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# Perpetual Private Super Wrap

Features Book

**PRODUCT DISCLOSURE STATEMENT – PART 1  
FEATURES BOOK ISSUE NUMBER 8 DATED 1 March 2025**

Issued by Equity Trustees Superannuation Limited  
ABN 50 055 641 757 AFSL 229757 RSE L0001458

Perpetual 

## Important notes

The Product Disclosure Statement (PDS) for Perpetual Private Super Wrap and Perpetual Private Pension Wrap is divided into two parts:

- PDS Part 1 – Features Book (this document)
- PDS Part 2 – Schedule of Fees and Costs.

You should read this document carefully, together with the current Schedule of Fees and Costs, before applying to become a member. If you have not also received the Schedule of Fees and Costs, please contact us (our contact details are on the inside back cover).

Perpetual Private Super Wrap (Super Wrap) and Perpetual Private Pension Wrap (Pension Wrap) are part of Perpetual Super Wrap (RSE R1074406, ABN 22 897 174 641) (the Fund), a superannuation fund established by way of a trust deed. References in this PDS to 'we', 'us', 'our', 'ETSL' and 'Trustee' are to Equity Trustees Superannuation Limited, the trustee of the Fund.

The Trustee is the issuer of this PDS and the products described herein.

Equity Trustees Limited (ABN 46 004 031 298, AFSL 240975) (ETL) is the issuer of product disclosure statements for some of the Managed Funds available through the Fund.

The Trustee and ETL are subsidiaries of EQT Holdings Limited (ABN 22 607 797 615) (Equity Trustees Group) which is a public company listed on the Australian Securities Exchange (ASX: EQT).

We have appointed Perpetual Trustee Company Limited ABN 42 000 001 007, AFSL 236643 (PTCo) as the Fund administrator and to hold the Fund's investments in custody. PTCo is also the promoter of the Fund.

PTCo has also appointed The Trust Company (UTCCL) Limited ABN 35 008 426 784, AFSL 235170 (UTCCL) to arrange the securities trading services provided to the Fund by platform brokers, as described in this PDS.

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

Companies named in the PDS have given and have not withdrawn their consent to statements by them, or statements based on statements by them, in this PDS in the form and context in which they appear.

References to 'you', 'your' and 'clients' are to members (and, where the context requires, prospective members) of the Fund. In deciding whether to acquire or continue to hold an investment, you should consider this PDS.

Applications can only be made on the appropriate application form.

Certain information in this PDS may change from time to time. Where this information is not materially adverse, the updated information will be made available on our website [www.perpetual.com.au/superwrap](http://www.perpetual.com.au/superwrap). A copy of any updated information will be given to you without charge upon request. If a change is considered materially adverse, we'll replace this PDS or issue a supplementary PDS. You should keep a copy of the PDS and any updates for future reference.

The Fund's cash account (Perpetual Cash Account) forms part of your Super Wrap and Pension Wrap account and is held through the custodian with Macquarie Bank Limited ABN 46 008 583 542, AFSL 237502 (MBL). Any term deposits are also held through the custodian with the relevant financial institution. You can contact us to determine whether the Federal Government's Financial Claims Scheme applies to these types of investments. This will depend on certain matters beyond our control, such as regulatory determinations by APRA. The nature of the Financial Claims Scheme may also change over time.

**Investments in the Super Wrap and Pension Wrap are subject to investment risk, including possible delays in repayment and loss of income or principal invested. Neither we, PTCo, nor any other party referred to in this PDS, guarantee the performance of the Super Wrap and Pension Wrap or the repayment of capital from the Fund.**

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

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

The Target Market Determinations (TMD) for the Super Wrap and Pension Wrap are available on our website or by contacting us.

All amounts in this PDS are in Australian dollars and all times quoted are Sydney time (unless otherwise specified). A business day is a working day in Sydney.

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# Introducing Perpetual Private Super Wrap

## What is a wrap service?

As the name suggests, a wrap service draws all of your investments together around a central cash flow account. This enables easy administration of your retirement savings as all buying, selling, reporting and maintenance of investments held in your account occurs in one place.

## Perpetual Super Wrap

Perpetual Super Wrap (the Fund) is offered by Equity Trustees Superannuation Limited. The Fund consists of:

- Perpetual Private Super Wrap (Super Wrap) – an accumulation superannuation solution and
- Perpetual Private Pension Wrap (Pension Wrap) – an account based pension.

Perpetual Private Super Wrap is a wrap-style account designed for investors who are looking for:

- a wide choice of investments
- consolidated reporting
- someone else to manage the paperwork related to their retirement savings.

Perpetual Private Super Wrap provides a lifetime superannuation solution covering your:

- pre-retirement planning requirements
- transition to retirement
- post-retirement income needs.

You also benefit from online access to your account details, tax efficient features and estate planning options.

The Super Wrap and Pension Wrap may be grouped together with Perpetual Private Investment Wrap, operated by PTCO, so you can benefit from consolidated fees, reporting and statements (see 'Consolidated balances for fee purposes' in the Schedule of Fees and Costs, 'Consolidated reporting on your account' in 'The Perpetual Private Super Wrap difference' section and 'Ongoing reporting' in the 'Reporting' section for further information).

# How the Super Wrap and Pension Wrap work

Your adviser is essential and integral to the establishment and ongoing management of your account and is your main point of contact for account queries. Your adviser can help you identify an appropriate investment strategy which best suits your risk profile and needs, and can provide you with information about the investment options available to implement the strategy.

Your adviser will be authorised to place your investment instructions (including to buy and sell investments). We will act on the instructions received from your adviser as if they were from you.

The Super Wrap and Pension Wrap can assist both you and your adviser by minimising the administration involved in managing your superannuation investments.

Prior to investing, your adviser will provide you with any relevant disclosure documents for these investments. You should carefully read and understand these disclosure documents (including the risks section) before investing.

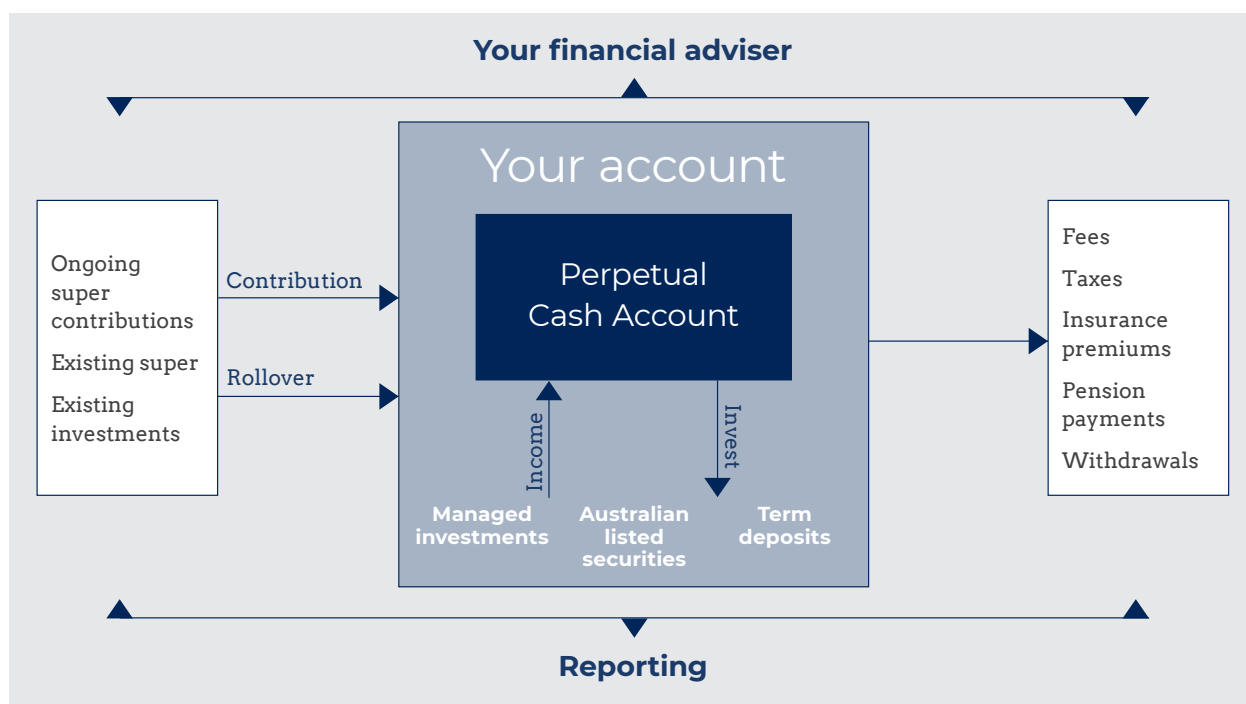
Your Perpetual Cash Account will be your central cash flow account. All regular transactions into or out of your account, including superannuation contributions, taxes, pension payments, fees and charges will be processed through your Perpetual Cash Account.

You can also invest directly into your Perpetual Cash Account from different sources – whether it's contributions from your employer, personal contributions or rollovers from other superannuation funds, using a variety of methods such as BPAY® and electronic funds transfer.

All investment paperwork associated with your transactions are processed by us and any information made available to you generally will also be made available to your adviser.

The Super Wrap and Pension Wrap give your adviser a consolidated picture of your retirement savings so their advice to you is based on the latest, integrated view of your financial situation.

® Registered to BPAY Pty Ltd ABN 69 079 137 518.



