

Praemium Managed Accounts Superannuation



Product Disclosure Statement

30 April 2021

Contents

1. About Praemium Super	1
2. How super works	2
3. Benefits of investing with Praemium Super	2
4. Risks of super	2
5. How we invest your money	3
6. Fees and costs	4
7. How super is taxed	7
8. Insurance in your super	7
9. How to open an account	8
10. Additional information	8

This Product Disclosure Statement ('PDS') is issued by Diversa Trustees Limited ('the Trustee') ABN 49 006 421 638, AFSL 235153, RSE Licence No. L0000635, in its capacity as trustee of the Praemium SMA Superannuation Fund ('Praemium Managed Accounts Superannuation', 'Praemium Super', or 'the Fund') ABN 75 703 857 864, an APRA-regulated superannuation fund. Praemium Australia Limited ('Praemium', 'we', 'our', 'us') ABN 92 117 611 784 is the Sponsor of Praemium Super.

This PDS is a summary only of significant information and includes links to important additional information available at www.praemium.com/au/resources (all of which form part of this PDS). You should read this information before making a decision about Praemium Super.

The information in this PDS is of a general nature. It has been prepared without taking into account your particular investment objectives, circumstances, or your personal financial situation or needs. Before acting on the information in this PDS you should consider seeking financial advice tailored to your own objectives, circumstances, financial situation and needs. This publication is not intended to be, and should not be construed in any way as, investment, legal or financial advice.

The offer to invest in Praemium Super is only open to persons receiving this PDS as a hard copy or electronically within Australia, and does not constitute an offer or invitation in any place where, or to any person to whom, it would not be lawful to make such an offer or invitation.

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

The following documents are incorporated into this PDS and are available online at www.praemium.com/au/resources or by contacting the Fund (contact details below):

- The Praemium Managed Accounts Superannuation Additional Information Guide ('Additional Information Guide'); and
- The Praemium Managed Accounts Superannuation Investment Guide ('Investment Guide')

You may request a copy of this PDS and the guides free of charge by contacting the Trustee at:

Praemium Super
PO Box 322
Collins Street West, Victoria 8007
T: 1800 571 881
E: support@praemium.com.au

1. About Praemium Super

Praemium Super allows members to access a range of investments across multiple asset classes available via the Separately Managed Accounts ARSN 114 818 530 ('the Scheme'), a registered managed investment scheme of which the Sponsor, Praemium Australia Limited, is the responsible entity. The Sponsor is a wholly owned subsidiary of Praemium Limited which was established in 2001 and is a provider of investment platforms with offices in Australia, the UK, Jersey and Hong Kong. For more information, visit our website www.praemium.com or call us on 1800 571 881.

The Scheme offers members a choice of investment options:

- Model Portfolios ('Models') designed and managed by experienced investment managers;
- Single assets such as managed funds, listed securities, or Exchange Traded Products ('ETPs'); and
- Term deposits.

From time to time Praemium buys and sells investments to match the asset allocation specified in the Model(s) you have selected (if applicable). The Scheme provides a transparent investment experience where you can see the specific underlying investments in which your super is invested. As with all managed investment schemes, assets are held on your behalf by the responsible entity of the scheme or its appointed custodian. Accordingly, investors do not have a right in relation to or interest in any particular asset or investment. Your adviser can help you select the right mix of investments for your personal circumstances.

Your investment in the Scheme is covered by the Scheme PDS which is available from www.praemium.com/au/resources.

Your investment in the Scheme is held by the Trustee. The Trustee specialises in superannuation trustee services and is regulated by the Australian Prudential Regulation Authority ('APRA').

The Trustee is required to disclose certain Trustee and superannuation information and documentation on a website.

Accordingly, the required information and documentation are available on the Trustee's website (www.diversa.com.au/trustee), which include, but is not limited to, the following: the Trust Deed, the PDS, the most recent Annual Report and the names of each material outsourced service provider.

