



MACQUARIE

Premium Portfolio Service Super and Pension Account Further Information Booklet

Macquarie Private Wealth



Document number PPSSP03

The information contained in this Further Information Booklet (FIB) is incorporated by reference into the Premium Portfolio Service Super and Pension Account Product Disclosure Statement (PDS) and these documents should be read in conjunction with the Technical Information Booklet (TIB) and Investment Menu.

Product Disclosure Statement issued by Macquarie Investment Management Limited ABN 66 002 867 003 AFSL 237492 RSEL L0001281

IN-USE DATE: 30 SEPTEMBER 2017

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Terminology used in this Further Information Booklet: Some of the terms used in this Further Information Booklet have a specific meaning as set out at the back of this document.

Premium Portfolio Service Super and Pension Account is part of a superannuation fund established by way of a trust deed. The trustee for the superannuation fund is Macquarie Investment Management Limited ABN 66 002 867 003 AFSL 237492 RSEL L0001281 (MIML, the Trustee, we, us).

MIML has appointed Bond Street Custodians Limited ABN 57 008 607 065 AFSL 237489 (BSCL) to hold the Fund's investments in custody. BSCL also liaises with the product issuers of those managed investments that appear on the Investment Menu. BSCL and MIML are wholly owned subsidiaries of Macquarie Bank Limited ABN 46 008 583 542 AFSL 237502 (Macquarie Bank, MBL). Macquarie Group means Macquarie Group Limited and its related bodies corporate (as defined in the *Corporations Act*).

Companies named in the Further Information Booklet which is incorporated by reference into the Product Disclosure Statement (PDS) for Premium Portfolio Service Super and Pension Account have given and have not withdrawn their consent to statements by them, or the appearance of statements based on statements by them, in the PDS in the form and context in which they appear.

In deciding whether to acquire or continue to hold an investment, you should consider the PDS. Applications can only be made on the application form contained in the current PDS. The Trustee may change any of the terms and conditions in the PDS with, in the case of certain material changes, 30 days notice to investors. Information in this document that is not materially adverse is subject to change from time to time and may be updated through the website, yourwrap.com.au/pps/superfib. A paper copy of any updated information is available free of charge upon request.

MIML is not an authorised deposit-taking institution for the purpose of the *Banking Act 1959 (Cth)* and MIML's obligations do not represent deposits or liabilities of Macquarie Bank Limited. Macquarie Bank Limited does not guarantee or otherwise provide assurance in respect of the obligations of MIML.

Investments in Premium Portfolio Service Super and Pension Account, other than any holdings in term deposits with Macquarie Bank Limited, are not deposits with or other liabilities of Macquarie Bank Limited nor of any Macquarie Group company, and are subject to investment risk, including possible delays in repayment and loss of income or principal invested. Neither Macquarie Bank Limited, Macquarie Investment Management Limited, nor any other investment managers referred to in the PDS, nor any other member company of the Macquarie Group guarantees the performance of Premium Portfolio Service Super and Pension Account or the repayment of capital from Premium Portfolio Service Super and Pension Account or any particular rate of return of the investments purchased through Premium Portfolio Service Super and Pension Account.

The Macquarie Wrap Cash Account (Cash Account) is a registered managed investment scheme of which MIML is the responsible entity. While units in the Cash Account are not deposits with nor other liabilities of Macquarie Bank Limited nor of any Macquarie Group company, the assets of the Cash Account are invested in deposits with Macquarie Bank Limited.

Investments in the Cash Account are not deposits with or other liabilities of Macquarie Bank Limited nor of any Macquarie Group company, and are subject to investment risk, including possible delays in repayment and loss of income or principal invested. Neither Macquarie Bank Limited, MIML nor any other member company of the Macquarie Group guarantees the performance of the Cash Account or the repayment of capital from the Cash Account or any particular rate of return of the Cash Account.

This offer is only available to people receiving the PDS (electronically or otherwise) within Australia.

The information contained in this document is general information only. We have not taken into account your objectives, financial situation or needs. You should consider the appropriateness of the information in this document, taking into account your objectives, financial situation and needs, before acting on any information in this document. You should obtain the relevant PDS for a financial product before making any decision about whether to acquire that financial product.

Your adviser – You choose and appoint your own adviser but they must be registered with the trustee and agree to the conditions applicable to them.

Macquarie Equities Limited ABN 41 002 574 923 AFSL 237 504 (MEL) is the facilitator of the Premium Portfolio Service Super and Pension Account. MEL promotes and distributes the Premium Portfolio Service Super and Pension Account.

MEL's only role in relation to the Premium Portfolio Service Super and Pension Account is to act as facilitator for contributions, rollovers to, withdrawals from and reports by the Premium Portfolio Service Super and Pension Account. They will also provide advice in relation to your account.

MEL is not responsible for issuing the PDS. They consent to being named in the PDS but take no responsibility for any other part of the PDS.

MIML is a member of the Financial Services Council (FSC). FSC member companies must comply with standards set by the association, which are primarily designed to inform investors.

Adding to your account

Your first investment

To open your account, you are required to complete and sign the application form.

Your first investment, comprising either a single or several payments, must meet the minimum initial investment requirement of \$100,000.

Contributions

To make or receive contributions into your superannuation account, you must meet certain conditions. The contribution acceptance rules are outlined in the Technical Information Booklet (TIB).

If the contribution is a personal contribution that you intend to claim as a tax deduction, please refer to the *Claiming tax deductions for your contributions* section for more information.

We are required to report employer contributions to the Australian Prudential Regulation Authority (APRA) as one of three employer contribution types:

- **Employer Superannuation Guarantee:** compulsory employer contributions as part of the employer's Superannuation Guarantee requirements
- **Employer Salary Sacrifice:** additional contributions made from the employee's pre-tax income
- **Employer Other:** contributions made as part of an award or additional employer contributions above mandated amounts.

Your employer is required to nominate one of the above contribution types when making an employer contribution into your account. Where an employer contribution is received and the type is not nominated, it will be recorded as an Employer Superannuation Guarantee contribution.

Please note: That there is no change to the way employer contributions are reported to the Australian Taxation Office (ATO) by us or the way employer contributions are displayed in our reporting to you.

All contributions, excluding those made by the transfer of existing assets, will be credited to your Cash Account. Additional contributions can be made to your account via one or more of the following methods.

BPAY® (Super only)

Contribution can be made by selecting the BPAY® option from an internet or telephone banking service and following the instructions to enter the appropriate biller code based on the type of contribution being made (see list below), your reference number and the contribution amount.

Your 10 digit reference number can be found on your member statement, your Account Details report on ClientView or is available from your adviser. Your reference number is not your account number.



Premium Portfolio Service Super Account biller codes

Personal:	423004
Employer Super Guarantee:	423012
Employer Salary Sacrifice:	219022
Employer Other:	219030
Spouse:	423020

Contributions will generally be credited to your Cash Account on the second Sydney Business Day following the payment. If you are making a personal contribution that you intend to claim as a tax deduction, please refer to the *Claiming tax deductions for your contributions* section. Using an incorrect reference number or biller code may result in delays in processing. We are unable to accept rollovers by BPAY®.

Direct debit (Super only)

You, your spouse or your employer can make regular contributions by completing the Direct debit request form available on ClientView or from your adviser. We will debit an amount selected by you or your employer (a minimum of \$250) from the bank or building society account nominated on the form at the chosen frequency.

Where the account debited is not in your name, we may require additional documentation to identify that account in relation to you.

You must notify us if you cease to be eligible to make contributions (see the section *Acceptance of superannuation contributions* in *Contributing into superannuation* in the TIB).

Your contributions will be deducted on or shortly after the 8th of the relevant month(s) and credited to your Cash Account generally on the second Sydney Business Day following the deduction. You can choose to have contributions made via direct debit either:

- once only at the time of account opening
- monthly
- quarterly in March, June, September and December
- half-yearly in June and December, or
- annually in June.

Cancelling a direct debit

You can cancel your direct debit at any time without penalty. Please give us 14 days notice in writing and notify us before the 24th day of the month to make the cancellation of your direct debit effective in the following month. Your direct debit will automatically cease if:

- your account is closed
- you do not make at least one direct debit contribution in every twelve month period
- three direct debits are rejected in a twelve month period, or
- you have reached age 65 and have not met the work test or you have otherwise become ineligible to contribute.

We reserve the right to modify or cancel the direct debit at any time; for example, where you have had three or more dishonoured payments. Where your direct debit is modified or cancelled and your account still open, we will first give you 14 days notice in writing or contact your adviser.

Direct deposit (Super only)

You, your spouse or your employer can arrange to make one-off transfers from an Australian bank or building society account into your Cash Account. This differs from direct debits because you are crediting funds from your external account, as opposed to us withdrawing from it. Direct deposits will generally be credited within two Business Days of the transfer.

Please note: You are only able to elect one contribution type (either personal, employer Superannuation Guarantee, employer salary sacrifice, employer other, or spouse) for your direct deposit facility. Other contribution types can be contributed via BPAY®. If you are making a personal contribution that you intend to claim as a tax deduction, please refer to the *Claiming tax deductions for your contributions* section.

We are unable to accept rollovers by direct deposit.

Cheque

Cheques should be made payable to:

**Premium Portfolio Service Super Account
(full account name) or**

**Premium Portfolio Service Pension Account
(full account name)**

Cheques should be accompanied by either a new application or an Additional investment form and be sent to us.

Cheque contributions will be treated and recorded by us according to the contribution type nominated on the *Additional investment* form (see *Types of contributions and payments* in the TIB). If you do not specify the contribution type, processing of your contribution may be delayed and there may be taxation consequences. If the contribution is a personal contribution that you intend to claim as a tax deduction, you must indicate the amount you would like to claim using a deduction notice in an ATO approved format.

Cheques take approximately three Business Days to clear and must be cleared before your selected investments can be purchased.

Contributions made with managed investments and/or listed securities (in-specie contributions)

You may transfer Australian listed securities and available managed investments that you already own into your account, subject to superannuation law requirements. This is referred to as an in-specie contribution.

We accept in-specie contributions made as either personal (whether non-concessional or concessional) or spouse contributions, but not as employer contributions.

The transfer of investments from your own name to superannuation is generally a capital gains tax event and there may be tax consequences. We recommend that you seek professional tax advice that will consider your individual circumstances.

Stamp duty may be payable on the transfer of certain managed investments.

There must be sufficient cash contributed to meet the minimum cash balance and fees, taxes and other costs.

We are unable to accept contributions by way of a transfer of term deposits into your account.

Rollovers

If you are rolling over your existing superannuation investments, you should also complete the *Rollover authority* form.

Your existing superannuation fund may require additional documentation. Please contact them for these requirements and include any necessary paperwork with the *Rollover authority* form.

Rollovers by cheque

Cheques should be made payable to:

**Premium Portfolio Service Super Account
(full account name) or**

**Premium Portfolio Service Pension Account
(full account name)**

Cheques take approximately three Business Days to clear and must be cleared before your selected investments can be purchased.

All cheque rollovers will be credited directly to your Cash Account.

Electronic processing of rollovers and contributions

The Fund meets the data and payment standard required to process rollovers and contributions electronically. This means that information about your contributions will pass electronically from your employer to us.

Rollovers with managed investments and/or listed securities

You may transfer Australian listed securities and managed investments from another superannuation fund into your account, subject to superannuation law requirements. This is referred to as an in-specie rollover. Refer to the *Contributions made with managed investments and/or listed securities* section for further details. A *Rollover authority* form is not required when rolling in managed investments or listed securities.

Transferring assets from another superannuation fund is generally a capital gains tax event and there may be tax consequences. We recommend that you seek professional tax advice that will consider your individual circumstances.

Stamp duty may be payable on the transfer of certain managed investments.

Claiming tax deductions for your contributions

There are a number of conditions that you must meet in order to be eligible to claim a tax deduction for your personal contributions. Your eligibility can be affected by your age, sources of income and the level of any salary sacrifice and certain other employer contributions made for you. In addition, you must give a notice of intent to claim a tax deduction to the Trustee of your fund within certain timeframes.

If you are eligible and intend to claim a deduction for some or all of your personal contributions, you are required to notify us in an ATO approved format. You can do this by completing either a new application form (for initial contributions), the *Additional investment* form (for an additional contribution via cheque) or a *Deduction notice for personal contributions* form (for personal contributions made by other means). Once you have submitted a completed notice and, subject to us being able to accept the notice under tax law, the applicable contributions tax will be deducted from your account and we will send you an acknowledgement of your notice.

All personal contributions made by direct debit, direct deposit and BPAY®, will be processed initially as non-concessional contributions until you submit a valid deduction notice.

To claim a tax deduction, you must submit a deduction notice before:

- you lodge your income tax return (for the year in which the contribution was made), and
- the end of the financial year following that in which the contribution was made.

In addition, a deduction notice for personal contributions will be invalid and will not be able to be accepted by us if:

- all or part of the contribution has been covered by an earlier notice
- at the time you submit the notice, you have ceased to be a member of the Fund
- at the time you submit the notice, we no longer hold the contributions (including where you have withdrawn or rolled over – in full or part – from your account after making the contributions)
- at the time you submit the notice, you have commenced a pension based in whole or part on the contributions (including where you have partially transferred your account balance to a pension account after making the contributions), or
- you have applied to split the contributions with your spouse (and we have accepted your application).

You may vary an earlier notice in certain circumstances but only so as to reduce the amount you intend to claim as a tax deduction (including to nil). In order to vary an earlier notice, you must also notify us in an ATO approved format (which you can do by using the *Deduction notice for personal contributions* form). It is important to note that a variation must generally be lodged within the same timeframes as a deduction notice itself and we will be unable to accept a variation to an earlier notice in any of the circumstances listed above.

Please note: You must have sufficient available cash to allow us to process the deduction notice.

We suggest that you obtain professional tax advice if you are considering claiming a deduction for your contributions. Further details about the tax treatment of personal deductible contributions are available in the *Taxation* section.

Dishonoured contributions

If a direct debit or a cheque is dishonoured, you authorise us to:

- pass on to you any fees associated with the dishonour. These will be deducted from your Cash Account, and
- correct your account details to reflect the amount of the contribution that was dishonoured.

Investments into a pension account

Eligibility to invest in a pension

Generally, you can only roll over unrestricted non-preserved amounts into a pension account.

However, if you have reached your preservation age, you may elect to commence an account-based pension using preserved or restricted non-preserved amounts, known as a transition to retirement pension. Particular restrictions apply to withdrawals until you retire or meet another condition of release. Please refer to *Pension payments* section for more information about these restrictions.

Your pension application

You must include details of all amounts with which you wish to commence your pension on your pension application form.

This includes:

- amounts you may wish to transfer from an existing account within the Fund
- any new contributions, and
- any amounts you wish to roll over from other superannuation funds.

These amounts will form the capital to support your pension.¹ Any amounts that are not identified in your application cannot be applied to commence your pension. If you wish to commence a pension based in whole or in part on a new contribution, we will open a new Super account to accept the contribution (and deduct contributions tax where applicable). This account will be operated only for the purpose of receiving super contributions, transfers and rollovers used as capital to commence your Pension account. Once all amounts have been received and transferred to your Pension account, this Super account will be closed. You will not be able to access any benefit directly from the new Super account.