# Features at a glance

Feature	Key information
<b>Reporting</b>	
Online access	Client Portal is a secure website that allows you to view details of your account, such as the overall value, asset allocation and transaction history, update your personal details and also enter corporate action elections (if applicable).
Statements	We will issue you with quarterly and annual statements on your account.
Group reporting	Link multiple accounts to access a consolidated report.
<b>Investment options</b>	
Perpetual Cash Account	The central cash flow account for all the regular transactions into and out of your account.
Managed investments	An extensive range of approved managed investments offered by a wide selection of professional investment managers is available on the investment menu.
Australian listed securities	A wide selection of approved listed securities.
Term deposits	A range of approved term deposit options is available.
<b>Automated investment management tools</b>	
Dollar cost averaging	Regular monthly or quarterly investments from your Perpetual Cash Account into managed investments.
Automatic cash management	Manage the balance in your Perpetual Cash Account through the automated buying and selling of managed investments.
<b>Pension features</b>	
Pension payment flexibility	<p>Pension Wrap clients have the flexibility to:</p> <ul style="list-style-type: none"> <li>decide the level of pension payments to receive (subject to legislated limits)</li> <li>determine the frequency of payments (fortnightly, monthly, quarterly, half yearly or annually)</li> <li>amend the amount and frequency of payments</li> <li>choose a transition to retirement pension</li> <li>make lump sum withdrawals.</li> </ul> <p>Some restrictions apply to transition to retirement pensions.</p>
Pension update functionality	You can commute an existing pension, combine the proceeds with additional super and commence a new pension, all within your Pension Wrap account (so your account number, personal details and transaction history are retained).
<b>Insurance and estate planning</b>	
Insurance	Eligible Super Wrap members can apply for insurance cover for death and terminal illness, total and permanent disability and income protection through the Super Wrap. For detailed information on these and other types of insurance cover available outside the Super Wrap, you should consider the relevant product disclosure statement issued by the insurer, available from your adviser.
Non-lapsing death benefit nomination	Provides you with greater control over the payment of your benefits in the event of your death (subject to eligibility criteria).
Reversionary pensions	Pension Wrap clients can nominate a reversionary beneficiary to receive continuing pension benefits in the event of your death.
Child pensions	An extension of the non-lapsing death benefit nomination that allows your benefit to be paid as a tax-effective income stream to your minor children, or certain other children, in the event of your death.
<b>Taxation</b>	
Individual tax processing	Individual tax processing within your account helps you to benefit from the individual investment decisions that you make.



Investment minimums		
Initial investment and ongoing account balance	No minimum initial investment or ongoing account balance.	
Cooling-off	A 14 day cooling-off period applies to your initial investment.	
Perpetual Cash Account balance	\$2,500	
Balance per term deposit	\$10,000	
Balance per managed investment	\$5,000	
Managed investment transactions	\$100	
Australian listed security balance and transactions	As required by the exchange, subject to a minimum purchase of \$500.	
Additional investments		
Super Wrap	Direct deposit or BPAY:	No minimum
	Direct debit:	\$250 per debit
	Electronic processing of rollovers and employer contributions:	No minimum
BPAY	BPAY biller codes to make contributions to the Super Wrap	
	Personal contributions:	667345
	Spouse contributions:	667337
In-specie transfers	Transfer your existing managed investments (which are available on the investment menu) or listed securities into your account.	
Withdrawals		
Minimum withdrawal	\$500 per lump sum withdrawal.	
Fees and other costs		
Fees and other costs	Please refer to the separate PDS Part 2 – ‘Schedule of Fees and Costs’ for full details of fees and costs applicable to the Super Wrap and Pension Wrap.	
Transacting on your account		
Online trading	Your adviser can buy and sell certain investments online or you can trade via your platform broker.	
Super to pension transfers	You can switch from the Super Wrap to the Pension Wrap without realising any gain or loss as a consequence of the transfer.	
Corporate actions	If you hold listed securities, we generally allow you to participate in corporate actions such as share purchase plans and rights issues.	
Optional services		
NZ KiwiSaver transfers	You can transfer your benefit to an eligible New Zealand retirement fund (KiwiSaver).	

# The Perpetual Super Wrap difference

Perpetual Private Super Wrap makes it easy to manage your investments. The Super Wrap and Pension Wrap provide you and your adviser with access to an extensive range of investments and product features.

## A wide range of investment options

Not everyone's investment needs are the same. That is why we provide you with access to a wide variety of different investments including managed investments, direct shares and term deposits. This means you and your adviser can develop a comprehensive investment strategy to meet your individual financial objectives.

### Managed investments

An extensive range of managed investments is available, offered by a wide selection of professional investment managers.

Managed investments are offered by product issuers that invest according to the objectives and strategy set out in the offer document for the managed investment.

The managed investments available through the Super Wrap and Pension Wrap provide access to:

- the main asset classes
- wholesale fees, where available, which can be significantly cheaper than the retail fees you would pay if you invested in each managed investment directly.

### Environmental, social and governance considerations

The Trustee believes it is appropriate for underlying fund managers to consider a wide range of short-term and long-term factors in generating returns and mitigating risk. These factors may include environmental, social and governance attributes of the investments they make.

The Trustee does not specifically take into account labour standards or environmental, social or ethical considerations for the purpose of selecting, retaining or realising these investments. The various underlying fund managers for the investment options may have their own policies concerning labour standards or considerations of an environmental, social or ethical nature.

To the extent that the underlying fund managers take into account such policies, they do so in their own right.

Product issuers of a managed investment also 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.

### Australian listed securities

Approved Australian listed securities include shares and other listed securities such as property trusts and exchange traded funds which are available on the Australian Securities Exchange (ASX), Cboe Australia or such other exchanges as are approved from time to time.

The Super Wrap and Pension Wrap provide access to all approved CHESS sponsored, Australian listed securities. Please contact your adviser if you require further information on approved securities and any other trading

rules or restrictions.

### Term deposits

Term deposits are investments which deliver a fixed rate of interest over a fixed term. A range of different terms and rates are available through the Super Wrap and Pension Wrap.

The types of term deposits, commencement dates, terms and interest rates can be obtained from your adviser. Not all the terms and features described in the term deposit offer documents may be available.

## Consolidated reporting on your account

You and/or your adviser can track your investments online. Our consolidated reporting, updated each business day, provides you with comprehensive reports on your account. These reports include details of:

- your investments and their valuations
- all transactions on your account
- the performance of your account
- your asset allocation
- any income received and the expenses charged to your account.

You are also able to group other Perpetual Private Wrap accounts for reporting to generate group portfolio valuation and asset allocation reports.

Upon opening your account, you will be issued with access to Client Portal.

## Product benefits

We receive all correspondence from investment managers, product issuers and listed securities on your behalf. This enables us to offer streamlined transacting and corporate action processing.

### Corporate actions

We process corporate actions on your account according to your instructions (where applicable), including:

- initial public offerings (floats)
- takeovers
- buy-backs
- share purchase plans
- rights (renounceable and non-renounceable)
- call payments
- compulsory acquisitions
- share splits.

## Transfer your existing assets into your account

You may transfer approved Australian listed securities and managed investments on the investment menu that you already own into your account. This may have tax implications and stamp duty may be payable on the transfer.

## Individual tax processing

Individual tax processing within your account helps you to benefit from your individual investment decisions. Depending upon your circumstances, you may benefit from certain capital gains tax (CGT) treatment and franking credits from your investments.

Ordinarily, as part of our individual tax processing, your account is credited with any taxation benefits derived from fees and insurance premiums at the time they are deducted from your account.

## NZ KiwiSaver transfers

The Trans-Tasman superannuation portability arrangement allows former Australian and New Zealand residents who permanently emigrate between the two countries to take their retirement savings with them. The Super Wrap currently facilitates transfers to eligible New Zealand retirement funds (known as KiwiSaver schemes).

## Share trading

As a Super Wrap or Pension Wrap client, shares can be traded:

- by your adviser online through the platform
- by you or your adviser outside the platform through an alternative authorised external broker.

## Flexible estate planning features

The Super Wrap and Pension Wrap offer you competitive, tax-efficient estate planning features that allow you to take more control of protecting your wealth, such as:

- non-lapsing death benefit nominations allow you to specify to whom (amongst your dependants and your estate) and in what proportions you would like your benefit paid in the event of your death
- insurance cover, which can help you protect against the financial consequences to you and your family should you die or become disabled.

# Understanding your investments

By investing your superannuation through the Super Wrap and Pension Wrap you have access to an extensive range of investments, including managed investments, Australian listed securities and term deposits.

## The Perpetual Cash Account

The Perpetual Cash Account will be used as your central cash flow account for all the regular transactions relating to your investment.

## Investment options

Choosing your investments from such an extensive range of options can prove daunting, however this is made easier with the assistance of your adviser and the investment option classifications developed by the Trustee. Each investment option has a different objective, risks and allocation between asset classes.

The investment options available through the Super Wrap and Pension Wrap are listed in the table below.

### Investment option classifications

Asset class	Investment option classification	Investment objective (before tax and fees)	Investment strategy/ typical benchmark	Standard Risk Measure (SRM) <sup>1</sup> /risk profile	Representative asset allocation	
					Asset class	Allocation (ranges)
Cash	Cash	To earn returns that match the performance of the stated benchmark over rolling one-year periods.	Funds offered will typically benchmark with reference to the Bloomberg AusBond Bank Bill Index.	3 - Low to medium	Cash	100% (100%)
Fixed interest	Australian bonds	To earn returns that match the performance of the stated benchmark over rolling three-year periods.	Funds offered will typically benchmark with reference to an Australian index such as the Bloomberg AusBond Composite 0+ Yr Index.	4 - Medium	Australian fixed interest Cash	100% (70%-100%) 0% (0%-30%)
	Global bonds	To earn returns that match the performance of the stated benchmark over rolling three-year periods.	Funds offered will typically benchmark with reference to the Bloomberg Barclays Global Aggregate Index (hedged to \$A).	5 - Medium to high	International fixed interest (including credit) Cash	100% (70%-100%) 0% (0%-30%)
Real assets	Listed infrastructure (hedged)	To earn returns that match the performance of the stated benchmark over rolling three-year periods.	Funds offered will typically benchmark with reference to a listed infrastructure index such as the S&P Global Infrastructure – Net Return (AUD Hedged).	6 – High	Global listed infrastructure Cash	100% (70%-100%) 0% (0%-30%)
	Listed infrastructure (unhedged)	To earn returns that match the performance of the stated benchmark over rolling three-year periods.	Funds offered will typically benchmark with reference to a listed infrastructure index such as the S&P Global Infrastructure – Net Return (Unhedged in AUD).	6 – High	Global listed infrastructure Cash	100% (70%-100%) 0% (0%-30%)
	Listed real estate – Australian	To earn returns that match the performance of the stated benchmark over rolling three-year periods.	Funds offered will typically benchmark with reference to a listed property index such as the S&P/ASX 300 A-REIT Index.	6 – High	Australian real estate investment trusts (A-REITs) Cash	100% (70%-100%) 0% (0%-30%)