Praemium Super has the following account types:

Accumulation Account

The Accumulation Account is designed to provide you with a means to save for your retirement by accepting a wide range of contribution types and rollovers and access to insurance cover through a number of insurers. Refer to the Investment Guide for a list of current providers.

Transition to Retirement Pension Account

The Transition to Retirement Pension Account is designed to provide you with a tax-effective income when you have reached your preservation age but wish to continue to work either full or part time.

Account Based Pension Account

The Account Based Pension Account is designed to provide you with a regular income after you retire for as long as you have an account balance. It enables you to keep part or all of your superannuation benefit with the Fund and receive an income stream that is subject to little or no tax.

2. How super works

The material relating to how super works may change between the time you read this Statement and the day you acquire the product. You should read the important information about how super works before making a decision. Go to the Additional Information Guide available at www.praemium.com/au/resources.

Contributions

Superannuation is a means of saving for your retirement, which is, in part, compulsory. Compulsory contributions (i.e. employer contributions) to satisfy Superannuation Guarantee rules can usually be paid to a super fund of your choice. Contributions can only be made to the Accumulation Account in Praemium Super.

Other types of contributions you can make include:

- Personal contributions from before-tax income ('Salary Sacrifice' contributions);
- Personal contributions from after-tax income;
- Co-contributions made by the government;
- Spouse contributions; and
- Low income superannuation contribution (subject to eligibility).

You can also transfer your super from your existing fund. Consolidating your super into one fund may help minimise fees.



Warning! Before deciding to consolidate your super please ensure you have considered any potential loss of existing insurance or other benefits you may have with your existing fund.

There are limits that are set by the government regarding how much you can contribute to your superannuation. These limits can depend upon a number of factors such as your age, your employment status and your level of income.

The government allows a number of tax concessions that are unique to the superannuation environment. These tax concessions typically allow your super to grow more quickly than other types of investments.

You can find further information at www.ato.gov.au or www.moneysmart.gov.au.

Withdrawals

There are limitations on withdrawals from superannuation. Specific conditions must be satisfied in order to access your benefits in superannuation. In most cases you will access your benefits when you reach your preservation age. If you were born after 1 July 1960 and before 1 July 1964 your preservation age will be between 55 and 60. For those born after 1 July 1964, the preservation age is 60.

When you have reached your preservation age and have retired you can access your super as a lump sum or receive a regular income stream through an Account Based Pension. If you have reached preservation age but have not yet retired, you may still be able to receive a regular income stream by establishing a Transition to Retirement Pension Account. There are other special circumstances when you can access your super.

3. Benefits of investing with Praemium Super

Praemium Super offers you a wide range of investment options with transparency of fees and underlying securities.

Praemium Super lets you:

- Choose from a number of professionally managed Models or single assets such as managed funds, listed securities, ETPs or term deposits;
- Blend investments to achieve a unique, personalised portfolio;
- Access your account online;
- Monitor your performance and asset allocation daily;
- View and download comprehensive investment reports; and
- Choose from a range of insurance providers.

4. Risks of super

The material relating to the risks of super may change between the time you read this Statement and the day you acquire the product. You should read the important information about the risk level of each investment before making a decision. Go to the Investment Guide available at www.praemium.com/au/resources. For single assets and term deposits, you should consider the relevant disclosure document for risks related to each specific investment.

Investment risks

It is important to note that all investments carry risk and your investment (capital and return) is not guaranteed. Praemium Super offers members a wide range of asset classes from which to choose enabling you to invest in assets such as Australian equities, international equities, cash, property and fixed interest. Different strategies carry different levels of risk, depending on the assets that make up the strategy. The Investment Guide indicates the risk level of each Model based on the potential for a negative return over a specified period. For single assets and term deposits, you should consider the additional information about risks in the disclosure document related to each specific investment.

Investments may be impacted by your portfolio's diversification, movements in interest rates and exchange rates, inflation, market movements and liquidity.