If you plan to commence a pension based in whole or part on personal contributions that you intend to claim as a tax deduction, you must ensure that you have submitted a deduction notice for these contributions before (or at the time of) applying to commence a pension. After this time, a deduction notice for these contributions will not be accepted or varied under any circumstances.

Establishing your pension

We will establish your Pension account as soon as practicable after we have accepted your application.

If your pension will be wholly or partially based on rollover amounts, it is important that you arrange for the payment of them to us as soon as possible as they will be included in the capital applied to support your pension.¹

Pension payments will generally not commence until all contributions and rollovers identified on your application form have been received by us. However, if we have not received all of those amounts in sufficient time for us to make the first financial year's required payment (generally on or before 15th June in the financial year), we will calculate your pension based on the amounts we have received up to that time and commence making your pension payments.² The capital supporting your pension will then only include the amounts received by us and no further contributions or rollover amounts can be added to it.

Under the Trust Deed, we have the power (as Trustee) to commute your pension and apply the commuted amount to a new pension for you from the Fund. Generally, we would only do so if we considered it necessary for administrative, regulatory or tax purposes and, in any event, we would notify you before we did so.

Pension Update functionality

You are able to commute an existing pension and combine the proceeds with additional superannuation monies to commence a new pension within your existing Pension account. Your account number, personal details and transaction history will be retained.

This can be requested using the *Pension Update Request* form, available from your adviser.

Please note: The minimum additional funds that need to be added to the new pension using the Pension Update functionality is \$500.

¹ If you wish to commence a pension based in whole or part on a rollover that includes an untaxed element, tax will be deducted on this element upon receipt of it by us at the rate of 15 per cent so that the amount included in the capital to support your pension will be net of tax.

² If we receive your first application amount in June of a financial year, you are not required to receive a pension payment in that financial year.

Overseas transfer arrangements

Investments from the United Kingdom

UK transfer amounts must be paid into a fund that is a Qualified Recognised Overseas Pension Scheme (QROPS). The Fund no longer meets the requirements to be a QROPS.

If you transfer UK benefits to a fund that is not a QROPS, or withdraw benefits that include a UK transfer amount, you may incur tax penalties in the UK. You are personally liable for any UK tax charge that relates to these amounts. You should consult your adviser whether this may apply to you. QROPS and former QROPS funds must satisfy certain UK legislative requirements to report specific information to Her Majesty's Revenue and Customs (HMRC) Office in the UK in respect of certain individuals who have transferred UK transfer amounts to the Fund. In order to meet those requirements, we will need you to provide us with your UK National Insurance Number.

Investments from other countries

Contributions or transfers received in foreign currency, or in Australian dollars from an overseas financial institution may be subject to delays in settlement and clearance. Please note that we may be unable to process your application until you have completed, and we have received, all relevant application requirements, including your cleared contribution or transfer in Australian dollars. It may be important for your own taxation purposes (under Australian or foreign law) to ensure that transfers are completed and amounts received by us within a particular financial year. Speak to your adviser for more information.

Incidental fees may apply to foreign currency amounts invested into your account. In limited circumstances, we may be able to arrange currency conversion, which will take place at market rates.

Transferring a tax liability to the Fund

In some cases, you may elect to transfer all or part of your personal Australian tax liability in respect of a transfer of benefits from a foreign superannuation fund to the Fund. In order to make this tax election, you must no longer have an interest in the foreign superannuation fund immediately after the transfer is received by the Fund and you need to complete a *Choice to have your Australian fund pay tax on a foreign super transfer* form (available from your adviser) which we require within either 30 days of the overseas transfer being received by the Fund or (if applicable) prior to the commencement of a pension, whichever is earlier. It is important to be aware that once the choice is made to transfer a tax liability to the Fund it cannot be varied or revoked.

Application money held in trust

We will only open your account once you have satisfied our application requirements including the identification requirements set down in the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (AML/CTF Laws) and/or Macquarie internal policies and procedures.

If our application requirements have not been met, we can hold your application money for a period not usually exceeding 30 days. During that time, you will not be issued with an interest in the Fund and your application money will not be earning interest for you.

If, by the end of that time, our application requirements remain incomplete, we will return your application money to the sender.

Investment selection

We have formulated a range of investment strategies and selected Eligible Investments appropriate to those strategies. In selecting these, we consider a number of factors as required by superannuation law (including the investment's risk and likely return, diversification, liquidity, costs and the use of derivatives).

You can spread your account across an extensive range of investment options and investment managers. Generally, the investment options fall into these investment strategies:

Investment strategy	Sub-strategy
Sector specific	
Cash	
Enhanced cash	
Australian fixed interest	<ul style="list-style-type: none"> • Term deposits • Annuities • Sector specific <ul style="list-style-type: none"> • Enhanced • Specialist • Diversified
Global fixed interest	<ul style="list-style-type: none"> • Sector specific • Enhanced <ul style="list-style-type: none"> • Specialist • Diversified
Australian property	<ul style="list-style-type: none"> • Listed • Unlisted • Diversified
Global property	<ul style="list-style-type: none"> • Listed • Unlisted • Diversified
Australian shares	<ul style="list-style-type: none"> • Index • Small cap • Sector specific <ul style="list-style-type: none"> • Unlisted • Specialist • Diversified
Global shares	<ul style="list-style-type: none"> • Index • Diversified
Specialised global shares	<ul style="list-style-type: none"> • Sector specific • Specialist • Unlisted
Alternative investments	<ul style="list-style-type: none"> • Absolute return • Commodities • Real assets <ul style="list-style-type: none"> • Insurance • Diversified
Listed securities	
Australian listed securities*	<ul style="list-style-type: none"> • Common shares • Listed company options • Listed warrants and hybrid securities • Share rights • ETFs/LITs/LICs • Listed property investments
Multi-sector	
<ul style="list-style-type: none"> • Conservative • Balanced • Growth 	

* The Trustee may categorise selected listed securities such as Exchange Traded Funds (ETFs), Listed Investment Trusts (LITs), Listed Investment Companies (LICs) and Listed Property investments to another investment strategy where such investment strategy is more consistent with the underlying investment characteristics of the security.

Your adviser is able to provide you with the Investment Menu. You may request a copy of the Investment Menu from us at any time, without charge.

You must read the PDS associated with the managed investments including SMAs you are considering, they will be provided by your adviser free of charge.

About the investment strategies

Social and ethical considerations

We do not take into account labour standards or environmental, social or ethical considerations in the selection, retention or realisation of Eligible Investments. In some circumstances we may consider these issues, but no specific methodology is applied.

Product issuers of the individual managed investments including SMAs may have their own policies on the extent, if any, to which these considerations are taken into account when making investment decisions. Any such policy will be referred to in the PDS for the managed investment or SMA.

Addition and removal of investment strategies and options

Our Investment Menu is likely to vary over time where we believe such changes are consistent with the best interests of members.

We may, at our discretion:

- add investment options to the Investment Menu
- remove investments from the Investment Menu (in which case we may redeem any existing holdings with the proceeds paid to your Cash Account), or
- not allow any further additions into the investment option for any member or for any member who does not currently have an investment in that investment option.

Where possible, to allow you and your adviser time to adjust to variations to the Investment Menu, we will give advance notice of such a variation affecting your investment and the choice of retaining or disposing of that investment.

However, advance notice and the choice to retain or dispose of the investment may not be possible in all circumstances. Accordingly, we reserve the right to change the Investment Menu with immediate effect, without notice. Your adviser will assist you in determining what you should do in these circumstances.

In adding investments to, or removing investments from the Investment Menu, we have not taken into account your personal financial situation, needs or objectives.

In certain circumstances, and as required by the trust deed, we may be required to remove Eligible Investments from the Investment Menu. In these instances, we may no longer permit you to invest into the relevant asset and we may sell any existing holdings to cash.

How does diversification help reduce risk?

Diversification can be achieved by choosing to spread your investment across different investment types, strategies and sub-strategies in order to reduce risk.

Diversifying your investment across a broad range of asset classes may smooth returns while still providing the opportunity for capital growth. An easy way to achieve diversification is to invest in multi-sector managed investments, where you gain exposure to a range of securities in different asset classes. Your adviser will be able to recommend an investment strategy to suit your goals and risk tolerance.

The diversity of assets within some managed investments generally helps to reduce risk and produce more consistent returns than investing directly in a single asset. You should read the relevant PDS which must be provided by your adviser prior to placing any managed investment orders. Investing in Australian listed securities may expose you to more risk than investing in managed investments because returns from single securities can fluctuate significantly over time.

It is possible to diversify your investments across a range of other features, including market sector, geographic region and product issuer. A lack of diversification can lead to increased risk, including reductions of your retirement savings.

What factors can affect your returns?

Over short periods of time, the returns from most investments can fluctuate significantly. Returns can be affected by a number of factors including, but not limited to, market volatility, company specific events, interest rates, economic cycles, political events and levels of economic growth (global and country specific). No one can be certain of the impact of these factors in the future and therefore no one can accurately predict the level of investment returns.

Past performance

Past performance information for each managed investment is generally available in the respective PDS. These are available on ClientView or from your adviser. It is important to remember that:

- past performance is no indication of future performance
- your investment is not guaranteed by the Trustee (refer to the *Frequently asked questions* section for details on the Government guarantee on deposits), and
- the value of your investments can rise and fall.

Investment strategies

This section outlines the general characteristics of the investment strategies available. You may choose investments from these strategies. The details of a particular investment may vary from the information below.

To gain a better understanding of a specific investment you should also read the PDS for that investment. Risks and returns provided in the table below are indicative of the relative risks and returns for these investment strategies. For further information you should refer to the section on investment risk and the relevant PDS for each investment.

Australian listed securities do not have a PDS. You should discuss the risks associated with these investments with your adviser.

Investment strategy	Cash	Enhanced cash	Australian fixed interest
Objective	Aims to achieve returns over the short-term with a high level of capital security.	Aims to achieve returns over the short-term with a medium to high level of capital security.	Aims to achieve returns via income and capital growth over the medium to long-term with a high to medium level of capital security.
Strategy	Exposure to short-term money market securities and fixed interest securities with maturities of less than 12 months.	Exposure to short-term money market securities and fixed interest securities with maturities that can be greater than 12 months.	Exposure to money market securities and fixed interest securities, both long and short-term, of Australian governments, semi-government, companies and asset backed securities.
Target return (% pa)	4.0% to 5.5%	4.0% to 5.5%	4.0% to 6.0%
Target risk (% pa)	1.0% to 1.5%	1.5% to 4.5%	3.5% to 5.0%
Standard Risk Measure (SRM) range	1	1 to 4	1 [^] , 3 to 4
Suggested minimum timeframe	No minimum	2 years	2 years
Sub strategy	N/A	N/A	<ul style="list-style-type: none"> • Term deposits • Annuities • Sector specific • Enhanced • Specialist • Diversified

[^] Term deposits and Annuities are assigned an SRM of 1.

Investment strategy	Global fixed interest	Australian property	Global property
Objective	Aims to achieve returns over the medium to long-term via income and capital growth with a medium to low level of capital security.	Aims to achieve returns over a medium to long-term via income and capital growth with a medium to low level of capital security.	Aims to achieve returns over a medium to long-term via income and capital growth with a medium to a low level of capital security.
Strategy	Exposure to money market securities and fixed interest securities, both long and short-term, of global government, semi-government, companies and asset backed securities.	Exposure to Australian property equity, in listed, unlisted and direct forms.	Exposure to global property equity, in listed, unlisted and direct forms.
Target return (% pa)	4.0% to 6.5%	6.5% to 9.0%	7.0% to 8.5%
Target risk (% pa)	4.0% to 6.0%	8.5% to 18.0%	8.5% to 18.0%
SRM range	4 to 5	5 to 7	5 to 7
Suggested minimum timeframe	3 years	6 years	6 years
Sub strategy	<ul style="list-style-type: none"> • Sector specific • Enhanced • Specialist • Diversified 	<ul style="list-style-type: none"> • Listed • Unlisted • Diversified 	<ul style="list-style-type: none"> • Listed • Unlisted • Diversified

Investment strategy	Australian shares	Global shares	Specialised global shares
Objective	Aims to achieve returns over a medium to long-term via income and capital growth with a low level of capital security.	Aims to achieve returns over a medium to long-term via income and capital growth with a low level of capital security.	Aims to achieve returns over a medium to long-term via income and capital growth with a low level of capital security.
Strategy	Exposure to equity of Australian companies, via shares and other securities primarily listed on the ASX.	Exposure to equity of global companies, via shares and other securities primarily listed on approved exchanges.	Exposure to equity of global companies, via shares and other securities primarily listed on approved exchanges. Investments may focus on specific sectors, themes, countries or regions.
Target return (% pa)	7.0% to 9.0%	7.0% to 9.5%	6.5% to 9.5%
Target risk (% pa)	15.5% to 20.5%	11.5% to 19.5%	10.0% to 22.0%
SRM range	6 to 7	6 to 7	6 to 7
Suggested minimum timeframe	7 years	6 years	8 years
Sub strategy	<ul style="list-style-type: none"> • Index • Small cap • Specialist • Unlisted • Sector specific • Diversified 	<ul style="list-style-type: none"> • Index • Diversified 	<ul style="list-style-type: none"> • Sector specific • Specialist • Unlisted

Investment strategy	Alternative investments	Australian listed securities
Objective	Aims to achieve returns over a medium to long-term via income and capital growth with a medium to low level of capital security.	Aims to achieve returns over a medium to long-term via income and capital growth with a low level of capital security.
Strategy	Exposure to a wide range of investments, including but not limited to shares, bonds, property, funds, futures, options, commodities, insurance contracts and derivatives. Returns will be driven by factors other than traditional asset class exposure.	Exposure to securities primarily listed on the ASX or expected to be listed.
Target return (% pa)	4.0% to 11.0%	7.0% to 9.0% [§]
Target risk (% pa)	6.5% to 24.0%	15.5% to 23.6% [§]
SRM range	4 to 7	6 to 7*
Suggested minimum timeframe	11 years	9 years
Sub strategy	<ul style="list-style-type: none"> • Absolute return • Commodities • Real assets • Insurance • Diversified 	<ul style="list-style-type: none"> • Common shares • Listed company options • Listed warrants and hybrid securities • Share rights • ETFs/LITs/LICs[†] • Listed property investments[†]

[§] Range assumes a diversified investment portfolio.

* Please refer to the *Standard Risk Measure (SRM)* section of the PDS for more information.

[†] The Trustee may categorise selected listed securities such as ETFs, LITs, LICs and Listed Property investments to another investment strategy where such investment strategy is more consistent with the underlying investment characteristics of the security.

