

Ventura Managed Account Portfolios Superannuation (including Pension)

Additional Information Booklet 1 July 2016

This PDS is issued by Diversa Trustees Limited (the **Trustee**) ABN 49 006 421 638 in its capacity as trustee of the Praemium SMA Superannuation Fund (referred to in this PDS as **vMAPs Super** or the **Fund**) ABN 75 703 857 864, an APRA-regulated superannuation fund. Praemium Australia Limited (**Praemium**) ABN 92 117 611 784 is the Sponsor of vMAPs Super.

This booklet forms part of the vMAPs Super PDS dated 1 July 2016 (**PDS**) and provides important additional information. You should read this information before making a decision about vMAPs Super (the **Fund**). Terms used in this booklet are the same as those referred to in the PDS.

The information in this booklet is correct as at the date of publication. In the event of a material change occurring to any information contained in this booklet, irrespective of whether it is adverse or not, the Trustee will notify existing members in writing within the time frames required by law. Updated information is available online at www.venturaFM.com.au.

vMAPs Super

Praemium Australia Limited
PO Box 322
Collins Street West
MELBOURNE VIC 8007

General number for enquiries: **(03) 8622 1222**
Email enquiries: **support@praemium.com.au**



Contents

1. About vMAPs Super	3
2. How super works	5
3. How we invest your money	9
4. How super is taxed	10
5. How to open an account	10
6. Other information	11

1. About vMAPs Super

When you invest in the Fund, an Account is established for you which is linked to the Ventura Managed Account Portfolios ARSN 601 085 410 (referred to throughout the PDS as **vMAPs**, the **Scheme** or **Managed Account**), a registered managed investment scheme of which Ventura Investment Management Limited (**Ventura**) is the Responsible Entity.

vMAPs is opened and held in the name of the Trustee. Your investment portfolio may comprise:

- (a) individual listed investments (including but not limited to securities, exchange traded funds (**ETFs**), listed investment companies (**LICs**) and Australian Real Estate Investment Trusts (**AREITs**);
- (b) other investment types (including term deposits and managed funds); and
- (c) a cash holding (minimum cash holding & any cash required by an Investment Model).

Selecting an Investment Model

Once you decide with your Appointed Financial Adviser which Investment Model(s) are best suited to your individual situation, needs and objectives, the Responsible Entity will purchase investments in accordance with the Model Manager's recommendations to be included in your Managed Account so that it reflects the Investment Model, or combination of Investment Models, that you have selected.

Where you have selected more than one Investment Model, your Managed Account will be viewed and treated as a single portfolio containing your consolidated holdings (that is listed investments, managed funds and cash relating to your chosen Investment Models). This means you can view online all of the investments which are included in your Managed Account as a single portfolio, even if you have decided to invest in accordance with more than one Investment Model.

Your investment strategy and preferences may only be communicated to us by your Appointed Financial Adviser.

The Model Manager(s) will manage the Investment Models on an ongoing basis, and the Responsible Entity of Ventura Managed Account Portfolios will buy and sell investments to be included in, or removed from, your Managed Account as the Investment Model(s) changes.

It is important to select an Investment Model(s) that suits your situation in conjunction with your Appointed Financial Adviser. Until you select an Investment Model, your investment amount will form part of your Managed Account cash holding.

All investments (including listed investments) held within the Ventura Managed Account Portfolios are held in the name of the custodian that is appointed by the Responsible Entity.

Maintaining a minimum cash holding

In order to ensure there is sufficient cash to pay fees and insurance premiums and to satisfy charges in connection with the settlement of trades that are carried out in respect of your Managed Account, you must maintain a minimum cash holding in your Managed Account. This is in addition to any cash that an Investment Model may require to be maintained in your Managed Account. The minimum cash amount is calculated as a percentage of your Managed Account.

The minimum cash holding will be 2% of the value of your Managed Account but the amount held in the cash holding may vary from time to time due to transactions affecting your Managed Account.

If at any time the minimum cash holding in your Managed Account falls below the required minimum level, some of the investments in your Managed Account may be sold to bring your cash holding back up to the required minimum level. If the cash balance in your SMA falls below the minimum level required, additional securities will be sold (or purchases reduced) on a pro-rata basis across your SMA.

The cash holding cannot be a negative amount but in certain situations (for example, where timing differences in transactions occur) a negative amount may arise for a short period.

The cash will be held in a bank account or cash fund selected by us. Any interest or income earned on any cash that is held in respect of your Managed Account will be credited to your Managed Account as and when it is received. If your Managed Account has a negative cash balance, your Managed Account may be charged interest on the negative balance (where permissible).

Going above the minimum cash holding

Where cash in excess of the minimum cash holding accumulates in your Managed Account, (for example from the receipt of income or dividends), it will be invested on the next Rebalancing Date (generally the next Business Day) subject to minimum trade sizes being achieved. To the extent practicable the funds will be invested in proportion to your current Investment Model(s) weights.

Fees attributable to your minimum cash holding

The minimum cash holding will be subject to all Administration Fees charged by the Responsible Entity of vMAPs as the fee is charged on the total amount invested in your Managed Account. Cash held in accordance with an Investment Model will be subject to both the Administration Fees and the Model Management Fee applicable to that Investment Model. Where the fees exceed any minimum trade size this may result in investments being sold to rebalance your Managed Account so it holds the minimum cash holding.