The level of risk which you are comfortable with will depend on your age, your investment time frame, other investments you may have outside of superannuation and your general

risk tolerance. Investors should note that investment options with the highest long-term returns may also have the highest risk of negative returns over a shorter time period.

You should understand that:

- The value of your investments will go up and down;
- The returns you receive on your investments will vary, and past returns are not indicative of future returns;
- Returns are not guaranteed and negative returns may result in a reduction in your account balance;
- The amount of your future superannuation savings (including contributions and returns) may not be enough to provide adequately for your retirement; and
- Superannuation laws may change in the future.

Specific risks

Scheme risk: There are risks particular to investing in the Scheme including that the Scheme could be terminated, fees and charges could change, Praemium could be replaced as responsible entity and investments could be closed or change.

Portfolio investment risk: Some Models may only hold a small number of securities compared to the relevant benchmark index for that Model. The performance of Models holding a concentrated portfolio of securities is likely to be more volatile than its benchmark index across all investment timeframes.

The Model profiles in the Investment Guide provide general guidance on the types of securities or commodities likely to be contained in each Model. For single assets and term deposits, you should consider the additional information about risks in the disclosure document related to each specific investment.

General Risks

In addition to the risks outlined above there could be further risks associated with:

Market risk: The market as a whole could fall in value. Economic, technological, political or legislative conditions and market sentiment can change, which can result in changes in the value of investments. Although shares have historically offered higher long-term returns than certain other asset classes, returns from shares may be volatile and performance may be poor over the short and/or medium term.

If you hold an investment that has exposure to international assets, your account may be more susceptible to regulatory changes in overseas markets. Some overseas markets may be subject to greater regulatory changes due to lack of maturity of the regulatory environment.

Currency foreign exchange rate risk: International investments are exposed to risk associated with currency foreign exchange rate movements. Praemium Super does not currently offer foreign currency holdings and does not currently facilitate the management of exchange rate risks via derivatives. All international asset related transactions on your account including security trades, income and corporate action proceeds will be converted to AUD by the Scheme custodian and subsequently reflected on your account. This may impact the value of your holdings.

Liquidity risk: An investment could experience difficulty in realising assets. For instance, shares in smaller capitalised companies may periodically (especially in falling markets) become less liquid and not be able to be sold. Managed funds may suspend redemptions where underlying assets cannot be sold quickly enough to provide cash to meet redemption requests. Term deposits are generally an illiquid investment as they may not be redeemable before their maturity date, and early redemption usually results in reduced returns or a penalty for breaking the term deposit.

Counterparty risk: The service providers engaged by the Trustee may not perform their obligations and this may affect the services offered to you.

Derivative risk: Currency hedging activity will primarily be by way of forward contracts, but options and other derivatives may also be used.

Investment manager risk: Any investment manager may under-perform at any stage of an investment cycle. Managers may lose key people or manage investments or risk poorly. A manager may lose its licence to operate or become unable to perform its duties.

5. How we invest your money

You should read the important information about how we invest your money before making a decision. Go to the Additional Information Guide and the Investment Guide available at www.praemium.com/au/resources. The material relating to how we invest your money may change between the time you read this Statement and the day you acquire the product.



Warning! When choosing a strategy in which to invest, a person must consider:

- (a) the likely investment return;*
- (b) the risk; and*
- (c) the person's investment time frame.*

Praemium Super invests solely in the Scheme which makes available the following asset types:

- Australian equities
- International equities
- Property
- Alternatives
- Ethical
- Diversified
- Fixed income
- Cash

Members can determine their own investments by selecting from a range of Models outlined in the Investment Guide, single assets listed in the Single assets list and term deposits.

Subject to minimum holding requirements for some investments, Members may switch between investments at any time by making a request via their financial adviser. When a switch is requested, trades will be executed so that a member's account reflects their newly selected investments.

Transaction costs such as brokerage fees may apply.

Below is an example of an investment option available in this product.