Investment strategy	Conservative	Balanced	Growth
Objective	Aims to achieve returns over the short to medium-term via income and capital growth with a medium to high level of capital security.	Aims to achieve returns over the medium to long-term via income and capital growth with a medium to low level of capital security.	Aims to achieve returns over the long-term via income and capital growth with a low level of capital security.
Strategy	A diversified mix of income assets such as money market, and fixed interest securities, and growth assets such as property and shares. The weighting to growth assets will generally not exceed 33%. May include absolute return, private equity and other alternative investments.	A diversified mix of income assets such as money market, and fixed interest securities, and growth assets such as property and shares. The weighting to growth assets will generally fall between 33% and 67%. May include absolute return, private equity and other alternative investments.	A diversified mix of income assets such as money market, and fixed interest securities, and growth assets such as property and shares. The weighting to growth assets will generally exceed 67%. May include absolute return, private equity and other alternative investments.
Target return (% pa)	5.5% to 8.0%	6.5% to 9.0%	7.5% to 9.5%
Target risk (% pa)	3.5% to 6.0%	5.0% to 12.0%	10.0% to 14.5%
SRM Range	3	4 to 6	6
Suggested minimum timeframe	2 years	5 years	6 years
Sub strategy	Not applicable	Not applicable	Not applicable

Target risk and return

The target return is a long-term expected return per annum for an investment in a particular strategy. The target risk is a measure of the expected volatility¹ of such return over time, the higher the volatility the higher the expected variability of the return from year to year.

The Trustee assigns a target risk and return for each investment strategy based on forward looking long-term asset class risk and return expectations. These are used to evaluate potential investments offered under each strategy and to monitor the performance of such investments. The actual risk and return of different investments within the same investment strategy can vary significantly from time to time and may fall outside the target risk and return for the relevant investment strategy.

Target risk and returns for each strategy are reviewed by the Trustee periodically and may change accordingly. At its discretion the Trustee may also reclassify individual investments between investment strategies to better align them to the target risk and returns of their respective investment strategies.

Risk and return targets are not forecasts and are not guaranteed.

Investment limits

Given the importance of diversification and consistent with our obligations under superannuation law, we have implemented limits when you purchase certain Eligible Investments that are available through Premium Portfolio Service Super and Pension Account. These limits are designed to reduce the potential for large losses by encouraging diversification and adequate liquidity to meet payments.

Please note: Limits do not eliminate the risk of large losses or insufficient liquidity. We will advise you and your adviser at least annually if you are outside these limits.

We may change our limits on investments and may also place additional limits upon individual investments within each investment strategy at any time. If we determine that our suggested investment limits are to be amended we will endeavour to provide you and/or your adviser with advance notice of the change; however, this may not be possible in all circumstances.

Monitoring of limits

The Trustee undertakes to monitor the investment limits at least annually and we will inform you and your adviser where your investments are outside the investment limits. We are not responsible for any liability or loss incurred by you in the event that you or your adviser does not take any action to maintain your investments within the investment limits.

How the limits are applied

The investment limits are designed with reference to all investment options available within the Fund itself and do not consider your personal financial circumstances. The investment limits are taken into account at the time you purchase Eligible Investments online through Premium Portfolio Service.

Where a requested transaction will result in your investment holding moving outside an approved limit, your transaction may be rejected by the Trustee. However, there may be limited circumstances in which the Trustee does not enforce the investment limits, such as, where investments are transferred into the Fund in-specie or where some automated transactions (such as dollar cost averaging or automatic rebalancing) are processed. We will notify you and your adviser on a periodic basis, at least annually, if your superannuation account is exceeding the investment limits. You acknowledge that is the sole responsibility of you and your adviser to ensure your superannuation account's investment mix remains consistent with your chosen investment strategies and risk tolerance.

What are the investment limits?

The investment limits applied to individual Eligible Investments are contained within the Investment Menu and are subject to change from time to time at the discretion of the Trustee. The Trustee overrides or imposes limits additional to those described below where it believes this is consistent with the best interest of members. The full list of investment limits is available free of charge on our website at yourwrap.com.au/pps/supermenu and through bulletins provided to advisers.

Investment type		Maximum of your balance that can be invested
Australian listed securities		
Any single Australian listed security	Any security within the S&P/ASX 100 index	25% (per security)
	Any security within the S&P/ASX 200 index (and not in the S&P/ASX 100 index)	15% (per security)
	Any security outside the S&P/ASX 200 index	10% (per security)
Aggregate Australian listed security limits	All securities outside the S&P/ASX 200 index	40% (in total)
	All securities outside the S&P/ASX 300 index	20% (in total)
	All securities in any single S&P/ASX Global Industry Classification System (GICS) industry group	50% (in total)
	All options and warrants	25% (in total)
	All securities outside the S&P All Ordinaries index with insufficient liquidity ¹	0% (in total)
Managed investments		
Any single managed investment	Moderately diversified investments ²	50% (per investment)
	Non-diversified investments ³	10% (per investment)
All Eligible Investments		
Aggregate Eligible Investment limits	Investments with, or greater potential for, limited liquidity ⁴	40% (in total)

Please note: No limits apply to investment in the Cash Account or term deposits.

Where applicable, ASX listed securities are classified in accordance with the definitions of the exchange. The value of options, warrants and hybrids (or equivalents) related to a different listed security or managed investment, may be added to the value of such related investment for the assessment of investment limits.

In some instances Australian listed securities may be treated as a “managed investment” for the purposes of applying the investment limits where the Trustee deems this to be more consistent with the underlying investment characteristics of the security (mostly applicable to ETFs, LITs, LICs or listed property investments).

¹ Australian listed securities with a 180 day average total trading value of less than AUD \$100,000 unless market maker support or off market liquidity is available to the satisfaction of the Trustee.

² As assessed by the Trustee from time to time relative to its investment strategy. For example sector, region or theme specific investments within the Australian shares investment strategy.

³ As assessed by the Trustee from time to time relative to its investment strategy. For example concentrated direct property, single currency, single commodity or otherwise concentrated investments relative to their particular investment strategy.

⁴ As assessed by the Trustee from time to time. Australian listed securities with a 180 day average total trading value of less than AUD \$100,000 unless market maker support or off market liquidity is available to the satisfaction of the Trustee. Managed investments with suspended redemptions, periodic redemption facilities or where the underlying assets heighten the potential of portfolio-wide liquidity restrictions.

Your investment instructions

The Investment instructions we receive will depend on the arrangement you have with your nominated adviser. Your adviser may ask you to complete a transaction authorisation or standing instruction and will carry out your instructions on your behalf subject to your adviser arrangement. If you cannot contact your adviser, you must give us written and signed instructions, provided that you have received the relevant PDS and other disclosure documents for these investments. These instructions can be faxed, subject to the *Fax and electronic instruction service* requirements.

Subject to your adviser arrangement, instructions will be acted on and effected as soon as practicable but there is no obligation to do so by any particular time, nor any obligation to enquire whether they are genuine or proper. In certain circumstances your assets can be realised without obtaining your instructions, with the proceeds paid to your Cash Account; for example, if your managed investment holding has dropped below the minimum requirement. You are responsible for any associated fees.

We will act on all instructions from your adviser or directly from you except in limited circumstances, including if:

- we suspect that you or your adviser are in breach of the terms of the PDS
- the authenticity of the instruction is in doubt
- your instructions are unclear
- following the instructions is contrary to the law or relevant policy
- you do not have sufficient available cash in your Cash Account to carry out the instruction
- either your account and/or Cash Account would fall below the minimum balance (or in certain circumstances, your investment would exceed the investment limits) if the instructions were carried out
- you do not have sufficient investment holdings for us to carry out the instruction
- acting on them would be impracticable or would breach relevant market practice, or
- the instruction would result in the custodian holding a security that is not on the Fund's approved Investment Menu.

The Trustee will only invest in an investment option as directed by you or your adviser subject to the investment limits. The Trustee will only sell an investment option as directed by you unless the sale is required to ensure you have the minimum balance required in the Cash Account, the investment option is removed from the Investment Menu the redemption is required to pay for costs or expenses (eg tax or insurance premiums), for minimum pension payment requirements or if a corporate action will result in you having an investment that is not on the investment menu. If we redeem your investments without you or your advisers' instructions, we will redeem investments in the following order:

- daily transacting managed investment(s)
- non-daily transacting managed investment(s)
- Australian listed securities
- term deposits.

Accordingly, you bear the risk of your investment directions and the Trustee is, to the extent permitted by law, exempted from liability for any loss you sustain.

The Cash Account

Your Cash Account will be used to:

- credit all cash contributions and rollovers
- buy and sell investments
- receive income from investments, and
- pay any fees, taxes and charges related to your account.

You authorise us to debit your Cash Account with all fees and taxes relating to your account and to pay fees and charges to the person or entity entitled to them (including us and our associates). We can suspend services to you if they remain unpaid.

Holding sufficient cash

Before transacting on your account, you must have sufficient available cash in your Cash Account. If you sell assets within your account, the proceeds cannot be used for another transaction or withdrawal until settlement occurs and the proceeds are cleared in your Cash Account. If you transact on your account with insufficient available cash, the transaction may be rejected. Where a transaction is rejected for a listed security, you will be charged a fail trade fee. In some circumstances a trade for a listed security (where there is insufficient available cash in your Cash Account) will be funded through the disposal of any managed investment(s) you hold.

If there is insufficient available cash in your Cash Account to meet any minimum pension payments, fees and/or costs, pending transactions in Australian listed securities or if the available cash in your Cash Account drops below \$1,000, we reserve the right to sell down your investment holdings to meet those payments and replenish your Cash Account to a balance of at least \$2,500.

In these circumstances, money will be drawn from the following investments, starting with the highest balance, in the following order:

- daily transacting managed investment(s)
- non-daily transacting managed investment(s)
- Australian listed securities
- term deposits.

The Macquarie Wrap Cash Account is issued by MIML. For more information on the Cash Account, refer to the *Understanding your investments* section in the PDS.

Managed investments

Your adviser (on your behalf) will buy, sell or switch managed investments (including SMAs) online. Product issuers have different rules relating to when applications and withdrawals will be accepted and processed. Details of these rules and turnaround times can be found in the PDS and other disclosure documents for each managed investment and SMA.

Application

An application is the term used to describe the purchase of units in a managed investment when the investment is being funded from your Cash Account.

Payment for your managed investment purchases will be deducted from your Cash Account on the day that we apply for units in the managed investments. We will process instructions from your adviser as quickly as possible, depending on the application process of each product issuer.

The unit price that you receive for managed investments is determined by the product issuer. Where transaction requests are placed online by your adviser prior to 12.00 noon Sydney time on a Business Day, we will generally send instructions to the product issuer on the same day. Where transaction requests are placed after 12.00 noon Sydney time, we may send instructions on the same day; however generally these will be sent the following Business Day. Where managed investments have minimum investment requirements, or the product issuer does not calculate a unit price daily, it may take longer to process your instructions.

Redemption

Redemption is the term used to describe the sale of units in a managed investment and the proceeds are credited to your Cash Account.

The proceeds from a sale cannot be used to process a withdrawal from your Cash Account until settlement occurs and the money is cleared in your Cash Account.

Switching between managed investments

A switch is the term used to describe the redemption of a managed investment (or multiple managed investments) and, instead of the proceeds being directed to the Cash Account, the funds are directed straight to another managed investment (or multiple managed investments).

The minimum amount that can be switched between managed investments is \$1,000. If you give us an instruction to switch (or redeem) an amount that will result in less than \$5,000 remaining invested in a particular managed investment (except your Cash Account), we may process that instruction as a full redemption from that managed investment.

Where your adviser places an order for a full redemption from one managed investment with the proceeds being switched into more than one managed investment, we may split the redemption order into a partial and then a full redemption in order to complete the application orders. In these circumstances, the full redemption will not be placed on market until the partial redemption has been completed.

Please refer to your adviser for further details.

Switching pension investments (Pension only)

Switching between managed investment options within your pension account can occur at any time, unless there are insufficient investments in your account to cover the next pension payment. When a switch is requested, your adviser may be required to amend the amount being switched or change the pension payment options.

Managed investments that do not transact daily

Some managed investments do not process applications or redemptions on a daily basis. If you instruct us to apply for or redeem a non-daily transacting investment or another 'illiquid' investment, we will process this transaction in accordance with the product issuer's timetable. In some cases this could be three months or more after we receive your instructions and extended delays may be experienced. Please refer to the relevant PDS and other disclosure documents or your adviser for further information.

Australian listed securities

Your adviser (on your behalf) may buy and sell Australian listed securities online via the Authorised Broker). We will use the available cash in your Cash Account to settle any purchases of Australian listed securities. We will withdraw cash to pay for the purchase on the same day, or within one day of being notified by your broker of the trade. You may be charged a failed trade fee if you do not have sufficient available cash in your Cash Account to perform a trade. Any proceeds from the sale of Australian listed securities should be available in your account the next Business Day after settlement.

All online orders placed to buy or sell Australian listed securities at 'market-to-limit' may only be partially filled at the prevailing market price at the time the order is placed.

If you would like your order to be fully executed at 'market-to-limit' in accordance with available price/volumes, your adviser will be responsible for amending your initial 'at market' order. In the event that the whole, or part, of your order is filled prior to its amendment or cancellation, you will be liable to settle the whole or partially filled order.

Offline trading is available through a nominated broker from our approved broker list, which is available from your adviser.

If you wish to choose an approved broker, the broker must be nominated on the application form or subsequent notification to us. If you wish to change or nominate a new broker, you should contact your adviser.

Trade confirmations are not provided for Australian listed securities transactions.

Physical settlement of underlying assets

Conversion or settlement into the physical underlying assets of an investment you hold cannot be administered on the platform. Such investments include, but are not limited to:

- CHES Depository Interests
- Warrants of international equities
- Exchange Traded Funds
- Exchange Traded Commodities
- Exchange Traded Certificates.

Corporate actions

We refer to corporate actions as actions taken by, in respect of or against a security in which you have invested. These may affect the capital structure of the security, or the number or type of securities held on your behalf. These types of actions can be mandatory, such as share reconstructions, or voluntary, such as class actions, entitlement offers and share purchase plans.

In some circumstances we will ask you to make a decision regarding your preferred course of action for a corporate action, but in others, we may make a decision in relation to the corporate action if we are required to do so under the Fund's trust deed or where we determine to do so in seeking to act in the best interests of members and in accordance with our other duties. For example, where a corporate action will result in an ineligible investment, we may be required to sell an investment (before or after the corporate action) or, if we are given the option of receiving cash or an investment, unless you decide to receive the investment and the investment is on the Investment Menu, we must choose the option that would result in the payment of cash.

We may refuse to act on your instructions if to do so would result in the Fund acquiring an asset not on the Investment Menu, is inconsistent with our Trustee duties (for example, if the Fund is not permitted to hold such an asset), or if superannuation law forbids it.

Where it is available, we will endeavour to provide relevant information to your adviser about corporate actions impacting your account either directly or (at our discretion) through the corporate actions calendar, viewable by your adviser on our website. Your adviser must use the corporate actions calendar to check for any corporate action information that may be relevant to your account or require your action.