Minimum trade size

A default minimum trade size is generally predetermined or as agreed with your financial adviser. This means that investments in your Managed Account will generally only be traded if the trade size is greater than or equal to that of the specified minimum trade size.

The minimum trade size is applied per investment, per trade. This default is currently \$200 per investment, per trade.

Investment of income or dividends

Income or dividends from investments held in your Managed Account, when paid, are added to your cash holding in your Managed Account and automatically re-invested by being included in the next rebalance subject to the default minimum trade size. Rebalancing occurs on a daily basis.

Investment process and rebalancing

Rebalancing is an automatic process whereby Investment Models are compared against investors' Managed Accounts.

The rebalancing process will be undertaken on each rebalancing date, generally each Business Day. However, your Managed Account will only be affected in the following circumstances:

- A Model Manager advises vMAPs of a change to an Investment Model;

- You make an additional investment in or a withdrawal from your Managed Account;
- You instruct the Trustee to switch Investment Models or make alterations to your Managed Account; or
- Your cash holding has moved away from the minimum required as a result of income received or fees paid.

The Model Manager(s) generally review their Investment Models each Business Day and may advise changes to their Investment Models at any time.

Trades outside of the normal rebalance process

In the normal course of events trading for an individual security is aggregated across all Ventura Managed Account Portfolios and transacted as a single net trade. However, from time to time, individual Model Managers may trade directly in securities held in their Investment Model(s).

These trades may attract differing rates of commissions and charges. These Model Manager initiated trades may result in multiple trades in the same security on the same day - as the Model Managers would not be aware of other trades within vMAPs Super.

Netting

A process, known as netting, is applied to minimise brokerage costs by eliminating unnecessary trading. This process works to offset buy and sell trades in a security so that only the net position is traded.

The netting of transactions occurs first within each investor's Managed Account. For example, if you invest in accordance with two Investment Models each holding ABC Company securities, and one Investment Model is reducing their holding and the other is increasing their holding, this will not result in a transaction within your Managed Account by the amount of the overlap. After this netting process has been applied within your Managed Account, it will then be applied across all Managed Accounts in vMAPs.

If there is an exact netting of transactions, the netted transactions are priced at the ASX closing price. Other transactions are priced as traded. The value of the trades are averaged and attributed to all investors where trades were generated. Brokerage is applied pro-rata.

Floating Model Weightings

If you select more than one Investment Model we will apply the Investment Model weightings on a floating basis.

Applying your Investment Model weightings on a floating basis means that when your selected Investment Models perform differently from each other, the relative proportion of your Managed Account attributable to each Investment Model will move (float) away from the Investment Model weight that you have originally selected.

Corporate actions

Ventura, as the Responsible Entity for the Ventura Managed Account Portfolios will receive communications about corporate actions relating to the securities held in your Managed Account. The issuers of the securities will send any notices of meetings relating to the securities, and any offers of dividend or distribution reinvestment plans, to the custodian of vMAPs. In dealing with corporate actions, Ventura will act in the best interests of investors in vMAPs as a whole, but will generally not be obliged to act on any individual investor's directions, including the Trustee of the vMAPs Super.

Ventura Managed Account Portfolios policy regarding corporate actions is that generally:

- It will elect to receive dividends and distributions in cash, which will be credited to the cash holdings in the relevant Managed Accounts;
- It will generally adopt a neutral position and not vote at meetings of holders of securities, although it may exercise its discretion and vote depending on the particular circumstances; and
- It will deal with other corporate actions using its discretion.

In certain limited circumstances, entitlement to corporate actions may be subject to externally imposed limits or caps which may result in an investor's entitlement to participate in the corporate action through their Managed Account being less than an entitlement if the investor is holding the same number of securities directly.

Defined fees

The following are regulatory definitions of the fees and costs for superannuation products. A number of these fees apply to the Fund and have been referred to throughout the vMAPs Super PDS. Some of these fees may also be referred to in this section.

Fee	Description
Activity fee	A fee is an activity fee if: a) the fee relates to costs incurred by the trustee of the superannuation entity that are directly related to an activity of the trustee: i. that is engaged in at the request, or with the consent, of a member; or ii. that relates to a member and is required by law; and b) those costs are not otherwise charged as an administration fee, an investment fee, a buy-sell spread, a switching fee, an exit fee, an advice fee or an insurance fee.
Administration fee	An administration fee is a fee that relates to the administration or operation of a superannuation entity and includes costs incurred by the trustee of the entity that: a) relate to the administration or operation of the entity, and b) are not otherwise charged as an investment fee, a buy-sell spread, a switching fee, an exit fee, an activity fee, an advice fee or an insurance fee.
Advice fee	A fee is an advice fee if: a) the fee relates directly to costs incurred by the trustee of the superannuation entity because of the provision of financial product advice to a member by: i. a trustee of the entity; or ii. another person acting as an employee of, or under an arrangement with the trustee of the entity; and b) those costs are not otherwise charged as an administration fee, an investment fee, a switching fee, an exit fee, an activity fee or an insurance fee.
Buy-sell spread	A buy-sell spread is a fee to recover transaction costs incurred by the trustee in relation to the sale and purchase of assets of the superannuation entity.
Exit fee	An exit fee is a fee to recover the costs of disposing of all or part of members' interests in the superannuation entity.
Indirect cost ratio	The indirect cost ratio (ICR), for an investment option offered by a superannuation entity, is the ratio of the total of the indirect costs for the investment option, to the total average net assets of the superannuation entity attributed to the investment option. Note: A dollar-based fee deducted directly from a member's account is not included in the indirect cost ratio.
Investment fee	An investment fee is a fee that relates to the investment of the assets of a superannuation entity and includes: a) fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and b) costs incurred by the trustee of the entity that: i. relate to the investment of assets of the entity, and ii. are not otherwise charged as an administration fee, a buy-sell spread, a switching fee, an exit fee, an activity fee, an advice fee or an insurance fee.
Switching fee	A switching fee is a fee to recover the costs of switching all or part of a member's interest in the superannuation entity from one class of beneficial interest in the entity to another.