Real assets (continued)	Listed real estate – global (hedged)	To earn returns that match the performance of the stated benchmark over rolling three-year periods.	Funds offered will typically benchmark with reference to a listed property index such as the FTSE EPRA/NAREIT Developed Index – Net Return (AUD Hedged).	7 – Very high	Global real estate investment trusts (G-REITs) Cash	100% (70%-100%) 0% (0%-30%)
	Listed real estate – global (unhedged)	To earn returns that match the performance of the stated benchmark over rolling three-year periods.	Funds offered will typically benchmark with reference to a listed property index such as the FTSE EPRA/NAREIT Developed Index – Net Return (Unhedged in AUD).	7 – Very high	G-REITs Cash	100% (70%-100%) 0% (0%-30%)
	Real estate – diversified (listed and unlisted)	To earn returns that match the performance of the stated benchmark over rolling three-year periods.	Funds offered will typically benchmark with reference to a blended benchmark composed of 50% S&P/ASX A-REIT 300 Index and 50% direct property index such as the Mercer/IPD Australian Pooled Property Fund Index.	7 – Very high	Direct property A-REITs Cash	50% (0%-100%) 50% (0%-100%) 0% (0%-30%)
Alternatives	Alternatives – diversified	To deliver consistent medium term returns with low correlation to broad equity and fixed income markets by investing in both traditional and non-traditional asset classes over rolling three-year periods.	Funds offered will typically benchmark with reference to a hurdle rate benchmark relative to the Bloomberg AusBond Bank Bill Index.	5 - Medium to high	Traditional assets Non-traditional assets Cash	80% (0%-100%) 20% (0%-100%) 0% (0%-100%)
Australian equity	Australian equity	To earn returns that match the performance of the stated benchmark over rolling three-year periods.	Funds offered typically benchmark with reference to the S&P/ASX 300 Accumulation Index.	6 – High	Australian equities Cash	100% (70%-100%) 0% (0%-30%)
	Australian equity – small cap	To earn returns that match the performance of the stated benchmark over rolling three-year periods.	Funds offered typically benchmark with reference to the S&P/ASX Small Ordinaries Accumulation Index.	6 – High	Australian small equities Cash	100% (70%-100%) 0% (0%-30%)
	Australian equity – geared	To earn returns that match the performance of the stated benchmark over rolling three-year periods.	Funds offered are typically Australian long only equity funds which benchmark with reference to the S&P/ASX 300 Accumulation Index.	7 – Very high	Australian equities Cash	150 (70%-200%) -50 (-100%-30%)

Global equity	Global equity – unhedged	To earn returns that match the performance of the stated benchmark over rolling three-year periods.	Funds offered typically benchmark with reference to a broad market global index such as the MSCI AC World Index (unhedged in \$A).	6 - High	International equities Cash	100% (70%-100%) 0% (0%-30%)
	Global equity – hedged	To earn returns that match the performance of the stated benchmark over rolling three-year periods.	Funds offered typically benchmark with reference to a broad market global index such as the MSCI AC World Index (hedged to \$A).	6 – High	International equities Cash	100% (70%-100%) 0% (0%-30%)
	Global equity – small cap	To earn returns that match the performance of the stated benchmark over rolling three-year periods.	Funds offered typically benchmark with reference to the MSCI Small Cap Index (in \$A).	6 – High	International small equities Cash	100% (70%-100%) 0% (0%-30%)
	Global regional equity	To earn returns that match the performance of the stated benchmark over rolling three-year periods.	Funds offered typically benchmark with reference to the relevant regional component of the MSCI Index.	7 – Very high	Regional international equities Cash	100% (70%-100%) 0% (0%-30%)
Diversified	Multi-sector – aggressive (80%-100% growth assets)	To earn returns that exceed Headline CPI increases by at least 4.0% per annum over rolling 10-year periods.	Funds offered will typically represent traditional multi-sector growth funds with between 80-100% growth assets.	6 – High	Equities Alternatives Fixed interest Cash	80% (40%-100%) 15% (0%-40%) 0% (0%-20%) 5% (0%-20%)
	Multi-sector – growth (60%-80% growth assets)	To earn returns that exceed Headline CPI increases by at least 3.5% per annum over rolling seven-year periods.	Funds offered will typically represent traditional multi-sector growth funds with between 60-80% growth assets.	5 – Medium to high	Equities Alternatives Fixed interest Cash	60% (20%-80%) 10% (0%-40%) 25% (0%-40%) 5% (0%-40%)
	Multi-sector – balanced (40%-60% growth assets)	To earn returns that exceed Headline CPI increases by at least 3.0% per annum over rolling five-year periods.	Funds offered will typically represent traditional multi-sector growth funds with between 40-60% growth assets.	5 – Medium to high	Equities Alternatives Fixed interest Cash	40% (0%-60%) 10% (0%-40%) 40% (0%-60%) 10% (0%-60%)
	Multi-sector – moderate (20%-40% growth assets)	To earn returns that exceed Headline CPI increases by at least 2.5% per annum over rolling three-year periods.	Funds offered will typically represent traditional multi-sector defensive funds with between 20-40% growth assets.	4 – Medium	Equities Alternatives Fixed interest Cash	25% (0%-40%) 5% (0%-20%) 50% (20%-80%) 20% (0%-80%)
	Multi-asset – conservative (0%-20% growth assets)	To earn returns that exceed Headline CPI increases by at least 1.5% per annum over rolling three-year periods.	Funds offered will typically represent traditional multi-sector defensive funds with between 0-20% in growth assets.	4 – Medium	Equities Alternatives Fixed interest Cash	10% (0%-20%) 0% (0%-10%) 60% (20%-100%) 30% (0%-100%)

Listed securities	Listed securities – Australian securities	To provide investors with a growth investment return from exposure to companies listed on the Australian Securities Exchange (ASX). This strategy may provide additional returns by investing in Australian companies that declare partially or fully franked dividends.	Investors using this strategy can expect to experience short to medium term fluctuation in the value of their investment.  There is a high likelihood of a negative return in a given short term investment period.	6 – High	Listed Australian securities	100% (100%)
	Listed securities – interest rate securities	To provide investors with a regular income stream above the cash rate over the short to medium term.	Suitable for investors seeking a regular income yield above the cash rate and seeking short to medium term volatility in their capital value.	3 – Low to medium	Listed interest rate securities	100% (100%)
Term deposits	Term deposits	To provide investors with an agreed rate of interest over a fixed amount of time, generally up to five years.	Suitable for investors seeking low risk and a set return for a pre-determined period.	1 – Very low	Term deposits	100% (100%)

- 1 The SRM is based on industry guidance to allow members to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period, as shown in the following table.  
The SRM is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of the negative return could be or the potential for a positive return to be less than a member may require to meet their objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return.  
The SRMs for the investment options may change over time for various reasons, including as a result of reviews of the underlying capital market assumptions that are used in their calculation and future changes to asset allocations by the investment managers. Any changes to SRMs at any time will be available at our website.  
Members should still ensure they are comfortable with the risks and potential losses associated with their chosen investment option(s).

Risk band	Risk label	Estimated number of negative annual returns over any 20 year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater



## Investment menu

You can spread your account across an extensive range of investment options and investment managers.

Your adviser will provide you with the investment menu, which forms part of this PDS (see 'Incorporation by reference' in the 'Other information' section for further information), and recommend an appropriate investment strategy to suit your needs and risk profile.

The investment menu is also available at [www.perpetual.com.au/superwrap](http://www.perpetual.com.au/superwrap) and you may request a copy at any time, without charge. You must read the product disclosure statement or offer document for the managed investments you are considering. These will be provided by your adviser free of charge.

### **Addition and removal of investment options**

Our investment menu is reviewed regularly and is likely to vary over time where we believe it is in the best interests of members to do so.

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.

In adding or removing investment options to or from the investment menu, we do not take any liability for any movement in asset price or costs as they relate to delays in admitting or removing the investment nor do we make any representations as to the suitability of the investment either generally or for your personal circumstances.

## Trustee investment limits

Some restrictions have been placed on certain types of investments, which are detailed in a separate document titled 'Trustee investment limits' that forms parts of this PDS (see 'Incorporation by reference' in the 'Other information' section for further information) available at [www.perpetual.com.au/superwrap](http://www.perpetual.com.au/superwrap) or which can be obtained, without charge, from your adviser.

These restrictions are designed to reduce the potential for losses by encouraging diversification and to ensure adequate liquidity to meet payments and satisfy regulatory requirements. However, limits do not eliminate the risks of large losses or insufficient liquidity.

We may change investment limits and may also place additional limits upon individual investments within each investment option at any time. If we determine that investment limits are to be added, withdrawn or 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.

## **How the limits are applied**

Investment limits are applied at the time of your purchase and are a percentage of the total purchase price (including brokerage) of the asset against your account balance. In calculating the limit, your total account balance includes your Perpetual Cash Account, Australian listed securities, managed investments and term deposits.

For partly paid securities, we may require you to maintain sufficient funds in your Perpetual Cash Account to cover all future instalments.

Where a requested transaction will result in your security holding moving outside an approved limit, your transaction may be rejected by the Trustee or you may be instructed to bring the holding within the trustee limits.



# Understanding superannuation

While superannuation may seem complex, the concept behind it is simple – it’s a means of saving now so you can enjoy a financially comfortable lifestyle when you retire. To encourage superannuation savings, the Federal Government (Government) has provided some distinct tax advantages:

- you can invest ‘before-tax’ income through salary sacrifice
- the earnings on your investment are concessional-tax, with a maximum tax rate of 15%
- your benefits are tax-free if received after you turn 60.

## Eligibility for superannuation contributions

Superannuation contributions can generally be accepted from you or from your employer or your spouse (legal or de facto) on your behalf if you meet the requirements shown in the following ‘Eligibility for superannuation contributions’ table.

## Investing in the Super Wrap

Your investment in the Super Wrap can include:

- personal contributions
- salary sacrifice contributions
- employer contributions
- spouse contributions
- Government co-contributions
- transfers and rollovers from other superannuation funds, approved deposit funds or retirement savings accounts
- CGT exempt small business sale proceeds
- personal injury proceeds.