When a corporate action occurs and we ask you for instructions, we must be given those instructions at least three Business Days prior to the published close date of the action (the cut-off date), unless we specify otherwise. If you are required to make an additional payment to participate in a corporate action, you must ensure that you have sufficient available cash in your Cash Account as at 9.00am Sydney time on the nominated cut-off date for your instruction to be accepted as authorised.

Where notice is received after the applicable cut-off date, or you have insufficient funds available, you may not be able to participate in the corporate action, and we are not liable to you for any potential loss of opportunity arising in those circumstances.

In certain circumstances, subject to the trust deed, we may take a variety of actions to remove or avoid us taking assets which do not fit within the investment options or strategies that we offer. These actions might include not processing a corporate action or disposing of an asset before or after the corporate action.

You cannot vote at shareholder or unit holder meetings or participate in bonus share plans (offered on some securities, enabling security holders to elect to receive fully paid bonus shares instead of cash dividends) on investments held in your account.

The Trustee will exercise voting rights, on behalf of the Fund, where required by any applicable laws or regulations and in accordance with its voting policies.

Partly paid securities

Partly paid securities are generally not an approved platform security. Where you hold partly paid securities, please ensure you have sufficient available cash in your Cash Account to meet unpaid instalment payments when required.

If there is insufficient available cash in your Cash Account to meet unpaid instalment payments, we reserve the right to sell down your investment holdings to meet these payments.

In these circumstances, money will be drawn from the following investments, starting with the highest balance, in the following order:

- daily transacting managed investment(s)
- non-daily transacting managed investment(s)
- Australian listed securities
- term deposits.

Term deposits

Your adviser (on your behalf) can make applications for term deposits online.

The minimum term deposit application is \$10,000 per deposit. We will only purchase term deposits periodically and we will draw the funds from your Cash Account on the day our application is made to the issuer of the term deposit. The details of these dates are available from your adviser.

On maturity of the term deposit, the amount invested (your principal) and interest earned will be credited into your Cash Account.

The time it will take for these funds to be available in your Cash Account will depend on when we receive the funds from the term deposit issuer and the time it takes for the proceeds to be cleared in your Cash Account. For further details, please refer to the offer document for the particular term deposit.

The interest rate applicable will be the advertised rate on the day the term deposit closes to applications. The advertised rate is available from your adviser. Interest on term deposits can be:

- paid into your Cash Account upon maturity, or
- reinvested, along with the principal, into another term deposit through your adviser.

Rolling over a term deposit

Through your adviser, you may elect to roll over a term deposit to a new term deposit for the same term from the same issuer. You can roll over either the principal or the principal plus any interest earned on the maturing term deposit.

Importantly, where you wish to roll over the term deposit, the proceeds from the maturing term deposit are first credited to your Cash Account and then invested in the next available term deposit. We recommend you or your adviser check your Cash Account balance prior to maturity of the term deposit to ensure that you do not fall below an available cash balance of \$2,500 (which could occur, for example, if any fees were deducted from the Cash Account at the point the term deposit proceeds were credited to the Cash Account, prior to the term deposit rolling).

If your Cash Account balance falls below the minimum level, or if processing the rollover will bring the available Cash Account balance below \$5,000, the rollover may not proceed, the funds will remain in the Cash Account. In these circumstances, a transaction fee for the redemption of the term deposit will apply. For further information on transaction fees, please refer to the PDS.

Your adviser is able to update your rollover instructions one Business Day prior to maturity (up until 5.00pm Sydney time).

Disclosure documents

You should read the relevant PDS or disclosure documents prior to investing in any of the Eligible Investments. As the PDS for each investment may be updated or replaced from time to time, your adviser must provide you with the most recent PDS for each managed investment you are considering prior to acting on your investment instructions.

The PDS for each managed investment has been prepared by the relevant underlying product issuer. These documents contain more detailed information about the strategies and objectives, the manager and the administration of the investment option. The most recent versions of these documents are available from your adviser or ClientView.

Additional disclosure information

If a material event occurs which we believe is an important consideration when making additional contributions to, or switches within, your account and which we have not yet informed you about, we may be unable to comply with your instructions immediately. We will be required to forward you the relevant information and will only switch or invest in the investment option when we believe you have the necessary information.

Automated investment management tools

A number of automated tools are available to assist you and your adviser to manage your investment strategy. These tools are available for selected Eligible Investments only and are established and maintained online, by your adviser. The income reinvestment plans are only available for selected managed investments and listed securities.

Automatic cash management

To help you manage your Cash Account balance, you and your adviser can select a minimum and/or maximum target cash balance. This can be either specific dollar amounts or a percentage of your account. If your Cash Account balance exceeds your specified maximum and your account has been open for more than one month, we will automatically invest the additional balance according to your instructions. If your Cash Account balance falls below your minimum target, we will sell down some of your investments and top up your Cash Account balance.

The automatic cash management process is run on/or around the 20th of each month (this date may change without prior notice to you).

Automatic rebalancing

You and your adviser can request us to regularly rebalance the managed investments in your account according to benchmarks you have established. This means that regardless of each investment's performance, your account will generally be in line with the investment strategy you have agreed with your adviser.

You can choose to rebalance your managed investments within your account either:

- quarterly
- half-yearly, or
- annually.

Automatic rebalancing will occur on/or around the 24th of the month (this date may change without prior notice to you). After your first automatic rebalancing transaction, you can instruct your adviser to rebalance your account on demand.

Dollar-cost averaging

Dollar-cost averaging allows you to make regular investments from your Cash Account into your managed investments.

You can choose to run dollar-cost averaging either monthly or quarterly. You simply decide upon a start and finish date (at least six monthly or four quarterly investments must be made), the amount and into which managed investments you would like to make your investments. A minimum transaction of \$250 per month/quarter and \$50 per managed investment applies. Dollar-cost averaging transactions will occur on/or around the 16th of the month (this date may change without prior notice to you).

Income from your investments: reinvestment plans

You can elect for the distributions or dividends from your investments to be reinvested into those investments or to be paid into your Cash Account. On your instructions, your adviser will make this election online. Either cash payments or the reinvestment of dividends and distributions may not be available for some investments. Refer to the relevant PDS for the underlying investments or your adviser for details.

Distributions and dividends will only be credited to your account once the amounts and any necessary information have been received by us.

Reporting

One of the benefits of Premium Portfolio Service Super and Pension Account is consolidated reporting. You and your adviser gain a detailed and up-to-date picture of your account, which makes managing your account easier.

Ongoing reporting

The Trustee provides you with ongoing reporting on your account and the Fund.

Statements

We will prepare a detailed statement on the value of your account, and any transactions that have taken place, twice per year:

- as at 30 June (your annual statement), sent to you and available on ClientView, and
- as at 31 December (your half-yearly statement), available for you to view on ClientView.

We will also send you information at least annually to help you complete your income tax return if you have made personal contributions or have received assessable income during that year.

Annual report

We prepare an annual report about the management, financial performance and position of the Fund for the period to 30 June each year. If you do not elect to receive a hard copy annual report you can view the annual report online at yourwrap.com.au/pps and we will not send you a copy. You may elect to have a hard copy of the annual report sent to you free of charge.

ClientView: online access to your account

You can keep up-to-date by using ClientView to check your account details via the internet (at macquarie.com.au/clientview).

The information available on ClientView includes:

- transactions conducted since opening your account
- your account balance and the latest available market value of your investments
- details of income you have received from your investments and your Cash Account
- details of the expenses incurred on your account
- your individual account details, including tax components and preservation details
- details of your nominated beneficiaries
- details of your insurance cover (if applicable)
- your realised and unrealised gains and losses
- copies of your annual and half-yearly statements
- additional information about managed investments, and
- market information.

Online reports are generally updated daily with data as at the close of the previous Business Day.

We will automatically issue you with a Macquarie Access Code and password to access ClientView at the time you establish your account.

Reports available to your adviser

Your adviser will be able to access a comprehensive range of reports and data on your account to enable them to track your investments and other important information regarding your account.

Reporting on a group of accounts

We offer you the opportunity to link your account, for reporting purposes, to other accounts offered by us where these other accounts are held by your spouse or other family members (with the same adviser). You and your adviser will be able to access a group portfolio valuation and asset allocation as well as be able to view individual group member reports.

Reporting on the value of your account

The value of your account is the aggregate net value of your investments, including your Cash Account, after the deduction of accrued fees, taxes and charges. The information below is a guide on how different investments are valued and what will be reported.

The Trustee uses, for the purposes of valuation, prices it receives from the investment option or its provider or an appropriate exchange or, if no such price is available, another source that the Trustee considers is appropriate.

Please note: That accrued fees and taxes are not reflected on your portfolio valuation report.

Cash Account

The Cash Account is a managed investment and each unit is valued at \$1.00. Income is distributed on a quarterly basis and will be reinvested into your Cash Account. Accrued income is not reported on your account until it is paid.

Term deposits

The value of a term deposit is determined by the amount initially invested and the accrued interest. As the accrued interest is not reported to us by the term deposit issuer, this will not be reported on your account until it is paid by the issuer.

Managed investments

When you invest in managed investments, the number of units allocated to you depends on that product's unit price and the amount you invest. Each managed investment will generally have a different unit price, set by the product issuer. The unit price that you receive is determined by the product issuer, and generally reflects the value of the managed investment's assets after deducting the product issuer's fees, expenses and transaction costs. The value of your managed investments will be the number of units held by you multiplied by the redemption unit price set by the product issuer. Further details are available in the PDS for each managed investment.

Please note: Managed investment distributions will not be accrued on your account after they have been declared by the product issuer and will only be credited once received by us.

Australian listed securities (excluding instalment warrants)

Listed securities are valued at their last available closing price on the ASX. If no trades have occurred for a security during the day, the last traded price will be used.

Instalment warrants

The valuation price published by the ASX is used to value self-funding instalment warrants. This is generally more reflective of an instalment warrant's value as the last available closing price may be several days old but the underlying security's value may have increased or decreased substantially. The valuation price would be expected to better reflect the instalment warrant price once the next trade in this security is made.

Fees and other costs

The fees and other costs applicable to your account are outlined in the Premium Portfolio Service Super and Pension Account PDS. This section provides you with additional details on the fees and other costs applicable to your account.

Managed investment fees

As part of or in addition to the investment fees payable to product issuers outlined in the PDS, product issuers of managed investments may charge the following fees.

Performance related fees

Investment fees payable to the product issuers (set out in the table of *Fees and other costs* contained in the PDS) include an estimate of performance related fees payable for the relevant managed investments. You may incur performance related fees as a consequence of investing in the various managed investments. The current performance related fees (and the method of charging them) that apply to each managed investment are set out in the relevant PDS available on ClientView or from your adviser. Performance related fees will change from time to time in accordance with the rules specified by the individual product issuers.

Buy/sell spreads

You may incur buy/sell spreads as a consequence of buying and selling the various managed investment options. Buy/sell spreads are an allowance for transaction expenses, such as brokerage, so that individual investors in managed investments more equitably share the costs associated with buying and selling investments. Buy/sell spreads apply at the time of each transaction and are charged by the individual product issuers in either of two ways:

- by reducing the particular investment option's performance (unit price), or
- by adjusting the application and/or withdrawal price.

The current buy/sell spreads (and the method of charging them) that apply to each managed investment option are set out in the PDSs of the managed investments. Generally, these amounts can vary from 0 per cent to 2.80 per cent (for example, between \$0 and \$28.00 per \$1,000). These are estimates only, based on information provided by the product of the available managed investments.

Buy/sell spreads may change from time to time in accordance with the rules specified by the individual product issuers. Buy/sell spreads are charged directly by the product issuer; no portion is retained by us. Buy/sell spreads are additional costs that you incur only if you transact in managed investments.

Managed investment transactional and operational costs

You may incur transactional and operational costs for the managed investments that you hold. These are indirect fees and costs payable to the product issuer of each managed investment which are generally reflected in the unit price of each managed investment. Refer to the relevant PDS for each managed investment and SMA for details on the applicable transactional and operational costs and how and when these costs are incurred.

Brokerage on listed security transactions

Your nominated broker may charge brokerage on the purchase and sale of Australian listed securities.

Brokerage is calculated and payable at the time of each transaction and will be added to the cost, or deducted from the proceeds, of the transaction and is in addition to the switching fees for changing investment options and participating in corporate actions outlined in the *Fees and other costs* table contained in the PDS.

When you open your account, the Authorised Broker is automatically nominated as the online broker authorised to purchase and sell Australian listed securities on your account. This is an online execution only service and, with your authority, your adviser places these trades. Brokerage will apply on all equity transactions placed online through the Authorised Broker at a rate of 0.12 per cent of the amount transacted up to a maximum brokerage charge of \$100. A minimum brokerage charge of \$30 applies to each online equity transaction. For example, for a trade of \$100,000, the Authorised Broker will receive a maximum amount of \$100. Please refer to the Authorised Broker's Financial Services Guide, available from your adviser, for more details on brokerage rates for online trades.

If you trade Australian listed securities via an alternative approved broker, you and your adviser will negotiate the brokerage costs directly with your nominated broker. You should contact these brokers for information on the fees and costs applicable for their service.

Brokerage costs are paid directly to your nominated broker. Brokerage costs are additional costs that you incur only if you transact in Australian listed securities.

Insurance

If you have selected insurance cover through your account, the premiums payable will be deducted from your Cash Account.

Refer to the relevant insurance PDS for further details in relation to insurance premiums.

Adviser benefits

Your adviser may be entitled to commissions or other benefits at no extra cost to you. We reserve the right to decide whether or not we will make these benefits available and will cease to do so if required by law. Where applicable, you may negotiate with your adviser to rebate some benefits.

Where permitted by law, we may also draw on our own resources to provide benefits such as technical support or training and education benefits to licensed broking and financial advisory firms, up to a maximum of the administration fees disclosed in the *Fees and other costs table* in the PDS.

We maintain records in relation to other forms of remuneration that are provided to advisers and/or financial services licensees, in accordance with applicable requirements. If you would like to review these records, please contact your adviser.

Further details about fees

Increases or alterations in the fees and costs

We reserve the right to increase the fees and charges outlined in the PDS, and to charge for other miscellaneous services, without your consent. We will give you notice, as required by law, if any fees or charges increase.

The trust deed (available from us free of charge) allows us to charge an administration fee of up to 2 per cent of the balance of your account (subject to a minimum of \$39.05 per month, which may be indexed each year to the Consumer Price Index (CPI)) as well as fixed dollar transaction fees of up to \$50 (which may be indexed each year to the CPI), arising from buying and selling investment options, including contributions, withdrawals, switching, automatic rebalancing, direct debits, automatic cash management and dollar-cost averaging. The maximum fees outlined above may be increased by GST (or similar) payable by us on those fees net of the effect of reduced input tax credits (RITC) where available. From time to time, changes to legislation or to the nature of fees may impact the availability of RITCs in relation to particular expenses. If the RITC entitlement in relation to any of these fees changes, we may pass on the additional cost to you.

