



Independent review report by the auditor to the Board of Directors of Australian Unity Funds Management Limited on the specified annual investor statements for the year ended 30 June 2018

Scope

We have reviewed the annual investor statements given to the clients of Federation Managed Accounts (the clients) for the year ended 30 June 2018 prepared by Australian Unity Funds Management (the Responsible Entity). The directors and management of the Responsible Entity are responsible for the annual investor statements of the clients, which comprise for each client a statement of the quantity and value of assets and liabilities held through the Responsible Entity by the client as at 30 June 2018 and the corresponding revenue and expenses of the client for the year ended on that date. The directors of the Responsible Entity have determined that the accounting policies used ("the specified basis of preparation"), including the basis of accounting, are appropriate to meet the requirements of Australian Securities & Investments Commission Class Order 13/762 "*Investor directed portfolio-like services*" (as amended). No opinion is expressed as to whether the specified basis of preparation is appropriate to the needs of the clients.

We have conducted an independent review of the annual investor statements in order to state whether, on the basis of the procedures described below, anything has come to our attention that would indicate that any annual investor statement given to any client is materially misstated.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of the Responsible Entity's personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit of any individual annual investor statement and, accordingly, we do not express an audit opinion in relation to any client's individual annual investor statement.

We have also performed an independent audit of internal controls and other relevant accounting procedures of the Responsible Entity, including those of its custodian and any other relevant person acting on behalf of the Responsible Entity, as they relate to the preparation of the annual investor statements ("the internal controls") and have issued a separate unqualified audit opinion on whether the internal controls implemented by the Responsible Entity were suitably designed and operated effectively to ensure that there are no material misstatements in the clients' annual investor statements for the year ended 30 June 2018.

This report has been prepared to meet the requirements of Australian Securities & Investments Commission Class Order 13/762 "*Investor directed portfolio-like services*" (as amended). No responsibility will be accepted for any reliance on this report for any other purpose.

The Statement provided below has been prepared on the above basis.

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Statement

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that any annual investor statement for the year ended 30 June 2018 given to any client is materially misstated.

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A handwritten signature in blue ink, appearing to read "G. Sagonas", with a large, sweeping flourish underneath.

George Sagonas
Partner

Melbourne
20 September 2018