### Eligibility for superannuation contributions

Your situation	Concessional contributions			Non-concessional contributions		
	From your employer			Personal	Personal	From your spouse
	SG <sup>1</sup>	Certified Agreement or Award	Voluntary			
You are under age 75 <sup>2</sup>	X	X	X	X <sup>3</sup>	X <sup>4</sup>	X
You are aged 75 or over	X	X	N/A	N/A	X <sup>5</sup>	N/A

- 1 SG (Superannuation Guarantee) – Your employer is generally required to pay contributions on your behalf (currently 11.5% of your salary and scheduled to increase to 12% from 1 July 2025).
- 2 Contributions must be received by us within 28 days after the end of the month in which the member turns 75.
- 3 Members aged 67 and over must meet the work test (whereby you must have worked at least 40 hours in a period of no more than 30 consecutive days during the financial year) or work test exemption if you intend to claim a personal tax deduction for your contributions.
- 4 For members aged 55 or over, non-concessional personal contributions can include downsizer contributions of up to \$300,000 from the proceeds following the sale of your principal residence (see ‘Downsizer contributions’ in this section for further information).
- 5 The only type of non-concessional contribution that can be made after age 75 are downsizer contributions (see ‘Downsizer contributions’ in this section for further information).

## Contribution limits

Subject to the eligibility requirements, there are also some restrictions on the amount of contributions that can be made into superannuation before additional taxes are charged, as detailed below. The Super Wrap account can accept all of the following types of contributions.

You can obtain further information about contribution limits, including details of any updated threshold amounts each year, from [www.ato.gov.au](http://www.ato.gov.au).

### Concessional contributions

Concessional contributions generally include employer contributions (including superannuation guarantee and salary sacrifice) and personal contributions for which you claim a tax deduction.

The concessional contributions cap is \$30,000 for the 2024/2025 financial year. This amount will be indexed in line with Average Weekly Ordinary Time Earnings (AWOTE) once the increase in the indexed amount is greater than \$2,500. Excess concessional contributions attract additional tax (see the 'Tax' section for details) and may also count towards your non-concessional contributions limit (see below).

### Provision to make 'catch-up' concessional contributions

Members with a total superannuation balance<sup>1</sup> of less than \$500,000 on 30 June of the previous financial year who have not fully utilised their concessional contributions cap in the 2019/2020 or subsequent financial years will be able to carry forward the unused cap amounts on a rolling five consecutive year basis to make additional concessional contributions. You can check your details of any unused concessional contributions cap using the Australian Taxation Office (ATO) online services through myGov.

- 1 This includes the withdrawal value of all of your superannuation, including any accumulation, transition to retirement and pension accounts, adjusted for any structured settlement contributions. You can check your total superannuation balance using the ATO online services through myGov.

### Non-concessional contributions

These contributions are also referred to as 'after-tax contributions'.

The non-concessional contributions cap is four times the concessional contributions cap noted above (that is, \$120,000 for the 2024/2025 financial year), provided you have a total superannuation balance of less than \$1.9 million as at 30 June 2024. Members under age 75 with a total superannuation balance under \$1.66 million<sup>2</sup> will be eligible to bring forward 2 or 3 years of non-concessional contributions, as shown in the following table.

Non-concessional contributions cap/bring forward rules if triggered in 2024/2025

Total super balance at 30 June 2024	Non-concessional contributions cap/bring forward rules
\$1.9 million or more	\$0
\$1.78 million to less than \$1.9 million <sup>2</sup>	\$120,000, no bring forward period
\$1.66 million to less than \$1.78 million	\$240,000, two-year bring forward period
Less than \$1.66 million	\$360,000, three-year bring forward period

- 2 The \$1.9 million threshold is the general transfer balance cap less the annual non-concessional contributions cap (\$120,000 for the 2024/2025 financial year).

Excess non-concessional contributions may attract additional tax (see the 'Tax' section for details). **You are responsible for monitoring your total non-concessional contributions against the cap.**

Any spouse contributions are counted towards the receiving spouse's non-concessional contributions limit.

### Contributions made from personal injury settlements

Settlement proceeds (structured settlements) received for an injury resulting in permanent disablement that meet the qualifying criteria below are exempt from the non-concessional contributions limit and are excluded from a member's total superannuation balance.

Qualifying criteria:

- two qualified medical practitioners must certify that as a result of the injury the individual is unlikely to ever be able to be gainfully employed in a capacity for which they are reasonably qualified because of education, experience or training
- the contribution of the personal injury settlement payment must be made to a superannuation fund within 90 days of the payment being received or the structured settlement coming into effect (whichever is later)
- the individual must ensure that the fund is aware that the contribution is being made under this exemption by completing a 'Contributions for personal injury election' form (available from the ATO website) and providing it to the fund before or when making the contribution.

### Downsizer contributions

Members aged 55 or over can make additional contributions of up to \$300,000 from the proceeds following the sale of their principal residence (which they must have owned for the past 10 or more years), provided they meet the criteria below:

- both members of a couple can contribute in respect of the same house
- the contribution amount is exempt from the \$1.9 million total super balance test for making non-concessional contributions
- the contribution amount is not exempt from the Centrelink age pension assets test.

- the contribution must be made to the super fund within 90 days generally from the date of settlement
- the individual must also ensure that the fund is aware that the contribution is being made under this provision by completing and returning a 'Downsizer contribution into superannuation' form (available from the ATO website) to the fund before or when making the contribution.

### **Government co-contributions**

Members may be eligible for the Government co-contribution if:

- the member has made personal non-concessional contributions up to \$1,000 during that financial year
- the member has a total income (assessable income plus reportable fringe benefits and reportable employer super contributions less allowable deductions for carrying on a business, where applicable) less than the higher income threshold
- 10% or more of the member's total income must come from employment-related activities and/or carrying on a business
- the member is less than 71 years of age at the end of the financial year
- the income tax return for the member for the financial year has been lodged
- the member's non-concessional contributions for the financial year do not exceed their non-concessional contributions cap for that year
- the member's total superannuation balance is less than \$1.9 million on 30 June of the previous financial year
- the member is not the holder of a temporary visa during the financial year.

The co-contribution rate is 50%, with a maximum \$500 co-contribution applying for individuals with a total income up to the lower income threshold (see below), which reduces by 3.333 cents for every \$1 of total income up to the higher income threshold where it ceases to apply.

For the 2024/2025 financial year, the lower income threshold is \$45,400 with a higher income threshold of \$60,400. The higher income threshold is set at \$15,000 above the (indexed) lower income threshold.

### **Low income superannuation tax offset**

A superannuation contribution of up to \$500 annually (not indexed) will be paid by the Government for individuals on adjusted taxable incomes of up to \$37,000. The amount payable into the individual's superannuation account will be calculated by applying a 15% matching rate to the concessional contributions made by or for such eligible individuals.

This effectively means that eligible individuals can have \$3,333 in concessional contributions made to superannuation each year without having their benefits reduced by contributions tax as the \$500 payment will offset the contributions tax payable.

### **Small business capital gains**

Small business owners who qualify for the small business capital gains tax (CGT) concessions may be exempt from the non-concessional contributions limit. The proceeds from the disposal of eligible assets are exempt up to a lifetime limit of \$1.78 million for the 2024/2025 financial year (indexed) provided that the individual has made the

fund aware that the contribution is being made under these provisions by completing and returning to the fund a 'Capital gains tax cap election' form (available from the ATO website) prior to or when making the contribution.

### **Recontributing amounts withdrawn under the COVID-19 early release provisions**

Members who utilised the COVID-19 early release initiative to withdraw money from their super in the 2019/2020 and/or 2020/2021 financial years can re-contribute up to the amount withdrawn on or before 30 June 2030 without these re-contributions counting towards their non-concessional contributions cap.

The individual must ensure the fund is aware that the contribution is being made under these provisions before or when making the contribution and provide a completed 'Notice of re-contribution of COVID-19 early release amounts' form (available from the ATO website).

### **First home super saver (FHSS) scheme**

The FHSS scheme administered by the ATO allows first home buyers to contribute up to \$15,000 per year (and \$50,000 in total) to superannuation, within the relevant contribution caps. This includes personal and salary sacrifice contributions (voluntary contributions) but not superannuation guarantee contributions.

Eligible individuals can apply to the ATO for these voluntary contributions plus deemed earnings (at a rate which will be calculated by the ATO using the 90-day Bank Bill rate plus 3%) to be withdrawn under the FHSS scheme.

The contributions plus deemed earnings will only be released subject to a release authority being provided by the ATO to the fund. Any amounts released by the fund are required to be paid to the ATO.

Withdrawals of concessional contributions plus deemed earnings will be taxed at the individual's marginal tax rate (plus Medicare levy) less a 30% tax offset. Withdrawals of non-concessional contributions will not be subject to tax. The ATO will withhold any applicable tax before paying the net amount released to the individual.

If the released amount is not used to acquire a property within 12 months:

- The ATO will automatically grant you an extension for a further 12 months
- You can re-contribute an amount (which must be at least equal to the assessable FHSS released amount, less any tax that was withheld) back into super as a non-concessional contribution within the 12-month period (or the extended time period) and notify the ATO of the re-contributed amount
- You can pay FHSS tax of 20% on the assessable amount that was released.

When you are ready to receive your FHSS amounts, you need to apply to the Commissioner of Taxation for a FHSS determination and a release. You can apply online using your myGov account linked to the ATO.

## Consolidating your superannuation into the Super Wrap

If you have other superannuation accounts, you may wish to consider (in consultation with your financial adviser) consolidating your superannuation into one account within the Super Wrap. This will make it easier to manage your superannuation and may save you money with ongoing fees and costs. However, you should check if any transfer fees will be charged by your other superannuation provider(s) and consider the potential loss of any existing insurance cover before you decide to proceed with consolidating your superannuation accounts.

Please complete the 'Rollover authority' form if you wish to consolidate your superannuation into the Super Wrap. You can send it directly to your other fund(s) or, if you send it to us, we'll arrange the transfer on your behalf.

## Super contributions splitting

You may apply to have up to 85% of any concessional contributions up to the concessional contributions cap in any financial year transferred to a superannuation account in the name of your spouse (if applicable).

Non-concessional contributions, rollovers and transfers of overseas superannuation benefits to an Australian fund can't be split.

