

29 February 2024

Praemium SuperSMA - retail

Dear member,

RE: Significant Event Notice: Change to product fees

Thank you for investing in the Praemium SMA Superannuation Fund. We appreciate your continued support of our products and services.

We are committed to delivering a high-quality product at a competitive cost. Over the last few years, we have released a number of new features to enhance the customer experience, whilst investing heavily in compliance, cybersecurity and technology to provide a best-in-class platform for the Australian investment management market.

Over the same period, there have been significant increases in administrative expenses, regulatory changes and operational costs.

While Praemium manages these costs carefully, after careful consideration we have found it necessary to adjust the pricing structure of the SMA Superannuation Fund as outlined in the table below.

What's changing.

To assist you in understanding these changes and how they may affect your current arrangement, we have enclosed a detailed breakdown of the new fee structure which will be effective as of 1 April 2024.

Fees and other costs	Current Charge	Effective 1 April 2024
Transaction costs	Brokerage charge 0.055% Settlement fee \$0.87	Brokerage charge 0.099% Settlement fee \$0.55.
Expense Recovery Fee*	Up to \$100 per annum	Up to \$150 per annum.
Fund Accounting Fee	\$12 per month	\$16 per month The name of the fee will change to Account Keeping fee.
Administration Fee	0.00% for balances of \$1,000,001 - \$2,500,000	0.05% for balances of \$1,000,001 - \$2,500,000 \$15 per month minimum administration fee on all accounts.
Cash Administration Fee	1.30%	1.40%
Foreign exchange margin	Praemium executes foreign exchange trades using an auto-FX product provided by the custodian and passes through the 0.15% margin to investors.	Praemium will manage foreign exchange trades internally to achieve more favourable pricing. A margin of 0.20% will be applied to executed trades.

Managed Fund Buy/Sell netting	Praemium nets managed fund orders and applies the executed price to both buyers and sellers.	Praemium will continue to net managed fund orders and ensure that buyers and sellers receive the quoted fund entry and exit prices. Any netting efficiencies will be retained by Praemium.
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*The expense recovery fee for 2023-24 will be calculated & deducted from your account prior to 30 June 2024 up to an amount of \$150. From 1 July 2024, the expense recovery fee will be deducted from your account on a monthly basis, at an amount of \$10 per month. Any additional funding calculated to fund expenses incurred will be deducted in June of each financial year, with total deductions for the expense recovery fee not exceeding \$150 p.a. per account.

The table below shows the impact of the Administration Fee, Account Keeping Fee and Expense Recovery Fee on account balances of two members pre and post the product fee updates on 1 April 2024. Please note – other activity and investment fees that may apply are not included in the below table.

Ongoing annual fees and costs	Member A balance \$300,000		Member B balance \$1,500,000	
	Pre 1 April 2024	Post 1 April 2024	Pre 1 April 2024	Post 1 April 2024
Administration Fee	\$ 1,075.00	\$ 1,075.00	\$ 2,675.00	\$ 2,925.00
Expense Recovery Fee	\$ 100.00	\$ 150.00	\$ 100.00	\$ 150.00
Account Keeping Fee	\$ 144.00	\$ 192.00	\$ 144.00	\$ 192.00
Operational Risk Reserve Levy	\$ 90.00	\$ 90.00	\$ 300.00	\$ 300.00
Total	\$ 1,409.00	\$ 1,507.00	\$ 3,219.00	\$ 3,567.00
Ongoing annual fees and costs impact		-\$ 98.00		-\$ 348.00

There is no action required.

The changes to fees will be included in your new Product Disclosure Statement (PDS) dated 1 April 2024.

We value your business and remain focused on providing the most feature rich and value for money experience, to complement your ongoing investment objectives and advice provided by your financial adviser.

We recommend you speak to your adviser about obtaining the latest copy of your PDS to read more about these changes.

Sincerely,

James Edmonds

Chief Operating Officer
For and on behalf of Diversa Trustees Limited
Trustee of Praemium SMA Superannuation Fund

If you have any questions about this notification, please speak to your financial adviser.