2. How super works

Superannuation is one of the main ways that you can save for retirement. The Government encourages you to maximize your contributions by providing tax incentives and savings. The two main types of contributions that can be made to superannuation are concessional and non-concessional contributions. Contributions can only be made to Accumulation accounts.

Concessional contributions

Superannuation Guarantee Contributions

Most Australian employers are required by Government legislation to make superannuation contributions for their employees – called Superannuation Guarantee (SG) contributions. SG contributions are presently 9.50% of a person's ordinary time earnings (subject to a maximum dollar limit).

SG contributions are required to be paid by an employer to a superannuation fund at least quarterly.

Deductible member contributions

Personal contributions can be made by self-employed persons from their before-tax salary, as a deductible superannuation contribution. Deductible personal contributions are concessional contributions and are subject to concessional contribution limits.

Salary Sacrifice Contributions

Employers can make additional contributions including under salary sacrifice arrangements. Salary sacrifice arrangements involve an employee deciding (if their employer allows) to contribute to superannuation from their before-tax salary (that is, reducing their take home pay). This is a voluntary arrangement between employer and employee.

Additional employer contributions (in particular, salary sacrifice contributions) may be regarded as Reportable Employer Superannuation contributions. Reportable Employer Superannuation contributions are contributions over which the member has some influence and count as income when assessing a person's eligibility for a number of Government benefits, including welfare benefits. For more information about Reportable Employer Superannuation contributions, go to www.ato.gov.au.

Non-concessional contributions

Members can make personal contributions or have Spouse contributions made on their behalf. Personal contributions and Spouse contributions made from after-tax salary are non-concessional contributions and are subject to non-concessional contribution limits.

Other amounts that can be paid into superannuation

Superannuation Co-contribution

You may receive a superannuation contribution from the Government when you make a personal contribution. This is subject to you satisfying eligibility criteria set out by the Government relating to your employment and income. For every \$1 you contribute from after tax dollars to your superannuation account, you may be eligible for a co-contribution. For the 2016/17 financial year, if you earn less than \$36,021 you will be entitled to the maximum \$500 co-contribution. This amount will reduce by 3.33 cents for every dollar over \$36,021. The co-contribution will cut out once income reaches \$51,021.

Spouse Contribution

If you are a low income earner and your spouse has made contributions on your behalf, your spouse may also be eligible for a tax offset of up to \$540. This will be dependent upon your income level. Your income level must be less than \$13,800.

Rollovers/transfers into the Fund

You may at any time rollover or transfer balances from other superannuation funds into your vMAPs Super Account. In order to do this, you will need to complete an "Easy Transfer Form" which can be found on our website (www.venturaFM.com.au) and return it to us for processing. If you have benefits in a number of funds, a separate form must be completed for each fund. Before closing any other superannuation account that you may have, you should consider what costs you may incur, what benefits you may lose or any other significant implications of closing your account.

Please note that if we receive a rollover after your Transition to Retirement Pension or Account Based Pension Account has commenced, a new account will need to be created for you to accept the rollover.

There are other amounts that may be paid into a superannuation fund such as certain disablement amounts on settlement of a disability claim (outside of superannuation), proceeds from the sale of a small business and superannuation sourced from a foreign superannuation fund. Special rules apply to these amounts. If you are going to receive any of these amounts or are considering payment of them into superannuation, we recommend you obtain appropriately qualified advice. Go to www.ato.gov.au for more information.

Withdrawals from super

Accessing your benefits

The objective of superannuation is to assist you to save for your retirement. The circumstances in which you can access your superannuation prior to your retirement are very limited. Generally, these circumstances relate to specific medical conditions or severe financial hardship.

The circumstances in which your benefit may be released to you (referred to as a 'Condition of Release'), if you are an Australian citizen, New Zealand citizen or permanent resident include:

- Reaching preservation age and choosing to access some or all of your super balance as a transition to retirement pension while remaining employed on a full or part-time basis;
- Permanent retirement from the workforce on or after your preservation age;
- Termination of employment after turning age 60 (without necessarily retiring permanently);
- Reaching age 65 (whether you are retired or not);
- Death (benefits are paid to your dependants or personal legal representative);
- Permanent incapacity;
- Temporary incapacity (only to allow the payment of income protection insurance benefits received from an insurer);
- Diagnosis of a terminal medical condition;
- Severe financial hardship;
- Eligibility for approval on compassionate grounds;
- Termination of employment with an employer-sponsor where your preserved amount is less than \$200;
- Permanent departure from Australia if you are an eligible temporary resident; and
- Satisfying any other condition of release as specified in superannuation law.