Investment	iShares Growth Model BR0104																								
Investment description	The iShares Growth Model aims to provide investors with attractive returns consistent with a 'diversified growth' investment strategy encompassing a bias toward Australian assets, an enhanced strategic asset allocation process leveraging a well-researched global framework built by BlackRock, and efficient and cost-effective implementation via iShares Exchange Traded Funds.																								
Investment objective	To match or outperform the Morningstar Australian Multi-Sector Growth benchmark over a rolling 5-year period.																								
Who is this investment option suitable for?	Investors who: <ul style="list-style-type: none"> · seek access to a low-cost, diversified, risk based Model Portfolio; · seek additional returns above the benchmark within a risk controlled framework; and · seek to leverage BlackRock's global expertise and research capabilities. 																								
Asset allocation ranges	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Min%</th> <th style="text-align: center;">Target %</th> <th style="text-align: center;">Max %</th> </tr> </thead> <tbody> <tr> <td>Australian equities</td> <td style="text-align: center;">29</td> <td style="text-align: center;">39</td> <td style="text-align: center;">49</td> </tr> <tr> <td>International equities</td> <td style="text-align: center;">22</td> <td style="text-align: center;">31</td> <td style="text-align: center;">42</td> </tr> <tr> <td>Australian fixed interest</td> <td style="text-align: center;">7</td> <td style="text-align: center;">18</td> <td style="text-align: center;">28</td> </tr> <tr> <td>International fixed interest</td> <td style="text-align: center;">0</td> <td style="text-align: center;">6</td> <td style="text-align: center;">17</td> </tr> <tr> <td>Cash</td> <td style="text-align: center;">2.5</td> <td style="text-align: center;">6</td> <td style="text-align: center;">6</td> </tr> </tbody> </table>		Min%	Target %	Max %	Australian equities	29	39	49	International equities	22	31	42	Australian fixed interest	7	18	28	International fixed interest	0	6	17	Cash	2.5	6	6
	Min%	Target %	Max %																						
Australian equities	29	39	49																						
International equities	22	31	42																						
Australian fixed interest	7	18	28																						
International fixed interest	0	6	17																						
Cash	2.5	6	6																						
Minimum suggested time frame	7 years																								
Risk level	Risk Band 7 – Very high. Negative return 6 years or greater in every 20 years.																								

Unless they apply to a specific investment neither labour standards, nor environmental, social or ethical considerations are taken into account in the selection, retention or realisation of investments relating to Praemium Super.

Failure to make an investment choice or devise a suitable investment strategy may result in a reduction of market returns and the amount of your future superannuation savings. This may not be enough to provide adequately for your retirement.

We cannot accept an application without an investment election.

6. Fees and costs

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your Fund balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You or your employer may be able to negotiate to pay lower fees. Ask the Fund or your financial adviser.

To find out more

If you would like to find out more or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneysmart.gov.au) has a superannuation calculator to help you check out different fee options.

You should read the important information about fees and costs before making a decision. Go to the Investment Guide available at www.praemium.com/au/resources. The material relating to fees and costs may change between the time you read this Statement and the day you acquire the product.

This document shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of the superannuation entity as a whole.

Other fees, such as activity fees, advice fees for personal advice and insurance fees, may also be charged, but these will depend on the nature of the activity, advice or insurance chosen by you. Entry fees and exit fees cannot be charged.

Taxes, insurance fees and other costs relating to insurance are set out in another part of this document.

You should read all the information about fees and other costs because it is important to understand their impact on your investment.

The information in the template can be used to compare costs between different super products. All fees and costs shown include GST unless otherwise stated.

For regulatory definitions of the fees and costs please see the Additional Information Guide at www.praemium.com/au/resources.