Please contact your adviser for further information if you are considering super contributions splitting.

## Superannuation choice of fund

Many Australians may choose to have their future employer superannuation guarantee contributions paid into a fund of their choice.

To see if you are eligible, contact your employer.

If you are eligible, a 'standard choice form' (available from your employer or the ATO) enables you to choose a superannuation fund to which your employer is to contribute.

It's easy to direct employer contributions and your own personal contributions into the Super Wrap.

## Accessing your superannuation benefit

Superannuation is a long-term investment and the Government has placed restrictions on when you can access your benefit, as shown in the following 'Conditions of release for superannuation benefits' table.

You can withdraw any 'unrestricted non-preserved' benefits at any time.

There is no compulsory payment of superannuation benefits at any time.

Part of your superannuation benefit may be paid to your spouse or former spouse as a consequence of the superannuation splitting and benefit payment provisions under family law (see 'Superannuation and family law' in the 'Estate planning' section for further information).

## Conditions of release for superannuation benefits

Event	Preserved benefits	Restricted non-preserved benefits
Reaching age 65	Yes	Yes
Retiring <sup>1</sup> having reached age 60	Yes	Yes
Leaving employment after age 60	Yes	Yes
Ceasing employment without satisfying any of the above conditions <sup>2</sup>		Yes
Starting a 'transition to retirement' pension after reaching age 60	Yes <sup>3</sup>	Yes <sup>3</sup>
Permanent incapacity <sup>2</sup>	Yes	Yes
Temporary incapacity (for release of insurance benefits only) <sup>2</sup>	Yes <sup>3</sup>	Yes <sup>3</sup>
Diagnosed with a terminal medical condition likely to result in your death within 24 months <sup>2,4</sup>	Yes	Yes
Severe financial hardship <sup>2</sup>	Yes	Yes
Compassionate grounds <sup>2</sup>	Yes	Yes
Death <sup>5</sup>	Yes	Yes
Departing Australia superannuation payment (DASP) <sup>2,6</sup>	Yes	Yes
Previously classified as a lost member <sup>7</sup> and total benefit in the Fund is less than \$200	Yes	Yes
Release authority given for payment of excess contributions tax <sup>8</sup>	Yes	Yes

- 1 Under superannuation law, this means an arrangement under which you were gainfully employed has ceased and you don't intend to become gainfully employed for 10 hours or more each week again.
- 2 There are additional requirements you'll need to satisfy before a payment can be made.
- 3 Your benefit can only be taken as an income stream.
- 4 Even if you satisfy the 'terminal medical condition' condition of release under superannuation law, you will also need to satisfy any relevant conditions under the insurance policy (eg potentially a shorter life expectancy period) before any insured death benefit, if applicable, is paid.
- 5 See the 'Estate planning' section for more information.
- 6 Applies to temporary residents (excluding Australian citizens, New Zealand citizens or permanent residents) who have left Australia and their visa has ceased to be in effect.
- 7 See 'Lost member accounts' in the 'Other information' section for details.
- 8 See 'Contribution limits' in this section and the 'Tax' section for more information.



## Preservation age

If you are age 60 or more, you have reached your preservation age. If you are under age 60, you have not.

## Investing in the Pension Wrap

### Eligibility for a pension account

You are generally eligible to start receiving a pension if you have an 'unrestricted non-preserved' benefit. This will generally be when you have met a 'condition of release' under superannuation law, as shown in the previous 'Conditions of release for superannuation benefits' table.

### Income stream total account balance limit

A transfer balance cap will apply to the total amount of accumulated superannuation that a member can transfer into the retirement (income stream) phase. Subsequent earnings on balances in the retirement phase will not be capped or restricted. The general transfer balance cap is \$1.9 million for the 2024/2025 financial year, which will be indexed in line with the Consumer Price Index (CPI) in \$100,000 increments. Your personal transfer balance cap may be lower if you have commenced a retirement phase pension prior to 1 July 2022.

Where a member accumulates amounts in excess of their personal transfer balance cap in their superannuation account, they will be able to maintain the excess amount in their superannuation accumulation account where earnings will continue to be taxed at the concessional rate of up to 15%.

Transition to retirement (TTR) pensions do not count towards your transfer balance cap since these amounts are not considered to be in the retirement phase and, therefore, earnings on assets supporting TTR pensions are taxed at the same rate as the concessional tax rate applying to fund earnings on superannuation accumulation accounts (see 'Transition to retirement pensions' in this section for further information). Structured settlements are also not included in the transfer balance cap.

Members who breach their personal transfer balance cap will be subject to penalty arrangements and the ATO can issue a commutation authority to the Fund which requires us to transfer the amount determined by the ATO (the reduction amount) back into a superannuation accumulation account.

You can check your personal transfer balance cap using the ATO online services through myGov.

## Account based pension (ABP)

The main characteristics of ABPs are summarised in the following table.

### Main characteristics of account based pensions

Feature	Characteristics
Term of the pension	There is no fixed term – the pension finishes when your account balance is exhausted.
Minimum annual pension payment	<p>Your annual pension amount must be at least the minimum determined by multiplying your account balance by the percentage based on your age (see the 'Minimum pension limits' table in this section for details), calculated at commencement and each 1 July.</p> <p>Pension payments are required at least annually, except in the first financial year if your pension commences after 1 June.</p>
Maximum annual pension payment	There is no maximum annual pension amount, except where your ABP has commenced as a TTR pension (see below for details).
Investment earnings	Investment earnings on assets supporting your ABP are generally not subject to tax, except for TTR pensions (see the 'Tax' section for details).
Access to benefits	<p>Unless your ABP has commenced as a TTR pension, you can withdraw as a lump sum at any time:</p> <ul style="list-style-type: none"><li>• part of your remaining benefit, provided you have left at least the balance of the remaining minimum pension amount for that financial year</li><li>• all of your remaining benefit, provided you have received at least the minimum pension payment for the financial year at the time of withdrawal.</li></ul>

An ABP will only continue to be paid until the balance of your account is exhausted. You should be aware that the balance of your account may not be sufficient to provide a pension for the rest of your life.

### Transition to retirement (TTR) pensions

If you are age 60 or above but have not ceased employment, you may commence a TTR pension (also known as a pre-retirement pension).

A TTR pension allows you early access to your super money without retiring. A TTR pension provides you with additional income flexibility where, for example, you wish to remain in the workforce but may choose to reduce your hours of work as you approach retirement. It may also provide an opportunity for you to boost your retirement savings by salary sacrificing into superannuation. You should speak to your financial adviser about how a TTR pension can be used to supplement your pre-retirement income and whether it is appropriate for you.

If you commence your pension as a TTR pension:

- you cannot add any future superannuation guarantee or other contributions to your TTR pension account
- you are limited to a maximum pension amount of 10% of your account balance each year (this amount is not pro rata if you commence your TTR pension after 1 July)
- you can stop (or commute) your pension and return your benefit to a superannuation accumulation account (eg if you return to work full time)
- you cannot otherwise access your benefit without satisfying another condition of release under superannuation law (see the 'Conditions of release for superannuation benefits' table in this section for details).

### Standard account based pension features to apply from age 65

Earnings on assets supporting TTR pensions are taxed at the maximum rate of 15%.

The standard features of an account based pension will be applied to your TTR pension from the time you turn 65, or earlier if you meet another condition of release and once you have notified us.

The income and capital gains earned within your account based pension will not be subject to tax. Your pension payments will continue to be received tax free.

Once this change occurs, we are required to report the value of your account to the ATO. The ATO uses this information to ensure you haven't transferred more than your personal transfer balance cap into a tax-free retirement income stream.

Whilst you will still be required to take the minimum age-based pension amount each year, you will no longer be limited to the maximum pension amount of 10% of your account balance each year that had applied to your TTR pension.

### Minimum pension amount

We will calculate the minimum annual payment amount (rounded to the nearest \$10) as at the date of commencing your pension and recalculate it as at 1 July each financial year, based on your age and pension account balance at the time of calculation. Refreshing the pension during the financial year will also reset the applicable minimum pension for the remainder of the financial year.

The following 'Minimum pension limits' table shows the minimum annual pension limits that apply to an ABP.

#### Minimum pension limits

Age range	Percentage of account balance
Under 65	4%
65-74	5%
75-79	6%
80-84	7%
85-89	9%
90-94	11%
95+	14%

The following example shows how the minimum annual payment amount is calculated.

#### Example

An ABP for \$300,000 commences on 1 July. The member is aged 60 at the time of commencement.

The minimum pension payment for the financial year ending the following 30 June is calculated as:

$$\$300,000 \times 4\% = \$12,000$$

Therefore, the member would be able to nominate an annual pension amount between \$12,000 and their total account balance of \$300,000. If the ABP was commenced as a TTR pension, then the maximum pension amount for that year would instead be limited to \$30,000 (that is \$300,000 x 10%).

If you commence your pension before 1 June in a financial year, your annualised minimum pension payment in the first year will be a pro rata amount based on the number of days in the financial year from the commencement date to the next 30 June. We will advise you if your chosen pension amount is below this limit.

#### Example

An ABP for \$300,000 commences on 15 September. The member is aged 60 at the time of commencement.

The pro rata minimum pension payment for the financial year ending the following 30 June is calculated as:

$$\$300,000 \times 4\% \times (288^1 \div 365) = \$9,470^2$$

- 1 This is the number of days remaining in the financial year.
- 2 The result (\$9,468.49) has been rounded to the nearest \$10.

If you start your pension on or after 1 June in a financial year, you are not required to take a pension payment in that financial year.

You can change the amount of your annual pension at any time (subject to the relevant limits) by notifying us. We have the right to restrict withdrawals and changes to your pension amounts.

You cannot add to your pension account once your pension payments have commenced. If you have accrued any additional superannuation benefits (eg from ongoing contributions), which you would also like to take as a pension, you can either:

- open a new account to receive a separate pension or
- use our pension refresh facility to commute your existing pension and start a new one after adding other accrued superannuation benefits (see 'Pension refresh facility' in this section for further information).