QROPS Benefits

Members who have a portion or all of their superannuation benefits attributable to benefits transferred from a United Kingdom pension scheme pursuant to the Qualifying Recognised Overseas Pension Scheme (QROPS) are subject to further restrictions on accessing their benefits. The further restrictions apply to payment of benefits to a member aged under 55 (or other such age which may be the normal minimum pension age under relevant UK law) and require that the member must satisfy also the definition of the 'UK Ill Health Condition'.

The Fund can no longer accept QROPS monies.

Preservation age

Your preservation age determines when you are able to unconditionally access your superannuation balance. This will depend on your date of birth.

Date of birth	Preservation age
Before 1 July 1960	55
From 1 July 1960 to 30 June 1961	56
From 1 July 1961 to 30 June 1962	57
From 1 July 1962 to 30 June 1963	58
From 1 July 1963 to 30 June 1964	59
On or after 1 July 1964	60

Withdrawals from the vMAPs Super

You will normally be able to request a withdrawal on any Business Day and requests will be complied with promptly, subject to any requirements of the law and as set out below.

If a full withdrawal is requested, your Account in the Ventura Managed Account Portfolios will be treated as being closed.

Cash withdrawals will be paid into a pre-nominated bank account in your name. Any instructions to vary this bank account must be in writing and signed by you. These instructions cannot be accepted from your Appointed Financial Adviser. Sale of your investments in your Managed Account will commence at the next Rebalancing Date following receipt of your withdrawal request. Generally, each Business Day is a Rebalancing Date.

Investments will be sold across your Managed Account to maintain the asset allocation of your selected Investment Models. The value you will receive will be that at which the investments are sold net of all fees, charges and expenses including transaction costs such as brokerage.

The withdrawal amount may accumulate as part of your cash holding in your Managed Account until the full amount is available for transfer into your pre-nominated account or, alternatively, pursuant to your instructions the withdrawal will be processed as two or more payments (for example, where dividends in respect of securities are due but not yet received by the Fund).

In unusual circumstances outside the control of the Responsible Entity such as the closure or disruption of a relevant security exchange, withdrawals may be suspended by the Responsible Entity of the Ventura Managed Account Portfolios for the period that these circumstances prevail. In these circumstances, withdrawals from the Fund may also be suspended by the Trustee.

Pensions

vMAPs Super offers existing and new members two types of pensions:

- (a) The Transition to Retirement Pension Account; and
- (b) The Account Based Pension Account.

Starting a Pension Account

You can begin your pension account by making a contribution, rolling over money you hold in a vMAPs Super superannuation account, or by rolling over money from another superannuation or pension account you have with another superannuation provider.

If you have an existing vMAPs Super super account: all amounts intended for the purchase of the pension that are received will be held in your existing super account. Once all moneys identified in your Application Form have been received into your super account, the amount will be rolled over from that account into your vMAPs Super pension account to commence the pension.

If you do not have an existing vMAPs Super super account: if you wish to make a contribution as part of your initial pension purchase and/or wish to rollover amounts from another superannuation or pension account you have with other superannuation providers, we will place those amounts into a superannuation holding account in your name until such time as all amounts intended for the purchase of the pension are received.

The table below compares some of the key features:

Feature	Account Based Pension Account	Transition to Retirement Pension Account
Minimum Account Balance	\$5,000	\$5,000
Minimum Annual Pension Payment Percentage*	4%	4%
Maximum Annual Pension Payment Percentage*	N/A	10%
Payment Frequency	Monthly, Quarterly, Six Monthly, Annually	Monthly, Quarterly, Six Monthly, Annually
Death Benefits	Reversionary Pension; Lump Sum	Reversionary Pension; Lump Sum
Tax on earnings	No	No (Note that this is limited to the pension account)
Tax offset	Yes	Yes
Further contributions?	No	No
Minimum payments per annum	One	One
Lump Sum withdrawals	Yes	No

*dependent upon age

Account Based Pension Account

An account based pension is a flexible product that offers you a tax effective income stream.

Your initial income stream once you commence your pension will depend upon your age and opening account balance. For all subsequent financial years, it will depend upon your age and your account balance on July 1. You must take a minimum amount in accordance with the percentages set out in the below table. These percentages are set by the Federal Government. The maximum amount of your income stream is only limited by your account balance.

You cannot make on-going contributions to your pension once it has commenced. Any transfers or rollovers that are to be included in your pension account must be received and added to the pension account before the income stream commences.

Age on 1 July	Minimum percentage of Account Balance
Under 65	4
65 to 74	5
75 to 79	6
80 to 84	7
85 to 89	9
90 to 94	11
95 and over	14

You must receive at least one payment during each financial year which is equal to or greater than the minimum amount calculated in accordance with the above table. If the minimum has not been paid by the time of the last pension payment for the year, then pension payments must be increased to ensure the minimum pension amount is reached. If you commence a pension before 1 June the pension payment will be a proportion of the required minimum payment for that year. However, if you commence your pension on or after 1 June, no payment is required until the next financial year.

Transition to Retirement Pension Account

This type of income stream is ideal if you wish to reduce your working hours but still be able to supplement your income from your superannuation. It is an opportunity to boost your superannuation balance, and depending upon your level of income and marginal tax rate, may also reduce your tax payable.

You can choose a Transition to Retirement (TTR) pension if you have reached your 'Preservation Age' but would like to continue working in a full or part time capacity. Your superannuation benefits may all be regarded as 'Preserved' but as long as you have reached Preservation Age you can commence this type of pension.