The following table shows the fees and costs you may be charged for investing in the iShares Growth Model BR0104.

iShares Growth Model BR0104			
Type of fee or cost	Amount	How and when paid	
Fees when your money moves in or out of the Fund			
Investment fees	Model portfolio management 0.05% payable to the manager of the Model.	Calculated and payable monthly in arrears based on the daily average of your Scheme account balance and deducted directly from your Scheme account payable to the manager of the Model.	
	PLUS investment administration	Calculated and payable monthly in arrears based on the daily average of your Scheme account balance and deducted directly from your Scheme account. Payable to the Sponsor ² of Praemium Super via the Scheme.	
	First \$250,000		0.37% p.a.
	\$250,001 – \$500,000		0.30% p.a.
	\$500,001 – \$1,000,000	0.20% p.a.	
	More than \$1,000,000	0.00% p.a.	
	Plus a fund accounting fee of \$12 per month	Paid monthly in arrears and deducted directly from your Scheme account. Payable to the Sponsor ² of Praemium Super via the Scheme.	
Administration fee¹	Operational Risk Reserve Levy of 0.03% p.a. up to \$1,000,000 balance, zero for the balance over \$1,000,000.	Calculated and payable monthly in arrears based on the daily average of your Scheme account balance and deducted directly from your Scheme account payable to the Sponsor ² of Praemium Super via the Scheme.	
	Expense recovery fee of up to \$65 p.a.	Payable annually from your Scheme account. Payable to the Sponsor ² of Praemium Super via the Scheme.	
Buy-sell spread	Nil	N/A	
Switching fee	Varies	Refer to 'Transaction costs for securities' on page 6.	
Advice fees relating to all members in a particular investment option	Nil	The Fund itself does not provide or charge for advice.	
Other fees and costs	Varies	For further information on other fees and costs see following page.	
Indirect cost ratio	Investment option 0.21% p.a.	Deducted by the underlying managed fund/security prior to striking a unit price.	
	Cash Holding Fee Up to 0.70% p.a. on funds held in cash.	The Cash Holding Fee is the amount that the Sponsor, as responsible entity of the Scheme, charges to arrange for the establishment of, and effecting transactions relating to your cash holdings. This fee is deducted from interest you earn on cash holdings in your Scheme account and is not separately deducted from your Scheme account.	

1. If your account balance for a product offered by the superannuation entity is less than \$6,000 at the end of the entity's income year, the total combined amount of administration fees, investment fees and indirect costs charged to you is capped at 3% of the account balance. Any amount charged in excess of that cap must be refunded.
2. The Sponsor pays general expenses for the Praemium Super fund, including but not limited to administration, trustee and custodian costs; however, in the event that this changes, the Trustee has a right to be indemnified from the Fund to meet such general expenses.

Example of annual fees and costs

This table gives an example of how the fees and costs for the iShares Growth Model BR0104 investment option for this superannuation product can affect your superannuation investment over a 1-year period. You should use this table to compare this superannuation product with other superannuation products.

EXAMPLE: iShares Growth Model BR0104				BALANCE OF \$50,000
Investment Fees	Investment administration	0.37%	\$185	For every \$50,000 you have in the super product you will be charged \$354 each year
	Model management	0.05%	\$25	
	Accounting fee	\$12 per month	\$144	
PLUS Administration fees	Operational Risk Reserve Levy	0.03%	\$15	And , you will be charged \$80 in administration fees regardless of your balance
	Expense recovery fee	Up to \$65 p.a.	\$65	
PLUS Indirect costs for the super product#	Investment option	0.21%	\$105	And , indirect costs of \$126 each year will be deducted from your investment.
	Cash holding fee	Up to 0.70% p.a. on funds held in cash	\$21	
EQUALS Cost of product	If your balance was \$50,000, then for that year you would be charged fees of \$560* for the super product.			

This example assumes a cash balance in the iShares Growth Model BR0104 of 6%.

*Additional fees may apply. And, if you leave the superannuation entity, you may be charged a buy/sell spread which also applies whenever you make a contribution, exit, rollover or investment switch. The buy/sell spread for exiting is 0% (this will equal to \$0 for every \$50,000 you withdraw).

Additional explanation of fees and costs



Warning! Additional fees, as detailed below, may be charged by your financial adviser or their dealer group with your consent. You should consult the Statement of Advice that your adviser gives you in order to understand these fees. The amount of these fees may be negotiated.