## **Pension refresh facility**

The pension refresh facility provides an easy way for you to consolidate your existing pension account balance with any additional accrued superannuation benefits at any time after you have commenced your pension. This may be particularly useful, for example, if you continue working and receiving superannuation contributions after you have commenced receiving a pension, as it does away with the need for multiple pension accounts if you also want to take those additional superannuation benefits as a pension.

The pension refresh facility works as follows:

- your existing pension account balance is commuted into a new or existing accumulation account and combined with any additional superannuation benefits that you've accrued in or transferred into your accumulation account
- some or all of your then combined accumulation account balance is transferred back into your pension account to commence a new pension
- when re-establishing your pension account, you can also provide us with updated instructions on:
  - the pension amount
  - the pension payment frequency, payment date, annual increase and bank account
  - the name/s and details of any beneficiaries
  - the name and details of any reversionary pensioner
- if you don't provide updated instructions for your new pension, the same details that applied to your previous pension will apply to your new pension (unless a new minimum payment amount is required under the law).

Please refer to the form available at our website or by contacting us for more information to take advantage of this feature.

You should seek financial advice before using the pension refresh facility as there are likely to be associated financial, taxation and social security implications from moving your benefits between accumulation and pension arrangements.

# Understanding risk

## Investment risks

All investments carry risk. The value of your investments may fall for a number of reasons, which means that you may receive back less than your original investment when you withdraw. Before making an investment decision, it's important to understand the risks that can affect the value of your investments. While it's not possible to identify every risk relevant to investing, we have detailed in the following table significant risks (in no particular order) that may affect your investments.

Different strategies may carry different levels of risk, depending on the assets that make up the strategy, and assets with the highest long-term returns may also carry the highest level of short-term risk due to their generally larger fluctuations in returns.

The risk information contained in this PDS is of a general nature only. You should also obtain from your adviser any relevant disclosure documents detailing specific information about the risks associated with any particular investments that you may be considering.

Your financial adviser can assist you in determining which investments are suited to your financial needs.

## Significant risks

Type of risk	Description of risk
Market and economic risk	Certain events may have a negative effect on the price of all types of investments within a particular market. These events may include changes in economic, social, technological or political conditions, as well as market sentiment, the causes of which may include changes in governments or government policies, political unrest, wars, terrorism, sanctions, pandemics and natural, nuclear and environmental disasters. The duration and potential impacts of such events can be highly unpredictable, which may give rise to increased and/or prolonged market volatility.
Asset risk	A particular asset that a fund invests in may fall in value, which can result in a reduction in the value of your investment.
Interest rate risk	Both prevailing interest rates and changes in interest rates may have a negative impact, either directly or indirectly, on investment returns.
Credit risk	The issuer or party to a transaction may not repay the principal, make interest payments or fulfil other financial obligations in full and/or on time.  The market value of an investment can also fall significantly when the perceived risk of a note or bond increases or its credit rating declines.
Currency risk	For investments in international assets, which have currency exposure, there is potential for adverse movements in exchange rates to reduce their Australian dollar value. For example, if the Australian dollar rises, the value of international investments expressed in Australian dollars can fall. Currency management or hedging strategies may not necessarily provide protection against adverse currency movements.
Liquidity risk	The absence of an established market or shortage of buyers for certain types of investments can result in a loss if the holder of the investment needs to sell it within a particular timeframe. A can also result in delays in the payment of withdrawals.  For term deposits, liquidity risk is the risk of not being able to access your investment in a term deposit prior to its maturity date and/or without penalty.
Derivatives risk	Derivative values can fluctuate significantly and in certain circumstances a derivative can be more volatile than the underlying asset or index. The value of a derivative contract may fall as a result of an adverse movement in the underlying asset or index. Losses can be magnified where a greater exposure is created through the derivative position than is backed by the assets of a fund. Derivatives may also be subject to liquidity risk and/or counterparty risk. Depending on market conditions derivative positions can be costly or difficult to reverse.  Losses arising from the realisation of a derivative position may adversely impact a fund's distributable income.  A counterparty may also be required to take collateral from a fund's assets to support a derivatives contract. Therefore, there is a risk that if the counterparty becomes insolvent, the fund's assets may not be returned in full.
Counterparty risk	A loss may occur if the other party to a contract defaults on their obligations under the contract.
Investment strategy risks	The particular investments you and your adviser choose to implement your investment strategy may involve specific risks, such as gearing risk and short-position risk. You should also refer to the relevant disclosure document for each of your chosen investments for details about any specific investment risks.
Legal and regulatory risk	Changes in legislation and differences between rules (including interpretation of the law) in domestic and foreign markets, including those dealing with superannuation, taxation, accounting and investments, may adversely impact your investment.



Portfolio concentration risk	Investing in a smaller number of investments may lead to more volatile returns than investing in a more diversified portfolio.
Managed investment risk	<p>The following risks are inherent with investing in any managed investment:</p> <ul style="list-style-type: none"> <li>• the investment professionals employed by an investment manager may change, which may affect the future performance of a managed investment</li> <li>• investing in a managed investment may have a different tax outcome than investing in assets directly because of the application of tax laws to the fund and the impact of investments and withdrawals by other investors</li> <li>• transactions may be suspended, which may result in delays in paying withdrawal requests</li> <li>• the managed investment may be terminated.</li> </ul>

## Non-investment risks

### Operational and cyber risks

The Fund's operations may be adversely impacted by breakdowns in internal/external administrative processes or circumstances beyond our reasonable control, such as failure of technology or infrastructure, or natural disasters.

Despite security measures, fraud, data loss/damage or business disruption may result from cyber threats against or unauthorised infiltration of our technology systems and networks or those of our service providers.

#### Service interruptions

As with any service that uses technology, there is some risk that our administration system's hardware and software may fail, causing a delay in the processing and reporting on your account. We have sought to address this risk and the risks associated with other unforeseen circumstances in our business resilience plans and risk management framework. This includes processes to back up our computer systems and regular reviews of our systems and control procedures including an external, independent audit on an annual basis.

You acknowledge that there may be unexpected interruptions or failures in the technology we use to provide services to you. To the extent permitted by law and unless caused by our or our service provider's fraud, negligence or willful misconduct, we are not liable, and do not accept responsibility, for any loss you incur in connection with or arising from a technological failure. Such losses may include delays in processing your instructions or not receiving your instructions.

#### Reliance on third parties

There is also risk associated with our reliance on information or systems provided by product issuers and other external service providers. We address this risk by having service agreements in place with third parties. If they notify us of any errors, we will correct the errors promptly after we are notified and to the extent that correcting the error is reasonably within our control. If the changes are material, they will be communicated to you and/or your adviser.

### Conflicts risk

Conflicts of interest may arise between related parties of the Trustee or as between the service providers appointed to provide services to the Fund.

The Trustee has policies and procedures in place to manage any conflicts of interest and to seek to ensure any related parties of the Trustee, and the Trustee's service providers and their related parties, perform their functions to the same standards as if the parties were not related.

# Operating your account

## Your first investment

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

Your first investment may comprise either a single or several payments. The following table shows the methods by which contributions and rollovers (except in-specie transfers) can be made.

Method	Contribution type			Rollover
	Personal	Employer	Spouse	
BPAY	Yes		Yes	
Direct debit	Yes		Yes	
Direct deposit	Yes		Yes	
SuperStream		Yes		Yes

## Contributions

To make or receive contributions into your superannuation account, you must meet certain conditions. The contribution acceptance rules are outlined in the 'Understanding superannuation' section.

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

### BPAY (Super Wrap only)

Select the BPAY option from your internet or telephone banking service and follow the instructions to enter the appropriate biller code based on the type of contribution being made, your **customer reference number** and your contribution amount.

Your customer reference number can be found on your member statement, your 'Account Details' report on Client Portal or is available from your adviser. Your reference number is not your account number.

### Super Wrap BPAY biller codes

Contribution type	BPAY biller code
Personal	667345
Spouse	667337

Contributions made via BPAY will generally be credited to your Perpetual Cash Account on the second 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 personal contributions' section. Using an incorrect reference number or biller code may result in delays in processing.

### Direct debit (Super Wrap only)

You can make regular personal contributions by completing the 'Direct debit request' form available on Client Portal or from your adviser. We will debit an amount selected by you (a minimum of \$250 per debit) from the bank or building society 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.

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

- once only at the time of the request
- 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. 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 may automatically cease if:

- your account is closed
- you do not make at least one direct debit contribution in every 12 month period
- three direct debits are rejected in a 12 month period 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 to be modified or cancelled while your account is still open, we will first give you 14 days' notice or contact your adviser.

### Direct deposit (electronic funds transfer) (Super Wrap only)

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

You are only able to elect either personal, or spouse contributions for your direct deposit facility. 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 personal contributions' section.

## Electronic processing of rollovers and employer contributions (SuperStream)

The Fund meets the data and e-commerce standard required to process rollovers and employer contributions electronically via SuperStream using the appropriate Unique Superannuation Identifier (USI), as shown in the following table.

### SuperStream details

Product	USI	Transactions
Perpetual Private Super Wrap	22897174641174	Contributions and rollovers
Perpetual Private Pension Wrap	22897174641175	Rollovers only

When accepting employer contributions, this means that information about your contributions will pass electronically from your employer to us. Where you are rolling your existing superannuation from a self-managed super fund (SMSF), you should contact your adviser or administrator so that the relevant standards are met.

### In-specie contributions

You may transfer approved Australian listed securities and managed investments available on the investment menu that you already own into your account. This is referred to as an in-specie contribution.

This is generally a capital gains tax event and may result in capital gains tax consequences since the assets must be transferred in at current market value. We recommend that you seek professional tax advice that will consider your individual circumstances.

To make an in-specie contribution, you will need to complete a standard transfer form and the Fund will need to pay stamp duty in certain circumstances. There must be sufficient cash contributed to meet the minimum cash balance and fees, taxes and other costs, including any stamp duty payable.

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

### Claiming tax deductions for your personal contributions

If you 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 as part of the application process (for initial contributions) or via 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 your 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 completed 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 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 time frames as a deduction notice itself and we will be unable to accept a variation to an earlier notice in any of the above circumstances.

You must have sufficient available cash to allow us to deduct the applicable tax.

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 'Tax' section.

### Dishonoured investments

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

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

## Rollovers

Your superannuation benefits from other complying superannuation funds can be rolled into your superannuation account at any time.