You can continue to make personal contributions and receive employer contributions to your Accumulation account after your pension has commenced. You cannot make on-going contributions to your TTR pension once it has commenced. Any transfers or rollovers that are to be included in your TTR pension account must be received and added to the TTR pension account before the income stream commences.

A maximum of 10% of the account balance can be taken during a financial year as an income stream.

Your initial income stream when you commence your TTR pension will depend upon your age and opening account balance. For all subsequent financial years, it will depend upon your age and the account balance on July 1. You must take a minimum amount in accordance with the percentages set out in the below table. These percentages are set by the Federal Government. The maximum amount of your income stream is limited to 10% of your account balance.

Age on 1 July	Minimum percentage of Account Balance	Maximum percentage of Account Balance
Under 65	4	10
65 to 74	5	10
75 to 79	6	10
80 to 84	7	10
85 to 89	9	10
90 to 94	10	10
95 and over	10	10

You must receive at least one payment during each financial year which is equal to or greater than the minimum amount calculated in accordance with the above table. If the minimum has not been paid by the time of the last pension payment for the year, then pension payments must be increased to ensure the minimum pension amount is reached. If you commence a pension before 1 June the pension payment will be a proportion of the required minimum payment for that year. However, if you commence your pension on or after 1 June, no payment is required until the next financial year.

Tax on Pension Payments

The tax treatment of your pension will depend on your age. Pension payments for members who are aged 60 and over are tax free. If you are aged between 55 and 59, tax may be payable on any income you receive from your pension at your marginal tax rate, plus the Medicare Levy. The amount of tax that will apply to your pension income may be reduced by any tax-free amounts for which you are eligible. Any tax applicable will be deducted from your regular pension payments and remitted to the ATO.

Tax at your marginal tax rate will be applied to taxable income but will be reduced by a 15% tax offset that will be applicable to the part of your pension account balance for which you were unable to claim a tax deduction when contributions were made. Generally this is regarded as the 'taxable' component of your pension payments.

Lump sum commutations

Should you wish, you can request a full or partial commutation (lump sum withdrawal) of your Account Based Pension Account.

It is important to note that if you choose to convert any of your income stream to a lump sum you will still have to satisfy any relevant condition of release.

Whilst the options to take a lump sum are limited, you can stop your Transition to Retirement Pension at any time and have the balance of your account moved back into an Accumulation account within the vMAPs Super.

Death benefit nomination

You can make two types of nominations regarding the payment of your benefit as a lump sum in the event of your death. These are:

- Non-binding death benefit nomination; and
- Non-lapsing binding death benefit nomination.

Regardless of the type of nomination you choose, your death benefit can generally only be paid to either or both of the following:

- One or more of your dependants; and/or
- Your legal personal representative.

A "dependant" includes:

- Your spouse;
- Your child; and/or
- Any person who you have an interdependent relationship with.

Note, for tax purposes, an adult child is not considered a 'dependant' unless they were financially dependent upon you at the date of your death or were in an interdependent relationship with you at the date of your death.

The definition of "spouse" includes:

- Another person (whether the same or opposite sex) with whom you are in a relationship that is registered under a State or Territory law; and
- Another person (whether the same or opposite sex) who, although not legally married to you, lives with you on a genuine domestic basis in a relationship as a couple.

The definition of "child" includes:

- An adopted child, a stepchild, or an ex-nuptial child;
- A child of your spouse; and
- Someone who is a child under the Family Law Act.

An interdependent relationship between two people exists if:

- They have a close personal relationship, they live together;
- One or both of them provides the other with financial support; and
- One of both of them provides the other with domestic support and personal care.

Two people with a close personal relationship who do not meet the above criteria because one or both suffers from a physical, intellectual or psychiatric disability can still be considered to have an interdependent relationship.

If you do not make a nomination, or make an invalid nomination, we will, in our absolute discretion, generally pay your death benefit to one or more of your dependant(s) and/or legal personal representative.

Non-binding death benefit nomination

If you make a non-binding death benefit nomination, the Trustee will take it into account when deciding who to pay your death benefit to. However, your nomination is a guide only and the Trustee has complete discretion in deciding who should receive your death benefit and in what proportions.

Non-lapsing binding death benefit nomination

If you make a binding death nomination we will pay your benefit according to your nomination as long as the nomination is valid at the time of your death.

To make a valid binding nomination:

- You must nominate either a dependant or dependants (as defined) or your legal personal representative;
- Your allocation percentages must add to 100%, otherwise your nomination will be invalid;
- Your nomination must be in writing;
- Your nomination must be signed and dated, in the presence of two witnesses, being persons;
 1. Both of whom have turned 18 years old; and
 2. Neither of whom is mentioned in the nomination;
- Your nomination must contain a declaration signed and dated by the witnesses stating that the nomination was signed by you in their presence.

Important: Binding nominations are non-lapsing. If you wish to change your nomination you must complete a new binding nomination form.

Anti-Detriment Payments

An anti-detriment payment forms part of the total lump sum death benefit and may be paid to the member's spouse, ex-spouse or child (including adult children). Simply put, the payment is a refund of contributions tax that may have been paid by a member over their lifetime.

3. How we invest your money

Your Appointed Financial Adviser

You are required to appoint a financial adviser to provide investment instructions to us on your behalf. By completing the Application Form you will be authorising us to take all investment instructions in relation to your Account in vMAPs Super (**Account**) from your Appointed Financial Adviser on your behalf.

