosure Statement for further details

NEXT STEPS

Find out more on how to set up your own Fat Prophets SMA

It is very straightforward to set up your own SMA. Fat Prophets will oversee your application and provide any assistance you require.

Visit our web site: www.fatprophets.com.au/funds

- Download the Product Disclosure Statement ('PDS')
- Fill in the Application Form

or call Fat Prophets on 1300 853 328

IMPORTANT INFORMATION

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