### In-specie rollovers

You may transfer approved Australian listed securities and managed investments available on the investment menu into your account. This is referred to as an in-specie rollover. Refer to the 'In-specie contributions' section for further details.

## Investments into a pension account

### Eligibility to invest in a pension

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

However, if you have reached age 60, you may elect to commence a transition to retirement pension. Particular restrictions apply to withdrawals until you retire or meet another condition of release. Please refer to the '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 rollover from other superannuation funds.

These amounts will form the capital to support your pension.<sup>1</sup> Any amounts that are not identified in your application may not 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 Wrap 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 Wrap account. Once all amounts have been received and transferred to your Pension Wrap account, this Super Wrap account will be closed. You will not be able to access any benefit directly from the new Super Wrap 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.

- 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.

## Establishing your pension

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

The opening of a Pension account does not constitute the commencement of a pension. Before your pension commences, any income earned or capital gains realised will be taxed at up to 15%. 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 so as to not delay the commencement of your pension.

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.<sup>2</sup> We may contact you and/or your adviser if the amounts we receive vary from the amounts noted on your application.

Your pension 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.<sup>3</sup> 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 unless you use the pension update functionality (see this section for details).

Under the Trust Deed, we have the power (as trustee) to commute your pension after paying the required minimum pension. 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.

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

## Pension commencement value

The value of the pension that we will report to the ATO for transfer balance cap purposes will be:

- for standard account-based pensions: the latest available market value of your Pension account on the day we receive the last rollover or contribution
- for transition to retirement pensions: the value on the day we process your notification that you have satisfied a relevant condition of release, or when you reach age 65, whichever occurs first.

For all pensions, the account balance used for the purpose of calculating the minimum pension at commencement is the value of your account on the day we receive the last rollover or contribution.

For valuation purposes we will use the most recent asset prices available to us at the applicable time. In the case of managed investments, these may not be the unit prices that the product issuers eventually strike for that day. The commencement value may therefore be different to account valuations available online.

Where an in-specie transfer of assets is used to commence a pension, the assets are not received into the pension until the day after they are transferred. The value of the assets when pension commences will generally be different to the transfer value due to market movements. This should be factored in when commencing or updating a pension to avoid exceeding the transfer balance cap. For more information, speak to your adviser, or us.

## Transition to retirement pensions

If you commence a transition to retirement pension, the earnings within the pension will be taxed in the same manner as a Super account. See the 'How tax is deducted' section for more details on how tax applies to your account.

Any pension commenced as a transition to retirement pension will continue to be taxed until the earlier of:

- the time you notify the Fund that you have met a relevant condition of release and the request has been processed, and
- the day you turn 65.

From the earlier of these times, your pension will be taxed in the same manner as a standard account-based pension.

## **Pension update functionality**

You or your adviser can instruct us 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.

Minimum pension payment requirements from the existing pension must be met before it can be commuted. The Pension Update functionality cannot be used to convert a standard account-based pension to a transition to retirement pension.

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

## **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 our 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 you (or to the fund from which it was received in the case of transfers/rollovers).



# Transacting

## Your investment instructions

You provide investment instructions (to buy, sell or switch investments) through your nominated adviser. If you cannot contact your adviser, you must give us instructions directly, provided that you have received the relevant disclosure documents for these investments.

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. To the extent permitted by law, we will not be liable for any delay in acting on those instructions where the delay is caused by circumstances outside of our control or due to us making enquiries about the validity and/or authorisation of instructions on your account, and we have acted properly. In certain circumstances your assets can be realised without obtaining your instructions, with the proceeds paid to your Perpetual Cash Account (eg 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 this PDS, including breaching trustee investment diversification limits
- 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 Perpetual Cash Account to carry out the instruction
- either your account and/or Perpetual Cash Account balance would fall below the minimum balance 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
- there are other reasons beyond our control (eg corporate actions in progress).

The Trustee will only invest in an investment option as directed by you or your adviser subject to:

- the investment limits
- the investment menu, and
- any restrictions that the Trustee may determine are reasonable to distribute consistently with an eligible investment's target market determination.

The Trustee will only sell or draw down an investment option other than as directed by you where:

- the sale is required to ensure you have the minimum balance required in the Perpetual Cash Account
- the investment option is removed from the investment menu

- it is required to pay for fees, costs or expenses (eg, tax or insurance premiums)
- a corporate action will result in you having an investment that is not on the investment menu
- your account becomes unclaimed money (as defined in superannuation law) and we are required to transfer your balance to the ATO (see the 'Unclaimed benefits' section for more details)
- it is required to top up the Perpetual Cash Account to meet a payment authorised by a regulator
- it is required to top up the Perpetual Cash Account to fund minimum pension payment requirements, or
- it is otherwise required by law.

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

- Managed investments (that are liquid)
- Australian listed securities
- Term deposits
- Other investments.

In these situations, you bear the risk of the transaction and the Trustee is, to the extent permitted by law, exempted from liability for any loss you sustain.

## Perpetual Cash Account

Your Perpetual Cash Account will be used to:

- credit all cash contributions and rollovers
- fund the purchase of investments
- receive the proceeds from the sale of investments
- receive income from investments
- receive a benefit from your insurance policy (if applicable)
- hold all surplus cash in relation to your portfolio
- pay any fees, taxes and charges related to your account.

You do not need to give us specific instructions or directions in relation to the Perpetual Cash Account. 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) will be debited from your Perpetual Cash Account.

## Holding sufficient cash and assets

Before transacting on your account, you must have sufficient available cash (above the minimum balance) in your Perpetual 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 Perpetual 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 may be charged a failed trade fee. In some circumstances a trade for a listed security (where there is insufficient available cash in the Perpetual Cash Account) will be funded through the disposal of any managed investment(s) you hold.

If your available cash balance falls below the minimum cash requirement, or you hold insufficient available cash to meet any payments, (including fees and costs), we reserve the right to sell down your investment holdings to meet those payments and/or replenish the Perpetual Cash Account to the minimum balance.

Any transaction instructions and/or automated plans to buy assets may fail where they will result in your available cash balance falling below the minimum balance requirement.

### **Further information**

Further information about the Perpetual Cash Account is available on the Client Portal or from your adviser.

The current rate of return payable on Perpetual Cash Account balances at any time will be available online through the Client Portal.

## **Managed investments**

Your adviser will buy, sell or switch managed investments 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 disclosure documents for each managed investment.

### **Disclosure documents**

You should read the relevant PDS prior to investing in any of the managed investments, noting that not all of the features described in the PDS may be available to Super Wrap or Pension Wrap investors. 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 risks, strategies and objectives, the manager and the administration of the investment. The most recent versions of these documents are available from your adviser or online.

### **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 Perpetual Cash Account.

Payment for your managed investment purchases will be deducted from your Perpetual 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 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, 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**

A redemption is the term used to describe the sale of units or other interests in a managed investment. Redemption proceeds are credited to your Perpetual Cash Account.

The proceeds from a withdrawal of units in a managed investment scheme cannot be used to process a withdrawal from your Perpetual Cash Account until settlement occurs and the money is cleared in your Perpetual Cash Account.

Redemptions may also give rise to a CGT event. Please refer to your adviser for further details.

## **Switching between managed investments**

A switch is the term used to describe an order where the redemption proceeds from the sale of managed investment(s) are used to invest in other managed investment(s) rather than being credited to the Perpetual Cash Account. We only administer switches between managed investments that transact daily.

The minimum amount that can be switched between managed investments is \$100. If you give us an instruction to switch (or redeem) an amount that will result in less than \$250 remaining invested in a particular managed investment, 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 will convert the buy dollar amounts to a percentage of the sale order. Once the sale proceeds are received, reciprocal buy orders are created and sent to the managed investments into which applications are being made.

Please refer to your adviser for further details.

## **Switching pension investments (Pension Wrap only)**

Switching between managed investments 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 disclosure documents or contact your adviser for further information.

## **Australian listed securities**

We will use the available cash in your Perpetual 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 Perpetual Cash Account to perform a trade.

All online orders placed through the platform to buy or sell Australian listed securities will be conducted on a 'market-to-limit' basis. Orders can also be placed 'at-limit'. This enables buy or sell orders to be placed at a specific price. An 'at-limit' buy order will only execute at the limit price or lower, while an 'at-limit' sell order will only execute at the limit price or higher. 'Market-to-limit' orders may only be partially filled at the prevailing market price at the time the order is placed. Best endeavours will be used to complete partially filled orders. If you would like your order to be fully executed at 'market-to-limit' in accordance with available price/volumes, your adviser would need to amend your initial 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.

A single order may consist of more than one transaction. For example, if an order is partially filled and then amended, each amendment that is filled is a new transaction.

You and your adviser are unable to trade on a conditional or deferred settlement basis.

Trading may be available outside the platform through an alternative authorised external broker. If you would like to appoint an alternative authorised external broker, contact your adviser for further information.

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

Trading of Australian listed securities may be undertaken in a bulk order covering multiple client transactions.

Completed trades can be viewed on Client Portal and will be shown on your next statement.

## **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 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, as trustee seeking to act in your best interests and in accordance with our other duties, may make a decision in relation to the corporate action.

If you have online access and you have provided an email address, you can receive notifications of corporate actions by email. You can then make your election via Client Portal.

If you do not wish to participate in online corporate actions, your adviser will provide separate notification. You will need to provide an 'Authority to proceed' to enable your adviser to implement your instruction.

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 other 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 closed 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, there must be sufficient available cash in your Perpetual 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.

Generally you will not be able to vote at shareholder 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 may exercise voting rights in accordance with its voting policies, and will do so if required by law.

## **Class actions**

The Trustee will make a decision whether to participate in the class actions on any holding you may have in the Fund. In making the decision the Trustee will consider whether the participation is in the best financial interest of members. The Trustee will not instigate class actions. If you have closed your account prior to the announcement of a class action that relates to assets you held in your account, then you will not be eligible to participate. We are not liable for any loss, including loss of opportunity, arising out of these circumstances.

## **Approved partly paid securities**

Please ensure you have sufficient available cash in your Perpetual Cash Account to meet unpaid instalment payments when required.

If there is insufficient available cash in your Perpetual 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 your investments in the same order to that which applies where investments need to be sold as set out under 'Your investment instructions' in the 'Transacting' section.