The Trustee may increase any dollar amounts specified in accordance with increases in the CPI each year. Any increase will not be greater than the percentage change in the CPI since the inception of Premium Portfolio Service Super and Pension Account, or the last recalculation.

We may be reimbursed from the Fund for certain expenses incurred in the administration of the Fund. Costs we may recover include litigation expenses. In the event that such expenses are incurred and are able to be reimbursed, the ongoing administration and management charges stated previously will be increased.

In addition, we have the right to increase the incidental fees for bank cheques and telegraphic transfers.

Payments received from other parties

Where permitted by law, we may receive a product access payment from product issuers which is typically up to \$30,000 but no more than \$150,000 per issuer per annum. For each investment option on our Investment Menu we may also receive up to \$10,000 per annum. In some instances, if an investment option requires additional administration by us, these amounts may be increased to \$23,000 per annum.

Some product issuers may pay us a volume-based commission where this is permitted by law. The exact commission and service access payment is negotiated with each product issuer. These payments come from each product issuer's own resources. They are not additional fees to you.

Fees on linked accounts

Where the balance of your account is insufficient to cover any outstanding fees and charges, we may collect the fee from another account in your name you hold within the Fund.

Fees applicable during a month

The fees set up on your account as at the end of a given month (or as at the day of an account's closure) will be the fees applicable for that month (or part thereof if the account is opened or closed within that month) except if you change your adviser or dealer. For example, if you change a fee amount mid-month, the fee collected for that month will be based on the new fee.

Adviser fees and dealer fees

Premium Portfolio Service Super and Pension Account enables you, as our agent, to negotiate the level of fees which might be paid to your adviser.

These are to be included in the fee section of the application form. While there is no maximum amount, we reserve the right to reject a level of fees which we believe is excessive or unreasonable.

The contribution fee, negotiated between you and your adviser, does not apply to in-specie contributions or in-specie rollovers.

Where you have agreed with your adviser to index your ongoing adviser or dealer service fees to CPI, this will be calculated by annualising the CPI All Groups Eight Capital Cities index between 1 April and 31 March each July. The use of this CPI measure is current as at the time this document is issued, but may be subject to change where the CPI measure significantly exceeds historical levels.

Broker Handling fees

Some corporate actions pay handling fees. In those events, the Authorised Broker is appointed as your broker for the purpose of handling the action, and may retain any applicable handling fees. The Authorised Broker may pay those fees onto your broker or adviser where entitled and claimed within specified timeframes. These fees are not an additional cost to you.

How do I withdraw?

You are required to meet certain conditions under superannuation legislation before you can access your superannuation benefits. These are explained in the TIB. Once you have qualified to access your superannuation benefits, you have the option of:

- withdrawing a lump sum
- transferring your investments in-specie from Super to Pension and then drawing a pension
- rolling part or all of your account to another complying superannuation fund, or
- transferring to a KiwiSaver account where certain conditions are met.

Please note: Withdrawals as a lump sum and rollovers to another complying superannuation fund must be done from available cash in your Cash Account.

Minimum total account balance (Super only)

Over the life of your account, you must maintain an overall minimum account balance of \$100,000.

If your balance falls below \$10,000, we may roll over your account to a special type of superannuation fund called an Eligible Rollover Fund (ERF).

How to withdraw

Subject to access rules, you can withdraw a minimum of \$500 (before tax) as a lump sum from your account provided that you have sufficient available cash.

If you have insufficient available cash in your Cash Account to meet your required withdrawal, you can sell investments with the resulting proceeds being credited to your Cash Account. The proceeds cannot be used to process a withdrawal until settlement occurs and the money is cleared in your Cash Account.

You can make a withdrawal from your account by completing a withdrawal form, available from your adviser. On the withdrawal form you will need to:

1. confirm your name, account number and the withdrawal amount, and
2. include the details of the Australian bank or building society account into which your withdrawal is to be transferred (if different from the account nominated on your application form).

As we need to verify your signature, you cannot email or give these instructions to your adviser. You can fax your written instructions, subject to the *Fax and electronic instruction service* requirements.

For pension accounts, we are required to pay the annual pro-rata minimum pension for that financial year. As a result, you are required to leave sufficient liquid investments in your account to meet this requirement.

All withdrawals will be processed by bank transfer, and for Pension accounts as pension payments, unless requested otherwise. You can request withdrawals by cheque or telegraphic transfer. Additional fees may apply for these services.

If there is sufficient available cash in your Cash Account, withdrawals will generally be processed on the Business Day following the receipt of your request. Proceeds will generally be available the following Business Day. Withdrawal processing may take longer in certain circumstances; for example, when the proceeds are credited to some building societies.

Closing your account

You can request to close your account at any time by following these steps.

1. Confirm with your adviser that there are no outstanding dividends, distributions, corporate actions, fees or transactions.
2. Confirm with your adviser that all automated plans (automatic cash management, automatic rebalancing, dollar-cost averaging or direct debits) have been cancelled (where you have requested your account to be closed and we have not received notification regarding your automated plans, the Trustee may, in its absolute discretion, choose to close those plans on your behalf).
3. Ensure your holdings are sold by your adviser and the proceeds cleared in your Cash Account.
4. Notify us that you wish to close your account, using the following guidelines:
 - notification must be in writing (to allow us to verify your signature), you cannot email or give these instructions verbally to your adviser
 - your notification can be faxed to us, subject to the *Fax and electronic instruction service* requirements, and
 - your written notification must include:
 - your account name and number, and
 - the details of an Australian financial institution account into which you would like us to credit the proceeds or include the details of a superannuation fund where you would like us to roll over your benefit (superannuation fund ABN, USI, SFN, RSE and address).
5. For pension accounts, minimum payment requirements apply before your account can be closed.

Important information

If you wish to claim a tax deduction for your personal contributions in a particular year, you must send us a valid deduction notice for these contributions prior to withdrawing your account balance or commencing a pension. For more information, please see *Claiming tax deductions for your contributions*.

We cannot act on your instructions to close your account if there are any outstanding:

- **dividends and distributions** – should you request that we proceed with closing your account while dividends and distributions remain outstanding, you may incur fees for us to redirect those amounts to you (refer to *Fees and other costs* for details); processing of income is generally finalised within five Sydney Business Days following the receipt of the dividend or distribution and any necessary information by us, and/or
- **corporate actions** – check with your adviser that there are no outstanding corporate actions on your account, and/or
- **transactions** – check with your adviser that there are no outstanding transactions on your account, and/or
- **fees** – any outstanding fees will be deducted upon closure of your account, and/or
- **illiquid investments** – where you hold ‘illiquid’ investments, including term deposits, we may not be able to action your request within the standard 30 day period. If we are unable to action your rollover request due to the liquidity of your investments, we will act on your instructions to forward you the maximum benefit possible within 30 days, with the remainder of your benefit to be paid as soon as the proceeds from the sale of your investment have been received unless you instruct us otherwise. As we are entitled to be indemnified from the assets of the Fund for liabilities we have incurred and expected liabilities, in some cases, if we determine that the value of the ‘illiquid’ investment is equal to or less than the costs we have incurred in maintaining your account and the costs that we will incur in redeeming the remaining investments, those costs will be attributed to your account, your account will be closed and we will determine how to deal with any remaining assets that were held in relation to your account. For more information, refer to *Liquidity risk* within the *Understanding your investments* section of the PDS.

If you close your account prior to the completion of the annual tax processing you will not receive the benefit of any tax adjustment to which you may have been entitled. This may include the benefit of a capital gains tax (CGT) discount or franking credits. For more information, refer to *Annual taxation adjustments* within the *How is tax deducted?* section of this FIB.

Rolling over your benefit

You can request that part or all of your account be rolled over to another superannuation fund. Subject to certain criteria, we will generally process your request within 30 days of the receipt of a completed rollover request form and any required documentation. Where you hold ‘illiquid’ investments, including term deposits, we may not be able to action your request within the standard 30 day period. If we are unable to action your rollover request due to illiquidity of your investments, we will act on your instructions to forward the maximum benefit possible within 30 days, with the remainder of your benefit to be paid as soon as the proceeds from the sale of your investment have been received, unless you instruct otherwise. As we are entitled to be indemnified from the assets of the Fund for liabilities we have incurred and expected liabilities, in some cases, if we determine that the value of the ‘illiquid’ investment is equal to or less than the costs we have incurred in maintaining your account and the costs that we will incur in redeeming the remaining investments, those costs will be attributed to your account, your account will be closed and we will determine how to deal with any remaining assets that were held in relation to your account. For more information, refer to *Liquidity risk* within the *Understanding your investments* section of the PDS.

UK transfer amounts

UK transfer amounts in your account are subject to Australian preservation rules.

If you withdraw, roll over or commence a pension from your account, or any other account within the Fund, whilst your account, or any other account within the Fund includes a UK transfer amount, UK law may require the Fund to treat the UK transfer amount as being paid from the Fund first. Where this occurs, your UK transfer amount will be reduced first, irrespective of when your UK transfer amount was invested, or from which account within the Fund you have withdrawn, rolled over or commenced a pension from.

Where the UK laws require us to treat a payment as consisting of a UK transfer amount, we are required to report the payment to HMRC.

If any of your accounts held within the Fund include a UK transfer amount, we recommend you consult your adviser prior to accessing any part of your benefit in any of these accounts.

You may also have a personal obligation to declare certain UK transfer amount information to HMRC, which will determine any UK tax or charge relating to a UK transfer amount. You are personally liable for any UK tax or charge that relates to these amounts for any UK tax or charge that relates to these amounts.

Transferring to a KiwiSaver scheme

The Trans-Tasman superannuation portability arrangement allows former Australian and New Zealand residents who permanently emigrate between the two countries, to take their full retirement savings with them. The transfer of retirement savings between Australia and New Zealand is voluntary for members and also voluntary for funds to accept transferred amounts. The Fund currently facilitates transfers to eligible New Zealand superannuation funds (known as KiwiSaver schemes).

Superannuation law requires that the full balance of your account(s) within the Fund be transferred to a KiwiSaver scheme. In order to facilitate the transfer the Trustee is required to receive certain information and declarations. If you are seeking to transfer your retirement savings from the Fund to a KiwiSaver scheme, you must complete the *KiwiSaver Transfer* form. Please speak to your adviser if you would like to know more about transferring your benefit to a KiwiSaver scheme.

Term deposits

Early withdrawals of term deposits are usually available; however, you in conjunction with your adviser, should consider the relevant term deposit offer document for details of any restrictions, delays or break fees that apply.

Pension payments

Your Pension account allows you to maintain choice in your underlying investment options whilst receiving regular payments within prescribed limits from your account.

Your pension may be established once you meet the relevant rules to access your superannuation benefit explained in the *Understanding superannuation* section.

Premium Portfolio Service Pension Account allows you to receive pension payments monthly, quarterly, half-yearly or annually. Your adviser can amend your pension frequency online.

Pension payments will be drawn from your Cash Account and transferred electronically to your nominated Australian financial institution account, on or around the 15th day of the month. If you invest before the first day in any calendar month, your first pension payment can generally be made on the 15th day of that month.

In the first year, the minimum payment you are required to receive annually will generally be pro-rated based on the number of days between your pension commencing and the end of the financial year. Unless your pension commences in June of a financial year, in which case, no payment is required to be made in that financial year.

What pension amount can I receive?

Legislation sets out the minimum annual payments that must be paid from an account-based pension each financial year. The minimum annual payment factors are set out in the *Minimum pension payments* section of the TIB.

These limits are based on your age and your account balance and are calculated when you commence your pension and at 1 July in each subsequent year. Generally, your Pension account must receive at least the minimum amount each financial year.

Confirmation of your annual pension amount will be sent to you on or around the time by which we have received all amounts upon which your pension will be based. Your annual pension amount can be updated by your adviser online each year.

Where we cannot pay the required minimum amount for a given year, we will commute your pension and transfer your account in-specie from Pension to Super.

Please speak to your adviser or refer to the *Minimum pension payments* section of the TIB if you would like to know more about the annual minimum payments applicable to you.

Transfer between Super and Pension

You can transfer in-specie from Super to Pension without any CGT consequences at the time of transfer.

We may not be able to complete your instructions to transfer between Super and Pension if there are any outstanding:

- **corporate actions** – check with your adviser that there are no outstanding corporate actions on your account, and/or
- **transactions** – check with your adviser that there are no outstanding transactions, including investment transactions, fees, pension payments and other automated transactions on your account.

Transferring out of Super and Pension

Whilst you are able to transfer assets directly in-specie between Premium Portfolio Service Super Account and Premium Portfolio Service Pension Account, we are unable to transfer assets in-specie to another complying superannuation fund or use them as a means to pay benefits.

Holdings must be withdrawn as cash only, subject to conditions of release.

Insurance solutions

Even the best-laid investment plans can come undone if you lose your ability to earn an income. Premium Portfolio Service Super Account offers a range of insurance cover options through one or more insurance providers, which can give you the peace of mind that you and your dependants will be looked after in the event of the unexpected.

Becoming ill, having an injury, or worse, dying prematurely, are subjects we would prefer to keep at the back of our minds. The flexibility of the insurance solutions available through your Super account means that you can afford to concentrate on living, knowing that if the worst happened, you, your family and your assets are protected.

The Fund can provide you with access to insurance benefits for one or more of the following circumstances:

- death and terminal illness
- health events that result in permanent incapacity
- total and permanent disability, and
- temporary disablement (disability income).

For detailed information on insurance cover available through your Super account, you should consider the insurance PDSs available from the insurer or your adviser. These documents will explain the features and benefits in full and help you decide whether to take out insurance through Super. These documents can be obtained from your adviser. At the time of applying for insurance cover through Super you can nominate if you wish to cancel your insurance cover in the event of closing your superannuation account. If you wish to keep your insurance cover we recommend you speak to your insurer, otherwise your insurance cover will be cancelled at the time your superannuation account is closed.

The Trustee owns the insurance policies issued for cover held within superannuation. In some circumstances a separate (but linked) non-superannuation policy may also be issued by the insurer which will be owned directly by you for cover that the Trustee does not allow to be held within superannuation. Please refer to the relevant insurance PDS for more information on these ownership arrangements. Any claims made on the superannuation policy must be made through the Trustee as the policyholder and the payment of any insurance benefit to the Trustee is conditional upon the insurer accepting a claim. Alternatively, should your adviser recommend insurance cover with a super insurance product which is not available through Premium Portfolio Service Super Account, we can facilitate a partial rollover to assist in meeting the associated insurance premium.

In order for the Trustee to release insurance benefits from the Fund, you must meet a condition of release. It is important to understand that there may be circumstances in which the Trustee will be unable to release the benefit at the time of claim under superannuation laws.

From 1 July 2014, the type of insured benefits available through superannuation is limited to those which are consistent with the conditions of release for death, terminal medical condition, permanent incapacity and temporary incapacity, to ensure that if an insurer accepts a claim, the benefit can be released from the Fund. However, insured benefits that a member was covered for before 1 July 2014 can continue.