The Responsible Entity of the Ventura Managed Account Portfolios invests in Investment Models in accordance with your instructions. Please see section 1 of this booklet for further details.

Switching

Members may switch their investment between the Investment Models, or alter the combination of Investment Models, at any time. When a switch is requested, investments will be realised as necessary to ensure a Member's account reflects their newly selected Investment Model. Transaction costs such as brokerage fees may apply. Refer to the 'Fees and Costs' section of the PDS for more information.

Your instruction to switch between, or alter, Investment Models will generally be acted upon during the next Rebalancing Date being the day vMAPs buys or sells investments on your behalf (generally the next Business Day) following receipt of such instructions from your Appointed Financial Adviser.

In unusual circumstances outside our control such as the closure or disruption of a relevant stock exchange, investment switches may be suspended for the period that these circumstances prevail.

Important Information when selecting or switching investments

- Each of the Investment Models are accessed via another financial product (being the interest in the Ventura Managed Account Portfolios) for which a separate product disclosure statement (vMAPs PDS) is available.

- The vMAPs PDS is available on the Ventura website at www.venturaFM.com.au.
- There are differences between investing via vMAPs Super and investing in a registered managed investment scheme directly.
- The Trustee must be satisfied that you have received and/or know where to obtain the vMAPs PDS prior to the Trustee making investments in accordance with your selection of Investment Models. This applies to your initial investment in an Investment Model as well as any subsequent monies received for investment in an Investment Model.
- All investments held through the Fund are held in the name of the custodian of the Trustee, not in your name. You do not have a right in relation to, or any interest in, any particular investment of the Fund including your Managed Account.

Calculation of Earnings

The net return achieved by the Investment Model selected by a Member after taking into account gains or losses of a income or capital nature, any applicable expenses or tax, and interest on the cash holdings in respect of a Member, is passed on to the Member. Taxes relating to investment income and capital gains are applied at the Fund level. To the extent practicable, the effect of these taxes is passed on to Members based on the individual investments in their Managed Account, however this may not occur in all circumstances or may be based on reasonable estimates. Members who leave the Fund will not receive the benefit of un-recouped capital losses.

Cash will be held in a bank account or invested in a cash fund selected by us. Any interest or income earned on any cash that is held in respect of your Account will be credited to your Cash Account as and when it is received by us. For more information contact your Appointed Financial Adviser.

The value of a Member's Fund account will reflect the performance of investments attributable to the Member's Managed Account, based on market valuations provided as at the close of business on the previous day. Updated valuations of your Managed Account will generally be available online each Business Day. Income and distributions from investments will be accrued in your cash holding in vMAPs until re-invested in an Investment Model.

What happens if information in the Scheme PDS changes?

The Trustee reserves the right to refuse or delay the investment of further monies in vMAPs or a switching request for whatever reason, including the occurrence of a materially adverse change or materially adverse significant event affecting the information in the vMAPs PDS. Where the Trustee considers that such a refusal or delay is appropriate or necessary, the Trustee accepts no liability for any losses incurred by a Member.

The fees and costs associated with investing in the vMAPs Super are set out in the PDS.

4. How super is taxed

In Australia, superannuation may be taxed at three distinct phases:

- When contributions are made to a superannuation fund;
- On earnings that are generated for or by the superannuation fund; and
- When withdrawals are made from the superannuation environment – whether as a lump sum or a pension.

It is important that you provide your Tax File Number (TFN) when you join vMAPs Super. If you don't supply your TFN, you may have to pay a higher rate of tax on your contributions and withdrawals. We generally do not accept applications without your TFN.

In cases where any tax is deducted from your superannuation contributions or balance, it is forwarded to the ATO.

Tax on Fund Earnings (Accumulation account only)

The earnings in the Fund will be taxed at a maximum rate of 15%, however the rate may be lower than the maximum rate due to tax credits or other tax rebates.

The government allows a number of tax concessions that are unique to the superannuation environment. Further information on these concessions and your eligibility can be obtained from www.ato.gov.au/super or www.moneysmart.gov.au.

Earnings on Pension accounts are not taxed.

5. How to open an account

To open your vMAPs Super Account speak to your financial adviser who will complete the application form online on your behalf. We may need to confirm your identity before we process your application.

Please see page 7 for more information on opening a pension account.

Once your Account has been set up, you will be provided with a link to the member website together with a User ID and password to access it. The first time you log in, you will be required to change this password. By applying for an account you agree to obtain reports electronically. Once your Account is activated, you will be able to access your Account information and view your Account valuations online.

Taxation of death benefits

Where a death benefit is paid to a dependant as a lump sum or pension (regardless of age) the benefit will be tax free. A dependant for taxation purposes is a spouse (including a qualifying de facto spouse of the same or opposite sex), a child under 18 and any other person who was otherwise a dependant or interdependant of the deceased Member. It does not include an adult child aged 18 or more (unless financially dependent or interdependent).

A death benefit paid to a non-dependant can only be paid as a lump sum. In this instance the tax free component (as outlined above) is tax free, whilst the taxable component is taxed at 15%, plus Medicare Levy. Where a non-dependant receives an insurance payout as part of the death benefit, a portion of this amount may be an untaxed element (relating to the future service period of the insurance amount). Any untaxed element of the death benefit will be taxable at the maximum rate of 30%, plus Medicare Levy. Tax on any taxable component may be higher if the Fund does not hold your TFN.