Performance Fees

Some Investment Managers may charge a fee for any out-performance above the benchmark index applicable to the investment. Refer to the Investment Guide for Models or the relevant disclosure document related to each specific investment for single assets and term deposits.

Adviser Establishment Fee*

The Adviser Establishment Fee may be payable to your adviser and is calculated as a percentage of your initial investment amount and set as a dollar fee. The amount deducted from your account to a maximum of 4.40% of your initial amount and is agreed between you and your adviser.

Adviser Service Fee*

If you wish, you can have amounts deducted from your account to pay fees to your financial adviser to a maximum of 2.20% p.a. or an agreed fixed dollar amount up to a maximum of 2.20% p.a. For fixed dollar fees, you may also agree with your Adviser to automatically index¹ this fee in line with the annual change in the Consumer Price Index (CPI) or a fixed percentage up to 5% p.a.

One-off Advice Fee*

A one-off Advice Fee may be payable to your adviser for specific advice and other services in relation to your account. This fee may be charged multiple times in a financial year up to an aggregate of \$5,000 p.a. and is agreed between you and your adviser.

Dealer Group Service Fee*

A Dealer Group Service Fee may be payable to your appointed Financial Adviser's dealer group for services provided by the dealer group including assisting with determining, reviewing and assessing the Fund and the investments to be offered under Praemium Super. The amount deducted from your account to a maximum of 1.10% p.a. or an agreed fixed dollar amount up to a maximum of 1.10% p.a. For fixed dollar fees, you may also agree with your Adviser to automatically index¹ this fee in line with the annual change in the Consumer Price Index (CPI) or a fixed percentage up to 5% p.a.

*Note on Adviser Fees

Please note you can only have adviser and dealer group fees deducted from your account insofar as they relate to costs associated with advice that relates to your superannuation and any insurance you may hold through super. The Trustee reserves the right to request evidence to its reasonable satisfaction to support a deduction.

¹ Indexation is calculated at the start of each financial year and applied to eligible accounts that have been invested for at least 12 months.

Operational Risk Reserve Levy

The Federal Government as part of its Stronger Super reforms introduced a requirement for funds to establish and maintain an Operational Risk Reserve ('ORR') to specifically address potential losses arising from operational risks that may affect the Funds' business operations.

An operational risk is the risk that a superannuation fund may suffer loss due to inadequate or failed internal processes, people and systems, or from external events. The ORR may be drawn upon to assist in compensating members or the Fund in the event of an operational risk having materialised.

The Operational Risk Reserve Levy on members of 0.03% p.a. capped at an account balance of \$1,000,000 (a maximum of \$300) will assist in maintaining the ORR.

Expense Recovery

We are entitled to be reimbursed to recover fund expenses such as audit, legal, tax consulting fees, expenses and liabilities relating to the management and operation of the Fund. We expect to recover up to \$65 per account depending on actual expenses incurred in the financial year.

Other fees and costs

Family law charges

The Fund will impose charges in cases where a request for information to flag or to pay out a Family Law benefit is received. Where the Trustee incurs legal expenses in responding to matters arising from "flagging" or splitting your benefits, these expenses may be deducted from your account.

- Request for information by member – \$55
- Implement an Order to split or flag an interest or pay out a Family Law benefit – \$275

Transaction costs for securities

Brokerage incurred in the buying and selling of investments will be charged to your Scheme account. These costs are 0.055% or less of the transaction value.

- A settlement fee of \$0.87 per transaction applies in addition to brokerage.
- There is no settlement fee for managed fund transactions.

Fees on international security transactions

All international security trades will incur brokerage, exchange specific taxes and duties, and currency conversion costs. Investors benefit from wholesale brokerage rates on offer of 0.15% on all available international exchanges, and foreign exchange rates and spreads apply. In addition, a standard settlement fee of up to \$2.90 per international trade transaction will be deducted from your cash holding.