There may also be circumstances where the benefit paid from the approved insurance provider to the Trustee is included in the Fund's assessable income for tax purposes, in which case the benefit paid from the Fund will be net of any tax payable by the Fund on the benefit amount.

We recommend you seek advice before you apply if you are considering taking insurance cover within superannuation.

It is very important that you read the separate relevant insurance PDS carefully to help you understand the features and benefits available, the costs and when an insurance benefit is payable.

The insurance PDS is required to set out in more detail the circumstances in which the various insurance benefits become payable and also the exclusions that apply to those benefits. It also should explain the times at which insurance cover commences and when it ceases.

How much insurance do I need?

It is very important that you understand the value of insurance and choose an adequate level of insurance to cover your needs. A licensed adviser can discuss this with you and tailor a package of insurance cover based on your own individual circumstances.

Your adviser can explain:

- the benefit of estate planning options, including nominating beneficiaries
- the tax treatment of insurance premiums and benefits paid from the Fund, and
- the benefit of arranging insurance through a superannuation fund.

How do I get insurance?

If you would like to apply for insurance through your Super account, you will need to lodge an application through your adviser.

The relevant insurance PDS should explain the application process and the information that must be provided to enable the insurer to consider an application and determine whether you are eligible for cover.

How much will it cost?

The cost of insurance cover may be determined by a combination of factors including:

- the type of cover
- the premium type and payment frequency
- the level of cover and options that apply
- your age (premiums generally increase with age)
- your gender
- your smoking status (premiums are generally higher for smokers)
- your general health
- your occupation, and
- your pastimes and pursuits.

Once insurance has commenced, premiums are deducted monthly or annually from your Cash Account. For further information on when your premium is deducted and how your premium is calculated you should consider the separate insurance PDS. Your adviser can provide you with an estimate of the cost of insurance based on your individual circumstances.

Risks of holding insurance through superannuation

There are risks you should consider before deciding to hold insurance through superannuation, including:

- an insurance benefit paid through superannuation is a superannuation benefit for tax purposes and may be subject to more tax than would otherwise apply if the benefit was paid from the same insurance held outside of superannuation
- limits apply to the amount you can contribute to superannuation each year and superannuation contributions you make to pay premiums will count towards your superannuation contributions cap, reducing the amounts you may be able to contribute to superannuation for retirement savings purposes
- using your superannuation to pay the premiums for insurance in superannuation will reduce your retirement savings so that you may have less available to you on retirement than otherwise may have been the case
- taxation or superannuation law may change in the future, altering the suitability of holding insurance in superannuation, and
- cooling-off rights generally do not apply.

Other information

Operating your account

Outlined in this section are a number of operational details applicable to your account.

Changing details

If any of your details change, including your contact details, you are able to update these by completing and signing a *Change of account details* form. Your adviser may update your contact details online.

Fax and electronic instruction service

Under the fax and electronic instruction service, the Trustee will accept account instructions, including withdrawal requests, sent in the form of a fax or email attachment.

Telephone recording policy

You should be aware that we may record all of our telephone conversations with you and/or your adviser relating to your account. By signing the application form, you consent to the recording of our telephone conversations with you and/or your adviser. The application form includes an acknowledgement to this effect.

Applying to open an account

If you have an existing Premium Account Solution Super Account in the Fund, you are unable to apply to open a second account. This is to ensure the tax components of any superannuation benefits paid from the Fund can be calculated correctly.

Accounts with no ongoing balance

If we have opened your account and no rollovers or contributions are made within three months, we reserve the right to close your account.

Illiquid investments

We will seek to continue to report on 'illiquid' investments. In accordance with our valuation policies, we may change the method by which we value an 'illiquid' investment and report the most accurate value for the asset.

The ability to transact on 'illiquid' investments will often be restricted due to forces beyond our control. In these events, we will generally work with your adviser to identify an alternative method of transacting on these assets. For additional information on 'illiquid' investments, please refer to the information in the *Closing your account* and *Rolling over your benefit* sections.

Ineligible assets

In circumstances where the Fund holds an asset not on the Investment Menu (eg due to a corporate action such as a demerger), that is inconsistent with our other Trustee duties, or if superannuation law forbids it, we will sell the asset and recover any associated costs from the member(s). We will credit any remaining proceeds to your Cash Account.

You and your adviser

Your adviser is integral to the establishment and ongoing management of your account. Your adviser is your primary point of contact and any queries about your account should be directed to them. When you open your account, you authorise your adviser to give us instructions.

Your adviser may authorise their support staff to assist them in the administration of your account.

Your adviser's responsibilities

Your adviser is responsible for the following administrative investment portfolio management services:

- identifying which investment strategy and mix of investments best suit your risk profile and needs
- ensuring that you have all of the necessary information and documentation to make investment decisions
- informing you of the potential risks involved with investment decisions
- monitoring and giving you advice on your account
- establishing and maintaining your account online
- ensuring that you authorise all transactions in writing
- acting on your instructions to us
- advising you if the balance in your Cash Account falls below the minimum requirement
- providing you with reports on your account in addition to our reporting, and
- providing you with a PDS or other disclosure document for each managed investment (including SMAs), Australian listed security and term deposit offered, prior to placing your investments.

Your adviser's authority

By opening your account, you agree only to instruct your adviser (or us and our agents) after having read and understood the current PDS. You also authorise us and our agents to rely and act on such instructions.

Your adviser is not authorised to withdraw from your account.

Changing advisers

We intend that in applying for and holding this product, you must have an appropriately licensed adviser who is registered with us to assist you with your investment.

If you change advisers, you must notify us in writing. You must also notify us of any new fees payable to your new adviser.

If for any reason you do not have a registered adviser:

- we may reject transactions, other than to close your account, and
- if this situation persists past 30 days, we, on 30 days notice, reserve the right to redeem your holdings at current market values, deduct any outstanding fees, charges and taxes, and roll your benefit over to an Eligible Rollover Fund (ERF).

Anti-money laundering and counter terrorism financing terms and conditions

As part of our commitment to international anti-money laundering standards, we are required to fulfill our legal obligation and internal policies and procedures as required.

You must not knowingly do anything to put Macquarie Group (Macquarie) in breach of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (AML/CTF Laws) and/or its internal policies and procedures, rules and other subordinate instruments. You undertake to notify Macquarie if you are aware of anything that would put Macquarie in breach of AML/CTF Laws.

If requested, you agree to provide additional information and assistance and comply with all reasonable requests to facilitate Macquarie's compliance with AML/CTF Laws in Australia or an equivalent law in an overseas jurisdiction and/or its internal policies and procedures.

You undertake that you are not aware and have no reason to suspect that:

- the money used to fund the investment is derived from or related to money laundering, terrorism financing or similar activities (illegal activities), and
- proceeds of investment made in connection with this product will fund illegal activities.

Macquarie is subject to AML/CTF Laws and/or its internal policies and procedures. In making an application pursuant to the PDS you consent to us disclosing in connection with AML/CTF Laws and/or its internal policies and procedures any of your personal information as defined in the *Privacy Act 1988* (Cth) we have.

In certain circumstances, we may be obliged to freeze or block an account where it is used in connection with illegal activities or suspected illegal activities. Freezing or blocking can arise as a result of the account monitoring that is required by AML/CTF Laws and/or its internal policies and procedures. If this occurs, we are not liable to you for any consequences or losses whatsoever and you agree to indemnify us if we are found liable to a third party in connection with the freezing or blocking of your account.

Macquarie retains the right not to provide services to any applicant that Macquarie decides, in its sole discretion, that it does not wish to supply.

Unclaimed money, temporary residents' benefits and lost accounts

Your superannuation may be treated as unclaimed money if you:

- have reached age 65 and we have not received an amount on your behalf for at least two years and five years have passed since we last had contact with you
- were a temporary resident who has permanently departed Australia and you did not claim your benefits within six months of your departure (except if you are an Australian or New Zealand citizen). We will make all reasonable efforts to contact you in such circumstances; however, it is important that you notify us of any changes to your details.

Where your benefits become unclaimed money, we are required to pay them to the ATO within certain timeframes. After payment to the ATO, we are discharged from any further liability for payment of the benefit and you may claim your benefit by contacting the ATO. In some circumstances, tax may be payable.

We are required to transfer certain unclaimed super account balances for lost members to the ATO.

Former account holders may be able to reclaim their money from the ATO at any time.

We rely on ASIC relief so we are not required to notify or give an exit statement to a non-resident if we pay unclaimed superannuation to the ATO.

Eligible Rollover Fund (ERF)

The Trustee has elected and reserves the right to pay all accounts with a balance up to \$10,000 to an ERF, which accepts small amounts. The ERF chosen is called the Super Safeguard Eligible Rollover Fund. APRA has approved the Super Safeguard Eligible Rollover Fund to operate as an ERF. The trustee is Diversa Trustees Limited ABN 49 006 421 638 AFSL 235153 RSEL L0000635.

Should your benefit be transferred to the Super Safeguard Eligible Rollover Fund, all subsequent enquiries relating to your benefit should be directed to:

Super Safeguard Eligible Rollover Fund

GPO Box 3426
Melbourne VIC 3001

Phone: 1300 135 181

Fax: 1300 135 191

Email: enquiries@supersafeguard.com.au

Website: supersafeguard.com.au

Should your benefit be transferred to the Super Safeguard Eligible Rollover Fund:

- your interest in the Fund, including your insurance cover, will cease
- you will become a member of the Super Safeguard Eligible Rollover Fund and will be subject to its governing rules
- your account will be invested according to the investment strategy of the Super Safeguard Eligible Rollover Fund
- the Super Safeguard Eligible Rollover Fund may charge fees to your account, and
- you may not be offered insurance cover.

You should refer to the Product Disclosure Statement for the Super Safeguard Eligible Rollover Fund for more information.

We reserve the right to change the chosen ERF without notice to you.

Consolidating your accounts

If you have more than one Super or Pension account within the Fund, the Trustee may consolidate these accounts into a single account where it considers this to be in your best interests. We will notify you, at least annually, where we have consolidated any of your accounts.

About the Fund and Trustee

The activities of the Trustee and the Fund are regulated by APRA and the Australian Securities and Investments Commission (ASIC).

The trust deed

The obligations of the Trustee and the rights of the members are determined by the trust deed (including the rules of the Fund) and laws relating to superannuation. Some of those provisions are discussed elsewhere in the PDS.

The trust deed and/or superannuation laws also cover matters such as restrictions on borrowing by the Fund, the effect of bankruptcy of a member, circumstances in which benefits are payable, the powers and duties of the Trustee, the appointment and removal of the Trustee, the liability and indemnity of the Trustee, members' contributions, withdrawals and benefits, amendments to the trust deed and termination of the Fund. If you require further information, the trust deed is available free of charge from us.

Your rights

Premium Portfolio Service Super and Pension Account is one of several products within the superannuation fund known as the Macquarie Superannuation Plan.

You do not have a right to any particular underlying investments held by us, or to participate in the management of the investments.

The assets of all investment options can be legally available to meet the liabilities of other investment options in the unlikely event that the assets of that investment option are insufficient to meet its liabilities.

Operationally, however, the Trustee will segregate and attribute the assets to individual accounts.

Trustee

MIML is the trustee of the Fund. Our obligations as trustee include (but are not limited to):

- to choose the investment options available to members within each investment strategy
- to ensure the Fund operates in accordance with its trust deed and continues to be a complying superannuation fund
- to report regularly to you
- to exercise its powers in the best interests of beneficiaries of the Fund, and
- to keep the Fund's assets safe.

Whilst it is not intended in the foreseeable future, we may wish to retire or change the trustee of the Fund.

How is investing in Premium Portfolio Service Super and Pension Account different to investing directly in underlying investments?

It is important to recognise that acquiring interests in underlying investments such as managed investments and Australian listed securities through Premium Portfolio Service Super and Pension Account is not identical to holding these investments in your own right.

Please note the following differences:

- the Trustee or its custodian will be the legal owner of the assets rather than you. You may have a beneficial interest in the Fund, but not in any specific asset of the Fund
- certain rights and obligations available to, or owing by, the legal owner of an asset are exercisable by the Trustee, rather than by you; for example:
 - cooling-off rights generally do not apply
 - instructions to brokers are made on behalf of the Trustee and not in your own right, and
 - transaction processing and unit pricing may differ
- when you make an initial or additional investment in an underlying investment, there is a risk that you have not considered the most recent PDS for the underlying investment, or that you have not been made aware of recent material changes or significant events affecting that investment, and
- you can access managed investments, generally with wholesale fees, which can be significantly cheaper than the retail fees you would pay if you invested in each managed investment directly.

Pooled operating accounts may be used by the Trustee or its custodian. The pooled operating accounts will be trust accounts held in the name of the Trustee or the custodian with an Australian deposit-taking institution (including Macquarie Bank Limited) or an approved foreign bank. If interest is earned on those accounts, it may be retained by the Trustee or the custodian (pursuant to the relevant custody deed) and may not be payable to you.

Related party transactions

We have appointed Bond Street Custodians Limited (BSCL) to hold your superannuation money in custody. BSCL also liaises with the product issuers of your investment options.

BSCL, the Authorised Broker and MIML are Macquarie Group entities.

Working with Macquarie Bank Limited

When we invest we may deal with MBL or its associated companies (for example, MBL may provide term deposits). These companies may receive commission and may also be dealing as principal or dealing on behalf of other accounts which are under the group management of the Macquarie Group. Under the law, where we invest money of the Fund we must deal with the other party to the investment transaction at arm's length terms.

Fees paid to other parties

We have appointed BSCL to hold the Fund's assets. We may pay BSCL a fee. This fee is not an additional fee to you, it is paid out of our administration fee.

Managing conflicts

Macquarie has systems and protocols in place to identify conflicts of interest and a framework for managing conflicts. Any potential conflicts that may arise as a result of related party transactions are handled in accordance with this conflicts management framework.

Privacy Statement

We may collect, hold, use and disclose personal information about you to process your application, administer and manage the products and services sought by and provided to you, monitor, audit and evaluate those products and services, model and test data, communicate with you and deal with any complaints or enquiries.

We collect and record personal information through our interactions with you and your nominated adviser(s), including by telephone, email or online. We may also collect personal information from public sources and third parties including information brokers and our service providers. Without this information, we may not be able to process your application or provide you with an appropriate level of service. We are required or authorised to collect your personal information under various laws including *Anti-Money Laundering and Counter-Terrorism Financing Act*, *Superannuation Industry (Supervision) Act*, *Taxation Administration Act*, *Income Tax Assessment Act*, *Corporations Act*, *Life Insurance Act* and *Insurance Contracts Act*.

Where you provide us with personal information about someone else, you must first ensure that you have obtained their consent to provide their personal information to us based on this Privacy Statement. We may exchange your personal information with other companies in the Macquarie Group as well as service providers, which are described further in our Privacy Policy.

We will supply the adviser(s) nominated on your application form or in a subsequent written communication to us, and their Australian financial services licensee if applicable, with information about your account.