Where a death benefit is received by the legal personal representative of a deceased estate, tax is determined according to who is intended to benefit from the estate.

Confirmations of transactions relating to your Managed Account

By completing the Application Form, you agree that confirmation of transactions involving your Managed Account will be provided to you by means of your Managed Account which you access online using your password.

Your Managed Account will indicate the date and details, including the amount paid for the securities and any associated fees and charges, of each transaction made in respect of your Managed Account.

Subject to any tax file number requirements under the law or as a matter of Trustee policy, the Fund can accept different types of contributions or other amounts on your behalf, including:

- Your own contributions;
- Contributions from your employer (including salary sacrifice contributions);
- Contributions from your spouse; and

- Rollovers or transfers from other acceptable superannuation products.

How contributions can be made

Contributions can be made by any of the following methods:

- Cheque (cheque may only be received with our prior approval)
- Direct transfers from your employer's payroll system (if your employer permits)
- Direct debit from your nominated bank account
- Direct deposit into the Fund's bank account.

Investment by cheque (only by prior arrangement)

Make cheque payable to the Fund: Praemium SuperSMA. Cross the cheque "Not Negotiable".

Send the cheque to:

vMAPs Super
PO Box 322
Collins Street West, Melbourne, Victoria 8007

Investment by Direct Deposit

Your financial adviser will provide you with the account details.

Additional Contributions

Additional contributions will be added to your Account and invested in your Managed Account.

Contributions can be made at any time (Accumulation accounts only) and there is no minimum contribution required, subject to contribution rules and a work test under superannuation legislation (see below for a summary of the contribution rules).

Please confirm the amount of the contribution and the Member for whom the contribution has been made, by sending a message to vMAPs Super at support@praemium.com.au or to:

vMAPs Super
PO Box 322
Collins Street West, Melbourne, Victoria 8007

T: (03) 8622 1222
E: support@praemium.com.au

Note: contribution rules apply to superannuation funds which prevent the Fund accepting or retaining certain contributions. If we do not hold a TFN for a Member, contributions may not be accepted.

6. Other information

Correspondence and regular reports on your account

Annual Member Statement

Each year, you will receive an individual Member statement from the Trustee that outlines your investment as at 30th June. The transactions that will appear on your statement include (where applicable): balance as at previous year, contributions, rollovers, investments earnings (net of relevant fees, costs and taxes), withdrawals, fees, costs and tax paid directly from your cash holding in vMAPs and the Member balance at the end of the year. All Member statements will be sent by post or to your nominated email address unless the Administrator receives written consent to provide a statement by some other mechanism.

Fund Annual Report

Each year, you will receive or have access to a Fund Annual Report that will provide you with information on the management and the financial position of the Fund as at the preceding 30th June relevant to your participation in the Fund. This will be available from our website at www.venturaFM.com.au.

Exit Statement

When you cease to be a member or close a Fund Account, you will also receive an individual exit statement, unless this occurs as a result of your superannuation benefit being paid to the ATO as unclaimed monies of a former temporary resident, at the ATO's request.

Ventura Managed Account Portfolios Reporting

Reports are available online in relation to your Managed Account.

Reporting

There is additional reporting provided in relation to your Managed Account. These reports are issued by Ventura as the Responsible Entity of vMAPs, not the Trustee. All reporting for vMAPs is made available online and applications will only be accepted from persons who agree to receive vMAPs reports through this electronic facility.

vMAPs information that may be available includes:

- Your Managed Account details including a list of your selected Investment Models
- Daily valuations of your account
- A snapshot of your portfolio exposure to each asset class
- Cash account transactions
- Income and expenses relating to your Account
- Investment transactions including trading activity and corporate actions

Valuing your Account

Updated valuations of your Managed Account will generally be available each Business Day. Listed investments will be priced at previous close of market prices.

Professional Indemnity Insurance

The Trustee has a professional indemnity insurance policy to indemnify the Trustee and its Directors in case of certain losses due to a claim against the Trustee. Not all losses are covered by the insurance policy and the extent of any indemnity is subject to the terms of the relevant insurance policy.

Privacy

The privacy of all Members of the Fund is very important to us. Privacy laws require us to make certain disclosures before collecting personal information about applicants and Members.

- Information you provide to the Trustee will be used to administer your membership in this Fund;
- The Trustee may disclose this information to your employer responsible for your sponsorship or to anyone you authorise including your financial adviser;
- We may disclose the personal information to the Responsible Entity of the registered Managed Investment Scheme in which the Fund invests, our service providers, to any superannuation vehicle to which we transfer your interest, to superannuation regulators, to other government bodies (such as **AUSTRAC**), to the family court (if you are involved in a case before it and we are legally required to do so) and as otherwise required by law;
- If you do not provide the requested information, we may not be able to accept your application or administer your investment;
- In most cases, if you so request, we shall give you access to the personal information collected about you;
- Your adviser may provide personal information that they have collected about you to the Trustee if it is relevant to your membership with the Fund;
- You are entitled to know what information we hold about you and to ensure that this information is correct. Our privacy policy contains this information and is available by contacting us; and
- Our privacy policy contains information about how you may complain about a breach of the Australian Privacy Principles.

In assessing your application and managing your membership of the Fund, we may need to disclose your personal information to other parties, such as advisers, the ATO and the Insurers. We will only use information about your nominated dependants in the event of your death.