An additional investment administration fee of 0.15% p.a. will apply to directly held international securities, calculated and payable monthly in arrears based on the daily average of your directly held international securities and deducted directly from your Scheme account.

Family Group Account Aggregation

Family Group Account Aggregation allows you to link your Super account with other Scheme account(s), which may reduce the overall Investment Administration Fee payable on each 'linked' account. For more information, see the Additional Information Guide.

Indirect cost ratio - investment options

The indirect costs for managed funds and certain securities are taken into account in the unit price of the investment. The indirect cost varies and depends on the investments you select. Refer to the disclosure document for the managed fund or ETP.

Indirect cost ratio - Cash Holding Fee

To ensure greater returns to members, the Sponsor; as responsible entity of the Scheme, has entered into an arrangement with ANZ to deposit a portion of your Scheme cash account in an omnibus account with ANZ, which attracts a higher interest rate on your cash holdings. The Cash Holding Fee is the fee the Sponsor charges for the additional tasks associated with managing your cash holdings in this way in the Scheme, including establishing and allocating the cash accounts and giving instructions (including deposits and withdrawals).

Changes to fees

The Trustee reserves the right to change the amount or level of fees charged by the Fund or this product without member consent. Where there is an increase in fees, the Trustee will generally notify members 30 days in advance of the increase.

7. How super is taxed

You should read the important information about how super is taxed before making a decision. Go to the Additional Information Guide available at www.praemium.com/au/resources. The material relating to how super is taxed may change between the time you read this Statement and the day you acquire the product.

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

- When contributions are made to a superannuation fund;
- On earnings that are generated for or by the superannuation fund; and
- When withdrawals are made from the superannuation fund.

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



Warning! You should provide your tax file number (TFN) as part of acquiring this superannuation product. We may not be able to accept all types of contributions and you may pay additional tax if you don't provide your TFN.

Tax on Fund earnings

The earnings in the Fund for accumulation member accounts and transition-to-retirement pension accounts will be taxed at a maximum rate of 15%; however, the rate may be lower than the maximum rate due to tax credits or other tax rebates.

Currently no tax applies to earnings on Account Based Pension Accounts. For more information, go to www.ato.gov.au. Tax amounts due are deducted from your account and forwarded to the Australian Taxation Office.

Contributions to your superannuation¹

Type of contribution	Comments	Tax rate
Concessional (Before-tax contributions, e.g. employer contributions, salary sacrifice, contributions for which a tax deduction is claimed)	The concessional contributions cap is \$25,000.	15% If the contributions cap is exceeded, the rate is the top marginal rate plus Medicare Levy.
Non-Concessional (After-tax contributions, e.g. personal contributions, spouse contributions)	For those under 75 years of age, the maximum per financial year is \$100,000; or \$300,000 over a three-year period if you are under 65 years of age, depending on your total superannuation balance.	Nil If the contributions cap is exceeded, the rate is the top marginal rate plus Medicare Levy.

1. This information relates to the financial year 1 July 2020 to 30 June 2021. To access up-to-date information please refer to www.ato.gov.au.

Withdrawals as a lump sum from your super²

Type of withdrawal component	Comments	Tax rate
Taxable component	Up to preservation age:	20% Medicare Levy
	Preservation age to 59 years of age:	No tax up to \$215,000 then 15% + Medicare Levy on the balance
	60 years of age and over:	Nil
Tax-free component	No tax is payable	Nil

2. This information relates to the financial year 1 July 2020 to 30 June 2021. To access up-to-date information please refer to www.ato.gov.au.

8. Insurance in your super

You should read the important information about insurance before making a decision. Go to the Investment Guide available at www.praemium.com/au/resources. The material relating to insurance may change between the time you read this Statement and the day you acquire the product.

Accumulation account holders can apply for insurance cover through the Fund from a number of insurers that we have relationships with. This will enable you to choose from a variety of insurers to suit your needs. You can have your insurance premiums paid directly through your Fund account if you apply for insurance through these providers. For a full list of approved insurers and products see the Investment Guide.