We may also disclose personal information to regulatory authorities (eg tax authorities in Australia and overseas such as the ATO (Australia) and HMRC (UK)) in connection with their lawful information requests or to meet our legal obligations in any relevant jurisdiction. The third parties with whom we exchange personal information may operate outside of Australia (this includes locations in the Philippines, India and the United States of America) and the countries specified in our Privacy Policy. Where this occurs, we take steps to protect your information against misuse or loss.

We and other companies in the Macquarie Group may use your personal information to contact you on an ongoing basis by telephone, electronic messages (like email), online and other means to offer you products or services that may be of interest to you, including offers of banking, financial, advisory, investment, insurance and funds management services, unless you change your marketing preferences by telephoning us as set out below or visiting [macquarie.com.au/optout-bfs](https://www.macquarie.com.au/optout-bfs)

Under the Privacy Act 1988 (Cth), you may request access to your personal information that we hold. You can contact us to make such a request or for any other reason relating to the privacy of your personal information by telephoning us on **1800 300 163** or emailing privacy@macquarie.com. Please mark communications to the attention of our Privacy Officer.

You may also request a copy of our Privacy Policy, which contains further details about our handling of personal information, including how you may access or update your personal information and how we deal with your concerns. The Privacy Policy can also be found via [macquarie.com.au](https://www.macquarie.com.au)

Understanding superannuation

Superannuation is a way to save for your retirement. It is a long-term investment. You usually cannot access your super until you have reached your preservation age (age 55 if you were born before 30 June 1960) and retired, but there are some special circumstances where you can withdraw it earlier than this.

Please refer to the TIB for general technical information to help you understand your superannuation, including:

- your ability to make super contributions and contribution limits
- preservation rules and other rules for accessing your benefits
- minimum pension payment amounts
- tax arrangements applying to contributions
- taxation of income earned in the Fund and benefits paid from the Fund
- how family law matters may affect your superannuation.

Child superannuation accounts

You are able to establish a superannuation account in the name of a minor, provided you are a parent, guardian or legal personal representative, by completing the appropriate section of the application form.

Please note: The child's tax file number must be quoted in order to accept contributions made on behalf of the child.

When the child turns age 18, they must agree to our terms and conditions by signing a new application form. Their account number and details will remain unchanged as a result of this.

Conditions of release for preserved benefits

You can only access your preserved superannuation benefits (including benefits payable under insurance policies you hold through the Fund) once you have met a condition of release. Some conditions of release have restrictions on the amount you can access, while others (such as retirement) allow unrestricted access. Please refer to the TIB for further information.

Tax file numbers

If you have not given us your tax file number:

- we cannot accept contributions made by you or someone else on your behalf (other than your employer), and
- employer contributions will incur an additional tax of 32 per cent payable in the Fund.

Taxation

The laws relating to superannuation, including tax laws, can be complex. Please refer to the TIB for a summary of relevant taxation matters relating to your superannuation account. We recommend that you seek professional tax advice that will consider your individual circumstances.

Amounts transferred from a foreign superannuation fund

If you are transferring an amount you hold in a foreign superannuation fund into your account, the Australian tax arrangements can depend on your residency status and when the benefits are transferred. If you transfer your entire foreign superannuation fund, and part of the transfer includes an amount assessable to you as 'applicable fund earnings', you may be able to choose to have this amount taxed in the Fund instead of at your marginal rate. This amount may be excluded from the contribution caps. If you are considering transferring benefits from a foreign scheme into the Fund, it is important that you seek specialist advice on both the overseas and Australian tax treatment. We suggest you speak to your adviser for more information.

How tax is deducted

Contributions to Premium Portfolio Service Super Account

The tax treatment of your one-off, direct deposit and direct debit contributions will be based on the contribution type. Tax of 15 per cent on taxable contributions will be deducted from your Cash Account either at the time of the contribution or, in the case of personal deductible contributions, after we have received your deduction notice.

Contributions resulting from the following are not taxed within the Fund:

- CGT exempt small business sale proceeds that fall within the relevant cap
- a personal injury payment, or
- a rollover superannuation benefit (unless it contains an untaxed element, for example, if paid from certain public sector schemes).

Income earned in Super

Tax of 15 per cent will be deducted from your Cash Account when distributions, dividends or income payments are processed.

If we subsequently establish that the tax payable in respect of these amounts is less than 15 per cent, or that a capital loss is attributable to your investments which can be offset against such gains, we may adjust the amount of tax deducted from your Cash Account during our end of year tax processing.

Withdrawals from Super

When you withdraw or roll over all or part of your account, we will deduct an estimate of capital gains tax of up to 15 per cent. If you make a partial withdrawal and we subsequently establish that the capital gains tax payable is less than 15 per cent, or that a capital loss is attributable to your account which can be offset against such gains, we will credit the surplus tax to your Cash Account. This calculation forms part of the annual taxation adjustments (refer to the following page for more details).

PAYG withholding

We may be required to withhold PAYG tax on benefits paid from the Fund to you (or your beneficiaries in the case of death benefits). The amount of tax withheld may depend on the type of benefit and your age. If you are aged 60 or more at the time you receive a benefit, no tax will be withheld.

If you have more than one pension account, you should complete a separate tax file number declaration for each pension. This allows us to determine the amount of tax that is required to be withheld from your pension payments. You can only claim the tax-free threshold on one pension account. However, no tax file number declaration is needed if you are aged 60 or more when you begin receiving pension payments.

Deductible expenses in Super

The Fund may claim a tax deduction on some of the expenses debited from your Cash Account. If this is the case, your Cash Account will be credited for the tax effect of any tax deduction claimed in respect of those expenses.

Franking credits

Provided your account remains open during our end of year tax processing, your account will receive the benefit of franking credits applicable to your investment distributions/dividends. The benefits of franking credits will be allocated to your account as part of this tax process (refer below for more details).

Stamp duty

Stamp duty, where payable on in-specie transfers into your account, will be debited from your Cash Account at the time of transfer.

Calculating tax at your individual level

Our Fund tax accounting procedures seek to ensure that the tax liability is borne equitably between members, having regard to the particular investments chosen by each member.

For example, for most investments available through your account, tax is not paid at the investment option level and superannuation funds that invest in them may be liable for:

- tax at 15 per cent on any taxable income distributed to them, and
- tax of up to 15 per cent on any capital gain distributed to them or arising from the sale of the asset.

If you have selected insurance cover through your account, the Fund may be able to claim a tax deduction for part or all of the premium. Where this is the case, your Cash Account will be credited for the tax effect of any tax deduction claimed in respect of those insurance premiums.

Annual taxation adjustments

The annual taxation adjustments are processed for the tax year ending 30 June and are completed only after the superannuation fund's tax refund has been received from the ATO. If you close your account(s) prior to this annual processing being completed, you will not receive the benefit of any such tax adjustment. Should you move from Super to Pension during the year (and close your super account), the taxation adjustment will apply to both accounts, provided at least one account remains open. For further information, please speak with your adviser.

Social security

You should be aware that your investment in and withdrawals from your account may affect your entitlement to social security benefits, including a Centrelink or Department of Veterans' Affairs age pension. We recommend that you seek social security advice prior to opening your account.

Tax file number collection

Collection of tax file numbers (TFNs) is authorised by the tax and superannuation laws. By providing your TFN to your superannuation fund, you will allow the Trustee to use your TFN for purposes authorised by superannuation and tax laws.

The purposes currently authorised include:

- withholding tax on benefit payments at concessional rates
- passing your TFN to the ATO
- allowing the Trustee to provide your TFN to another superannuation fund or Retirement Savings Account (RSA) if your benefit is transferred to that fund. However, we will not do so if you advise us in writing that you do not want us to pass it on, and
- to locate accounts in the Fund or consolidate certain accounts within the superannuation environment.

You are not required to provide your TFN. Declining to quote your TFN is not an offence; however, if you do not give your superannuation fund your TFN, either now or later:

- we cannot accept contributions made by you or someone else on your behalf (other than your employer)
- the tax on contributions to your account may increase; for example, employer contributions may be subject to an additional no-TFN tax at the rate of 32 per cent
- you may pay more tax on your superannuation benefits than you have to (you may get this back in your income tax assessment), and
- it may be more difficult to find your superannuation benefits if you lose contact with your superannuation fund.

As a result of legislative changes, the lawful purposes for which your TFN can be used and the consequences of not providing your TFN may change in the future.

Superannuation and family law

Superannuation law and family law facilitate the splitting of superannuation interests between parties to a marriage in the event of a breakdown of marriage. The Trustee may create a separate interest in the Fund for the non-member spouse, or transfer the non-member's entitlements to the Super Safeguard Eligible Rollover Fund, in line with the provisions of the *Superannuation Industry (Supervision) Act 1993*. In accordance with the law, we may charge an administration fee in relation to such arrangements. Please refer to the TIB for further information.

On your death, your superannuation benefits in the Fund may be treated differently to other assets you own. The Trustee of the Fund is generally required to pay your benefits as soon as practicable after your death either directly to one or more of your dependants or to your legal personal representative.

In the event of your death:

- we will continue to deduct applicable administration and adviser fees until the payment of your superannuation benefit is authorised by the Trustee and your account is closed, and
- your investments will continue to be invested in accordance with the most recently selected investment strategy until we receive other instructions from a properly authorised person.

Death benefits can be paid as a lump sum, pension or combination. However, only certain beneficiaries who have been nominated by you are eligible to receive your death benefits as a pension.

Who is a dependant?

Under current superannuation law a dependant includes:

- your spouse
- your children of any age
- a person with whom you have an interdependency relationship, or
- a person who is otherwise your dependant (typically this would be someone who was financially dependent on you just before you died).

Nomination options

There are a number of options for nominating to whom, and in some cases how, your benefit may be paid in the event of your death:

1. No nomination
2. Non-lapsing death benefit nomination
3. Reversionary pension nomination (Pension only)
4. Child pensions.

Your nomination must be in respect of one or more of your dependants or your legal personal representative.

1. No nomination

If you do not nominate a beneficiary, your account balance will generally be paid as a lump sum to your legal personal representative who will distribute your account balance as part of your estate assets. If, to our knowledge, there is no legal personal representative and we have a reasonable belief that there will not be a legal personal representative appointed, your account balance will be paid to next of kin, who is also a dependant.

2. Non-lapsing death benefit nomination

To make a nomination, simply complete the *Non-lapsing death benefit nomination* form. If you have more than one account (for example, if you have both a super and a pension account) within the Fund, you can complete a separate non-lapsing death benefit nomination for each individual account. If you do not specify the additional account(s) to which your nomination is to apply, your nomination will apply to the account specified on the form only, until revoked or amended.

Because your nomination will not automatically lapse, it is important that you periodically review your nomination to ensure you still wish us to pay the person(s) you have nominated. In addition, unlike a will, your non-lapsing nomination will not automatically become invalid in the event of marriage, divorce or any other life-changing event. We will include the details of your nomination as part of your annual member statements and you can also view your nomination online.

Where we have consented to your nomination, we will pay your benefit to the person(s) you have nominated as long as:

- the person(s) you have nominated are your dependants at the time of death, and
- your nomination has been made in writing and is signed by you in the presence of two witnesses who are over 18 years of age and not named as beneficiaries in your nomination.

A non-lapsing death benefit nomination can only be made by you in respect of your benefit. We will not accept a non-lapsing death benefit nomination made by an attorney or any other agent.

We can only consent to a nomination in respect of one or more of your dependants or your legal personal representative.

If we have consented to your nomination to pay one or more dependants and that nomination/or a part of it, is no longer valid at the time of payment, we will pay the non-valid portion of your death benefit to your legal personal representative (your estate). The Trustee will pay the valid portion of your benefit in accordance with that part of your nomination which is valid.

We can only pay your death benefit as a pension if, at the time of death, the recipient is either:

- a dependant of yours (for example, your spouse, a financial dependant, or a person with whom you have an interdependency relationship) who is not a child, or
- a child of yours who is:
 - less than age 18, or
 - aged 18 to 24 inclusive and is financially dependent on you, or
 - aged 18 or more and has a qualifying disability (broadly, this is a disability that is permanent or likely to be permanent and results in the need for ongoing support and a substantially reduced capacity for communication, learning or mobility).

Please refer to *Child pensions* in this section for further details about child pension nominations.

Because there are special rules regarding how benefits can be paid from a superannuation fund in the event of your death, care should be taken when making your nomination as you may need to consider the impact it could have on your overall estate planning. You may wish to seek legal advice.

In some cases, upon special request, the Trustee will consent to nominations which are not catered for on the *Non-lapsing death benefit nomination* form (eg because they are complex or because payment is contingent upon certain events occurring). If you wish to make a more detailed nomination, please speak to your adviser.

You may revoke or change your nomination at any time by completing a new *Non-lapsing death benefit nomination* form.

3. Reversionary pension nomination (Pension only)

If you validly nominate a reversionary pension beneficiary, the Trustee will be bound by it. This means that we will pay your benefit as a pension in the way you nominate.

The person you nominate must be either:

- a dependant of yours (for example, your spouse, a financial dependant, or a person with whom you have an interdependency relationship) who is not a child
- a child of yours who is:
 - less than age 18, or
 - aged 18 to 24 inclusive and is financially dependent on you, or
 - aged 18 or more and has a qualifying disability (broadly, this is a disability that is permanent or likely to be permanent and results in the need for ongoing support and a substantially reduced capacity for communication, learning or mobility).

We will not accept a reversionary pension nomination made by an attorney or any other agent.

To receive your benefit, the beneficiary you have nominated must meet one of the criteria listed above at the time of your death. If your reversionary pension beneficiary predeceases you, we will generally pay your death benefit to your legal personal representative.

In some cases, upon written request, the Trustee will consent to reversionary nominations which are not catered for on the pension application form (eg because they are complex or because payment is contingent upon certain events occurring). If you wish to make a more detailed nomination, please speak to your adviser.

Please note: A reversionary pension nomination can only be made when a pension commences.

If the law does not permit the Trustee to pay the nominated reversionary beneficiary a pension upon your death, but your nomination is otherwise valid, we will pay the death benefit to the nominated reversionary beneficiary as a lump sum.

4. Child pensions

Under certain circumstances you may wish to nominate a qualifying child of yours to receive your death benefit as a child pension.

What is a child pension?

A child pension is a simple way to provide tax-effective income to your minor children (under 18 years of age), or certain other children that have a financial or disability dependency, in the event of your premature death. This means that you can nominate either part or all of your benefit to be paid as a child pension to one or more of your children. With the exception of a child who qualifies on disablement grounds, a child pension cannot continue beyond the child's 25th birthday (and any remaining balance in the account must be commuted as a lump sum withdrawal at that time).

The benefits of a child pension may include:

- the payment of a regular income stream that, subject to the prescribed minimum payment, can be structured to suit your child's needs
- the flexibility to restrict access to lump sum cash withdrawals from the fund until your child reaches a nominated age of up to 25 years (or earlier where required by law)
- tax-effective treatment of income payments, and
- generally tax-free treatment of any lump sum that is paid to the child from the pension.

Generally, the pension must be paid in trust for the child's benefit.

When the child turns age 18, they must agree to our terms and conditions by signing a new application form.