How you can correct your personal information

If you believe that the personal information we hold about you is inaccurate, incomplete or not up-to-date, please let us know. An easy way to correct personal information about Members is by forwarding a copy of a current driver licence or passport.

Unclaimed Monies

In certain circumstances prescribed under the Superannuation (Unclaimed Money and Lost Members) Act 1999, superannuation benefits must be treated as unclaimed money and paid by the Trustee to the ATO. These circumstances include:

- If we lose contact with you after you reach your pensionable age (65); or
- If you are a former temporary resident whose visa has expired, have departed Australia without claiming your superannuation benefits within 6 months and the ATO issues a notice to the Fund requesting payment.

Unclaimed monies can be claimed directly from the ATO. In the case of former temporary residents this can occur at any time after departing Australia, subject to the payment of applicable tax. Unfortunately, if superannuation benefits are transferred to the ATO as unclaimed monies, they will not attract interest nor will the unclaimed amount retain any associated insurance cover.

The ATO has an unclaimed monies register that can be checked for you. For more information you can contact the ATO on 13 10 20 or go to www.ato.gov.au.

If you are a former temporary resident whose superannuation benefits is transferred to the ATO as unclaimed money, you will not be notified of this or receive an exit statement after the transfers occurs. The Trustee will rely on relief provided by the Australian Securities & Investments Commission (ASIC) Class Order [CO 09/437] which says, in effect, that the trustee of a superannuation fund is not obliged to meet certain disclosure requirements in relation to non-residents that have ceased to hold an interest in the fund as a result of the payment of unclaimed superannuation to the Commissioner of Taxation. If you require any further information, contact the Administrator on (03) 8622 1222.

Please note: The Trustee is also required to transfer other amounts to the ATO including the following Member accounts:

- Lost accounts with balances of less than \$4,000 (or such other amount that is determined by the Government); and
- Lost accounts which have been inactive for a period of 12 months where the Trustee is satisfied, based on the information reasonably available to it, that it will never be able to pay the amount to the account holder.

These amounts may also be claimed from the ATO at any time. The unclaimed money rules are subject to change. For up-to-date information about unclaimed money go to www.ato.gov.au.

Transfers to an Eligible Rollover Fund (Accumulation accounts only)

The Super Money Eligible Rollover Fund (SMERF) (ABN 94 334 023 289) is currently our nominated Eligible Rollover Fund. We may transfer your benefits to this fund if the value of your Account is less than \$4,000 and we are not obliged to forward your balance to the ATO under the unclaimed money laws described above.

If your benefits are transferred into SMERF:

- You will no longer be a member of vMAPs Super and any insurance cover you may have held through us will cease on the date of transfer;
- No further contributions may be made to your Account;
- You will not be able to make contributions to SMERF;
- You will not have any investment choice – the trustee of SMERF will nominate the investment strategy that will apply; and
- The trustee of SMERF must ensure that all benefits are subject to its governing rules and the superannuation law, irrespective of the size of the benefit.

Refer to the SMERF product disclosure statement for more information on SMERF which you should receive shortly after the time that your benefits are transferred.

For further information contact:

SMERF
PO Box A2499
Sydney South NSW 1235

Free call: 1800 114 380
Website: www.smerf.com.au

The Trustee of the vMAPs Super is also the trustee of SMERF and receives remuneration in this capacity.

Closing your account

To close your account, contact your financial adviser. Once we process your account closure request, we will deduct all outstanding fees and other costs from your cash holding. If amounts less than \$50 are subsequently credited to your closed account, we will apply this money for the general benefit of all current members of the fund rather than your closed account.

Tax File Number (TFN)

What you need to know about quoting your TFN

Under the *Superannuation Industry (Supervision) Act 1993 (SIS)*, the Fund is authorised to collect your TFN, which will only be used for lawful purposes.

These purposes may change in the future as a result of legislative change. The Trustee of the Fund may disclose your TFN to another superannuation provider, when your benefits are being transferred, unless you request the Trustee in writing that your TFN not be disclosed to any other superannuation provider.

It is not an offence not to quote your TFN. However giving your TFN to the Fund will have the following advantages (which may not otherwise apply):

- The Fund will be able to accept all types of contributions for you;
- The tax on contributions will not increase;
- Other than the tax that may ordinarily apply, no additional tax will be deducted when you start drawing down your superannuation benefits; and
- It will make it much easier to trace different superannuation accounts in your name so that you receive all your superannuation benefits when you retire.

Important Note: The Trustee requirement is that you must provide your TFN as part of acquiring this superannuation product. We cannot accept your contribution unless we have your TFN.

Anti-Money Laundering and Counter-Terrorism Financing

As a result of Government *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act)*, you may be required to provide proof of your identity prior to being able to access your benefits as a lump sum, called “customer identification and verification” requirements.

These requirements may also be applied by the Trustee from time to time in relation to the administration of your superannuation benefits as required or considered appropriate under the AML/CTF Act. You will be notified of any requirements when applicable. If you do not comply, there may be consequences, for example, a delay in the payment of your benefits.

Under the AML/CTF Act, the Trustee is subject to another regulatory body (called **AUSTRAC**) which has responsibility for the AML/CTF Act. The Trustee is required to provide yearly compliance reports to AUSTRAC and notify AUSTRAC of suspicious transactions. This may involve the provision of personal information about you to AUSTRAC.