Insurance cover is not automatic. You must apply for cover directly with the insurer. The types of cover that are typically available include:

- Death;
- Total and permanent disability; and
- Income protection.

The Federal Government's Protecting Your Super Package came into effect on 1 July 2019 and applies to insurance in inactive accounts. If you don't receive any type of contribution into your account for 16 months, you could lose your insurance cover, unless you tell us in writing that you wish to keep this cover. An election form is available at: www.praemium.com/au/resources.

How to apply for cover

Applications for cover are made directly with each provider. Your financial adviser will assist you with this process.

There are costs associated with insurance cover. The costs of your cover will be deducted from your Account. The premium you need to pay will depend on certain factors including your age, gender, smoking status, sum insured, medical history, occupation, and premium payment frequency.

Eligibility, cancellation of policies, conditions and exclusions may affect your entitlement to insurance cover. You should read the PDS for the insurance product you are considering before deciding whether the insurance on offer is appropriate for you. Your financial adviser will supply you with the relevant PDS.

9. How to open an account

You should read the important information about how to open an account before making a decision. Go to the Additional Information Guide available at www.praemium.com/au/resources. The material relating to how to open an account may change between the time you read this Statement and the day you acquire the product.

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

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

- Your own contributions;
- Contributions from your employer (including salary sacrifice contributions);
- Contributions from your spouse; and
- Rollovers or transfers from other acceptable superannuation products.

Contributions can be made by:

- Cheque;
- Direct transfers from your employer's payroll system (if your employer permits);
- Direct debit from your nominated bank account; and
- Direct deposit into the Fund's bank account.

Please send a scan of the signed application form to applications@praemium.com.

Minimum account balance

The minimum account balance is \$10,000, if your balance drops to below \$10,000, we will contact your Appointed Financial Adviser, and may close your account, at our discretion.

The Federal Government's Protecting Your Super Package which came into effect on 1 July 2019 included changes to the treatment of inactive accounts. If your account has been inactive for 16 months and you have a balance less than \$6,000, it will be transferred to the ATO. Within 28 days of receiving your money, the ATO will try to transfer it to an active super fund.

Cooling-off period

A 14-day cooling-off period applies for applicants to Praemium Super. During this time, you can cancel your account by advising us in writing at the above address.

The 14-day cooling off period commences from the earlier of the date you receive confirmation of your investment in Praemium Super or five days from the date of joining Praemium Super, in which you may cancel your membership and obtain a refund of any contributions made.

If your membership is cancelled during this period, no fees or costs will be incurred. However, the amount repaid may be adjusted to take account of any increase or decrease in the investment value and any tax payable on contributions received. If any part of the contributions are subject to preservation requirements, these cannot be refunded and must be rolled over to another complying superannuation entity or retirement savings account. If the nomination by you cannot be effected, this may result in benefits being transferred to an eligible rollover fund.

Privacy

We collect personal information to manage and administer your account. We disclose member information when dealing with external parties who are necessary in helping us carry out our duties. We may provide information to the adviser nominated by you. Internet access is kept secure by password. We rely on written authorisations to make changes to personal details. You are taken to agree to the collection, use and disclosure of your personal information when you apply to invest in Praemium Super.

For more information about Privacy see the Additional Information Guide.

Enquiries and complaints

If you have an enquiry or complaint, please call us on 1800 571 881 and we will work with you to resolve your complaint as soon as possible.

If you are not satisfied with the way your matter is handled, please write to us at:

Praemium Super
PO Box 322
Collins Street West, Victoria 8007

If an issue has not been resolved to your satisfaction or it has not been dealt with within 90 days, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: www.afca.org.au
Email: info@afca.org.au
Telephone: 1800 931 678

In writing to:

Australian Financial Complaints Authority Limited
GPO Box 3
MELBOURNE VIC 3001

10. Additional information

Further information relevant to your investment is set out in the Additional Information Guide and the Investment Guide. Visit www.praemium.com/au/resources for more details.