If your nomination of a child pension is made in the prescribed manner and is consented to by the Trustee then it will be binding on the Trustee provided the law permits the child to be paid a pension upon your death. If the law does not permit us to pay a child pension but your nomination is otherwise valid, we will pay the relevant portion of your benefit to the nominated child as a lump sum.

You may also further direct us as to the restrictions, if any, which are to apply. However, your child will have a legal right to request a rollover from the fund, in which case these restrictions will no longer apply to the receiving fund. Where we agree to the terms of the child pension as specified by you in your nomination, the terms cannot be changed after you die. As we agree to be bound by your instructions in advance it is very important that your nomination is kept up to date.

At any time, by completing a new child pension schedule and, if required, a new non-lapsing death benefit nomination form, you may change:

- the child you have nominated
- your request to pay all or part of your benefit as a child pension, or
- the terms of the child pension.

How to apply for a child pension

Complete the *Non-lapsing death benefit nomination* form and a *Child pension schedule* available from your adviser. On it you can nominate your beneficiaries and give us additional directions relevant for the child pension.

Child pensions are subject to terms and conditions. Further information is available from your adviser.

Terminology used

Some of the terms used within this FIB (or other documents that form part of the PDS) have a specific meaning as set out below.

Absolute return investments	Absolute return investments aim to add diversification to your portfolio by seeking to provide investment returns that have a low correlation to traditional asset classes (for example, cash, fixed interest and shares). Investment returns may be higher than those of traditional asset classes and may also be positive returns when returns from traditional asset classes are falling. It is important to remember that absolute return investments can carry high risk.
Account, Super product, Pension product, Super account, Pension account	Premium Portfolio Service Super and Pension Account.
Activity fees	A fee is an <i>activity fee</i> if: (a) the fee relates to costs incurred by the Trustee 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 fees	An <i>administration fee</i> is a fee that relates to the administration or operation of the Fund and includes costs that relate to that administration or operation, other than: (a) borrowing costs, and (b) indirect costs that are not paid out of the Fund that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the Fund or in an interposed vehicle or derivative financial product, and (c) costs that are 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 fees	A fee is an <i>advice fee</i> if: (a) the fee relates directly to costs incurred by the Trustee because of the provision of financial product advice to a member by: (i) the Trustee, or (ii) another person acting as an employee of, or under an arrangement with, the Trustee, 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.
Adviser	The licensed financial planner or financial planning business who you have nominated as your adviser and who is registered to use Premium Portfolio Service Super and Pension Account.
Application form	The form contained within the PDS that you must complete, sign and return to us before opening your superannuation account. The application form is the contract between you and the Trustee in respect of your superannuation account.
APRA	Australian Prudential Regulation Authority.
ATO	Australian Taxation Office.
Australian listed securities	Listed securities or other listed investments which are available on the ASX or such other exchanges as are approved from time to time and which have been subject to our menu selection process.
Australian Securities Exchange, ASX	Australia's primary securities exchange or market which facilitates trading in a range of financial instruments.
Authorised Broker	The entity that is authorised from time to time to provide brokerage services for the Fund.
Available cash	The amount of cash accessible in your Cash Account for transacting and redemptions, after taking into account outstanding orders, fees and the minimum cash requirement.
Business Day	A day that is not • a Saturday or Sunday • a public, bank or special holiday, or • 27 to 31 December inclusive.
Buy/sell spreads	A <i>buy/sell spread</i> is a fee to recover transaction costs incurred by the Trustee of the Fund in relation to the sale and purchase of assets of the entity.
Child	For super and tax law purposes, a child of a person includes: • an adopted child, a stepchild or an ex nuptial child of the person • a child of the person's spouse, and • someone who is a child of the person within the meaning of the <i>Family Law Act 1975</i> .

Client, you or your	The person named in the application form accepted by us and includes successors, executors, administrators, substitutes and assigns of such person.
Compassionate grounds	<p>A condition of release for preserved and restricted non-preserved superannuation benefits. In limited circumstances, you may apply to the Department of Human Services to have your benefits released as a lump sum to pay for certain expenses relating to:</p> <ul style="list-style-type: none"> • medical treatment for you or your dependants • preventing foreclosure of a mortgage or power of sale over your home • modifying your home or vehicle to accommodate special needs arising from a severe disability • palliative care expenses • expenses associated with your dependant's palliative care, death, burial or funeral. <p>Benefits paid under this condition of release are limited to an amount determined by the Department of Human Services.</p>
Concessional contributions	Generally contributions that your employer makes, or that you make personally and claim as a tax deduction. These are generally included in the assessable income of the Fund and taxed at 15 per cent. There is an annual limit on the amount of concessional contributions you can make, known as the concessional contributions cap. From 1 July 2012 certain concessional contributions for higher income earners will be taxed at an additional 15 per cent. The additional 15 per cent does not apply to concessional contributions that exceed the concessional contributions cap.
Concessional contributions cap	For the 2016/17 income year, a higher concessional contribution cap of \$35,000 (unindexed) applies for anyone aged 49 and over on 30 June 2016. For everyone else, the concessional contribution cap is \$30,000.
Condition of release	A condition you must meet before you can access your preserved and restricted non-preserved benefits. The conditions of release are set down in superannuation legislation. Examples are retirement, reaching preservation age, reaching age 65 and permanent incapacity. Some conditions of release have restrictions on the amount of, or form in which, you can take your benefits while others (such as retirement) allow unrestricted access.
Custodian, BSCL	Bond Street Custodians Limited ABN 57 008 607 065 AFSL 237489.
Dealer, Dealer group	The legal entity or organisation that your adviser represents in the provision of financial product advice to you.
Disability superannuation benefit	A superannuation benefit that is paid to a person because he or she suffers from ill-health (whether physical or mental); and two legally qualified medical practitioners have certified that, because of the ill-health, it is unlikely that the person can ever be gainfully employed in a capacity for which he or she is reasonably qualified because of education, experience or training. These benefits can qualify for additional tax concessions.
Eligible Insurance	The approved insurance options you and your adviser may select from the Investment Menu made available by the Trustee.
Eligible Investments	The approved investment options you and your adviser may select from the Investment Menu made available by the Trustee.
Excess concessional contributions	Concessional contributions in excess of the concessional contributions cap. These contributions may be subject to excess contributions tax.
Excess non-concessional contributions	Non-concessional contributions in excess of the non-concessional contributions cap. These contributions may be subject to additional tax.
Exit fees	An <i>exit fee</i> is a fee to recover the costs of disposing of all or part of members' interests in the Fund.
First Home Saver Account payment	Payments into the Fund of a First Home Saver Account balance by way of a compulsory or voluntary superannuation contribution. These contributions are counted towards the non-concessional contributions cap.
Further Information Booklet, FIB	The Further Information Booklet (FIB), incorporated by reference into the PDS (Document number PPSSP02) contains information on how to operate your account once it is opened and further information on the Fund's investment strategies and the limits on investments.
HMRC	Her Majesty's Revenues and Customs Office.
Illiquid investments	<p>Broadly, an investment in relation to your interest in the Fund is an illiquid investment if:</p> <ul style="list-style-type: none"> • it is of a nature whereby it cannot be converted to cash in less than the time required to roll over or transfer a withdrawal benefit (typically 30 days) or • it can be converted to cash within the relevant time period, but converting it to cash within this period would be likely to have a significant adverse impact on the realisable value of the investment.

Indirect cost ratio	<p>The <i>indirect cost ratio (ICR)</i>, for an investment option offered by the Fund, is the ratio of the total of the indirect costs for the investment option, to the total average net assets of the Fund attributed to the investment option.</p> <p>Note: A fee deducted from a member's account or paid out of the Fund is not an indirect cost.</p>
Interdependency relationships	<p>Two people will typically have an interdependency relationship if:</p> <ul style="list-style-type: none"> • they have a close personal relationship and • they live together and • one or each of them provides the other with financial support and • one or each of them provides the other with domestic and personal care. <p>If two people have a close personal relationship but do not satisfy the other conditions referred to above because either or both of them suffer from a physical, intellectual or psychiatric disability, they may nevertheless have an interdependency relationship.</p>
Investment fees	<p>An <i>investment fee</i> is a fee that relates to the investment of the assets of the Fund and includes:</p> <p>(a) fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees), and</p> <p>(b) costs that relate to the investment of the assets of the Fund, other than:</p> <ul style="list-style-type: none"> (i) borrowing costs, and (ii) indirect costs that are not paid out of the Fund that the trustee has elected in writing will be treated as indirect costs and not fees, incurred by the trustee of the Fund or in an interposed vehicle or derivative financial product, and (iii) costs that are 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.
Investment Menu	<p>The Investment Menu is incorporated by reference into the PDS (Document number MAQSIM01) and outlines all Eligible Investments and Eligible Insurance made available by the Trustee as investment and insurance options you and your adviser may select.</p>
Low rate cap amount	<p>The concessional tax threshold applying to the taxable component of lump sum superannuation benefits paid to individuals who have reached their preservation age but are under the age of 60. The low rate cap is a lifetime limit. The 2016/17 amount is \$195,000.</p>
Macquarie Bank, MBL	<p>Macquarie Bank Limited ABN 46 008 583 542 AFSL 237502.</p>
Mandated employer contributions	<p>Compulsory contributions made by your employer, based either upon Superannuation Guarantee requirements or workplace awards or agreements.</p>
Nominated broker	<p>Any broker that you authorise to deal with the Fund in respect of the settlement of your Australian listed securities transactions.</p>
Non-concessional contributions	<p>Generally contributions made by an individual for which no tax deduction is claimed and therefore are not included in the assessable income of the Fund. There is an annual limit on the amount of non-concessional contributions you can make, known as the non-concessional contributions cap.</p>
Non-concessional contributions cap	<p>The annual limit on the amount of non-concessional contributions made for you. The non-concessional contributions cap is six times the standard concessional cap (ie six times \$30,000 for 2016/17). If you are under 65 at any time in a financial year, you may 'bring forward' up to two future years' contribution entitlements so as to contribute a maximum of three times the annual non-concessional contributions cap for a three year period.</p>
Permanent incapacity	<p>A condition of release for preserved and restricted non-preserved superannuation benefits. For you to qualify under this condition, the Trustee must be reasonably satisfied that because of your ill health (whether physical or mental), you are unlikely to engage in gainful employment for which you are reasonably qualified by education, training or experience. You must provide the Trustee with specific documentation confirming your permanent incapacity.</p> <p>If you qualify, your benefits may be accessed as a pension, a lump sum or a combination of both. Certain tax concessions may apply if the benefit meets the definition of a disability superannuation benefit.</p>
Proportioning rule	<p>The rule requiring the tax components to be paid in proportion to the components of your superannuation interest in the Fund. In the case of a lump sum or rollover, the components will be determined in proportion to the tax-free and taxable components of your superannuation interest in the Fund at the time of payment. You are generally unable to open more than one account so, for this purpose, your superannuation interest is your account.</p> <p>In the case of a pension, the payments from your account (including pension payments and lump sums) are paid in proportion to the tax-free and taxable components in the account at the time the pension commenced.</p>
QROPS	<p>Qualifying Recognised Overseas Pension Scheme.</p>
Release authorities	<p>An authority issued by the Australian Tax Office (ATO) permitting a super fund to 'release' funds in order to pay excess contributions tax.</p>

Separately Managed Account, SMA	A type of managed investment scheme that is not unitised and allows you and your adviser to access a portfolio of investments professionally managed according to a defined investment strategy.
Severe financial hardship	A condition of release for preserved and restricted non-preserved superannuation benefits under which you can access part of your benefits as a lump sum if you suffer severe financial hardship. To be eligible for release of benefits on the grounds of severe financial hardship, you must have been in receipt of Commonwealth income support for a minimum period and, depending on your age, must also be able to satisfy the Trustee of your fund that you are unable to meet reasonable and immediate family living expenses. You must provide the Trustee with specific documentation confirming that you meet these requirements.
SMA Model Portfolios	A selection of model investment portfolios provided by a range of professional investment managers covering a range of investment styles within the SMA structure.
Spouse	For the purposes of super and taxation law, the spouse of a person includes: <ul style="list-style-type: none"> • another person who is legally married to the person • another person (whether of the same sex or a different sex) with whom the person is in a prescribed kind of relationship that is registered under a State or Territory law prescribed for the purposes of the <i>Acts Interpretation Act 1901</i>, and • another person who, although not legally married to the person, lives with the person on a genuine domestic basis in a relationship as a couple.
Structured credit investments	Allow investors access to a portfolio of loans that have been issued by a bank or other financial intermediary. By investing into these loans, the investor assumes both the risk (eg default on repayment by the borrower) and return (interest paid by the borrower).
Superannuation lump sum	Payments from superannuation entities other than income stream benefits.
Switching fees	A <i>switching fee</i> is a fee to recover the costs of switching all or part of a member's interest in the Fund from one investment option or product in the Fund to another.
Taxable component	The amount equal to the balance of your superannuation interest or pension account that is not the tax-free component.
Tax-free component	The tax-free component of your superannuation interest is, broadly, the total of a 'contributions segment' and a 'crystallised segment'. The 'contributions segment' is broadly equal to the tax-free contributions (or rolled over amount) received after 30 June 2007 in relation to that interest. The 'crystallised segment' is based on the withdrawal value of your interest as at 30 June 2007, less the amount of the post-June 83 component if it had been paid as a lump sum on that date. The tax-free component of payments from a pension account is determined as a fixed proportion at the time the pension commenced.
Technical Information Booklet, TIB	The Technical Information Booklet (TIB), incorporated by reference into the PDS (Document number PPSST01), contains general technical information to help you understand your superannuation.
Temporary incapacity	A condition of release for preserved superannuation benefits. To qualify under this condition, you must suffer from ill health (whether physical or mental) that caused you to cease to be gainfully employed but does not constitute permanent incapacity. Only insurance benefits can be accessed under this condition of release. Benefits can only be paid as a particular form of income stream.
Temporary resident permanently departing Australia	A temporary resident of Australia (excluding New Zealand citizens) who leaves permanently can apply to the Trustee, or if the benefit has been transferred to the ATO, the ATO to have their benefits released as a lump sum. For ATO applications, a temporary resident may apply online via the ATO website, or they can lodge a paper-based application (with supporting documentation where required). There are special tax rates applying to Departing Australia Superannuation Payments.
Terminal medical condition	A condition of release for preserved and restricted non-preserved superannuation benefits. Under this condition of release, if you are suffering from a terminal illness, you may be able to access your benefits as a tax-free lump sum. For you to qualify, two registered medical practitioners must have certified that you suffer from an illness or have incurred an injury that is likely to result in your death within a period (the certification period) of 24 months from certification. One of these medical practitioners must be a specialist practicing in an area related to your condition. In addition, for each medical certificate, the certification period must not have ended. You must provide the Trustee with specific documentation confirming your medical condition.
Trustee, MIML, we, us	Macquarie Investment Management Limited ABN 66 002 867 003 AFSL 237492 RSEL L0001281.

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