Transaction costs and break costs may also apply to these transactions. These costs will be deducted from the investment or charged to your Perpetual Cash Account.



## Term deposits

Term deposits allow you to make an investment for a fixed duration at a fixed rate of return. You can choose from a range of term deposits with a selection of different rates and terms to suit your needs. A minimum deposit of \$10,000 per term deposit applies and you should obtain and consider the applicable term deposit disclosure documents before making an investment decision.

You can apply for a term deposit at any time. Applications close at midnight each Business Day with the investment being made the following Business Day. This means you will receive the rate and terms applicable on the day that you submit your application.

Interest rates change frequently. You should always check the current rates at the time you invest and again if you are considering rolling over a term deposit. On maturity, the amount invested (your principal) and interest earned will be credited into the Perpetual Cash Account.

You may elect to roll over your term deposit (principal or the principal plus interest) for the same term from the same term deposit issuer. Your term deposit maturity election will remain in place until a new maturity election is made.

As term deposit applications are pooled and invested together, there is limited ability to obtain funds before maturity. You may request to break your term deposit but you should be aware that this is subject to the term deposit issuer's approval and that fees, notice periods, and interest reductions may apply.

### 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 Perpetual Cash Account and then invested in the next available term deposit. We recommend you or your adviser check your Perpetual 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 your Perpetual Cash Account at the point the term deposit proceeds were credited to your Perpetual Cash Account, prior to the term deposit rolling).

If your Perpetual Cash Account balance falls below the minimum level, or if processing the rollover will bring the available Perpetual Cash Account balance below \$2,500, the rollover may not proceed, in which case the funds will remain in your Perpetual Cash Account.

Your adviser is able to update your rollover instructions up until 9.00pm one business day prior to maturity.

## 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 established and maintained online, by your adviser.

Automatic cash management and dollar cost averaging are available for selected managed investments only. The income reinvestment plans are available for selected managed investments and listed securities only.

### Automatic cash management

To help you manage your Perpetual Cash Account balance, you and your adviser can select a minimum (must be at least \$2,500) and/or maximum target cash balance. This can be either specific dollar amounts or a percentage of your account. If your Perpetual 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 prevailing instructions. If your Perpetual Cash Account balance falls below your minimum target, we will sell down some of your investments and top up your Perpetual 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).

### Dollar cost averaging

Dollar cost averaging allows you to make regular investments from your Perpetual 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, the amount and into which managed investments you would like to make your investments. Minimum transaction amounts may apply. Dollar cost averaging transactions will occur on or around the 16th of the month (this date may change without prior notice to you).

Under dollar cost averaging you may acquire additional interests in investments without having been given a current disclosure document in relation to the relevant investment. These can be obtained through your adviser or are available online.

Investments made through dollar cost averaging will continue to be made until you instruct us otherwise or until the arrangement is terminated for any reason including if you no longer have an adviser linked to your account.

## **Income reinvestment plans**

Your income election from listed securities and managed investments generally defaults to cash and will be paid into the Perpetual Cash Account. For some investment options, you or your adviser can elect to receive income as either additional units or securities or cash. As disclosure documents are subject to change, you may acquire additional interests without a copy of the latest disclosure document. You can obtain a copy from your adviser or online.

Reinvestment plans for managed investments are administered directly by the service and not through the registry or product issuer. The unit price at which managed investment distributions are reinvested may differ from the price that would apply if you participated directly in the fund manager's distribution reinvestment plan.

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

Dividend bonus share plans (also known as dividend substitution plans) are not administered in the Fund. We also do not administer reinvestment plans for non-daily priced managed investments.

# Reporting

One of the benefits of Super Wrap and Pension Wrap 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

Your quarterly and annual statements will be made available via Client Portal after the end of quarter and the end of the financial year.

We will also provide you with 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.

You are also able to group other Perpetual Private Wrap accounts if you would like to receive consolidated statements.

### Annual report

We prepare an annual report about the management, financial performance and position of the Fund for the year to 30 June each year. This annual report is available online at [www.perpetual.com.au/annual-reports](http://www.perpetual.com.au/annual-reports) or you can request a hard copy, free of charge.

## Client Portal online access to your account

You can keep up to date by using Client Portal to check your account details online at [www.perpetual.com.au/login](http://www.perpetual.com.au/login).

Through Client Portal you can access a range of account information and reporting to keep you informed about your account, including your:

- portfolio valuation
- transaction history, and
- quarterly annual statement.

You should check the entries on each online report and statement carefully and promptly notify us of any error or unauthorised transaction. If you have any queries, please refer to your adviser or us.

### Client Portal conditions of use

Use of Client Portal is subject to the conditions of use (which are publicly available at our website or can be obtained free of charge by contacting us) and you must change the temporary password we've provided to a password of your choice when you first log in to Client Portal.

## 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. 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 Perpetual Cash Account, after the deduction of fees, taxes and charges. The following information is a guide on how different investments are valued and what will be reported. Accrued fees and taxes are not reflected on your portfolio valuation report.

### Perpetual Cash Account

Returns are distributed to your Perpetual Cash Account quarterly. Accrued returns are not reported on your account until they are paid.

The current rate of return payable on Perpetual Cash Account balances at any time will be available from your adviser.

### Term deposits

The value of a term deposit is determined by the amount initially invested. Interest is reported when the term deposit has matured and the interest has been paid.

### Managed investments

When you invest in a managed investment, the number of units allocated to you depends on its unit price and the amount you invest. Each managed investment will have a 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.

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

**Australian listed securities (excluding instalment warrants)**

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

**Instalment warrants**

The valuation price used to value instalment warrants 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.

**Changes in methods for valuing assets**

At our discretion, we may change the method by which we value an asset. For example, where a method becomes available which reflects more accurately the fair value of these assets, we may select to use this method. Where a particular asset we believe is not fairly valued using the standard methods described above, we may report a value that we believe reflects a more accurate value.

# Withdrawals

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

- withdrawing a lump sum
- transferring your investments in-specie from the Super Wrap to the Pension Wrap and then drawing a pension, or
- any combination of the above.

**Withdrawals as a lump sum and rollovers to another complying superannuation fund must be done from available cash in your Perpetual Cash Account, as in some instances, an in-specie rollover is not available.**

## How to withdraw

Subject to you meeting a condition of release (see 'Accessing your superannuation benefit' in the 'Understanding superannuation' section), 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 Perpetual Cash Account to meet your required withdrawal, you can sell investments with the resulting proceeds being credited to your Perpetual Cash Account. The proceeds cannot be used to process a withdrawal until settlement occurs and the money is cleared in your Perpetual Cash Account.

If there is insufficient available cash to meet your required withdrawal and you or your adviser have not provided instructions to sell investments, we reserve the right to sell investments to provide sufficient cash to meet the withdrawal and also retain the minimum cash balance. In these circumstances, money will be drawn from your investments in the same order to that which applies where investments need to be sold as set out under 'Your investment instructions' in the 'Transacting' section.

You can make a withdrawal from your account through an adviser initiated payment to your nominated account made by your adviser or by providing us with instructions, including the details of the Australian bank or building society account into which your withdrawal is to be transferred (if different from the account you have previously nominated).

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. Should your account not hold sufficient liquid investments to fund any required minimum pension payments, we may draw down investments on your behalf to fund these payments.

All withdrawals will be processed by electronic funds transfer, and for Pension Wrap accounts as pension payments, unless requested otherwise. You can also request withdrawals by telegraphic transfer. Additional

fees may apply for this service (see 'Incidental fees' in the Schedule of Fees and Costs for details).

If there is sufficient available cash in your Perpetual 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.

You should give us a valid deduction notice for any personal contributions prior to providing us with withdrawal instructions. Failure to do so may lead to you limiting or losing your ability to claim a tax deduction.

## Online withdrawals (Pension only)

Subject to meeting all the withdrawal conditions, on your instruction, your registered adviser can place instructions on your behalf (via Adviser Online) for a one off pension payment or lump sum withdrawal from your pension account.

Your adviser is limited to giving withdrawal instructions in this way once every three days for each pension account you hold. This feature is not available for transition to retirement pensions.

We may process payments in this way, provided the payment or withdrawal is:

- \$30,000 or less, and
- made to the Australian bank or building society account that receives your current pension payments.

In all other circumstances we will need to receive your authorisation before making a payment.

## Closing your account

You or your adviser can instruct us to close your account by providing us with instructions. If you withdraw, rollover or transfer out your entire balance, we will treat this as an instruction to close your account.

In addition to the above, to close your account you should also be aware of the following:

- **Investments** - any investments held in your account will be sold.
- **Corporate actions** - any corporate actions will lapse.
- **Automated plans** - All automated plans (automatic cash management, dollar cost averaging and/or direct debits) will be cancelled.
- **Insurance** - Your insurance cover held on your account will be cancelled.
- **Fees** - any outstanding fees may be deducted prior to the closure of your account.
- **Online access** - Online access to your account may be removed following the closure of your account.
- **Pensions** - For pension accounts, minimum payment requirements apply before your account can be closed.

To facilitate the closing of your account, we may also take other administrative actions such as removing the registered adviser on your account.



**Please note:** upon closure of your account, if you no longer have an open account in the Fund, you should be aware of the following:

- 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.
- We reserve the right to deal with any unpaid benefits or other money owed to you in any manner permitted under applicable law, including opening a new superannuation account or paying the benefits to the ATO.

If you wish to claim a tax deduction for your personal contributions in a particular year you must send us a completed 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 personal contributions'.

There may be delays in rolling over or closing your account if there are any outstanding:

- corporate actions
- unsettled transactions, or
- illiquid investments: where you hold illiquid investments or investments that cannot be readily converted to cash, including term deposits, we may not be able to action your request within the standard 30-day period. We will generally contact you to arrange the most appropriate course of action for your benefits. See 'Rolling over your benefit' for more details.

## Rolling over your benefit

You or your adviser can request that part or all of your account balance be rolled over to another superannuation fund. We will process your request as soon as practicable and generally within 30 days of the receipt of a valid instruction.

We may not be able to process your request to rollover within the standard 30-day period if you do not provide us with the information we require. The time taken to complete a rollover or transfer of benefits from your account generally depends on when we receive the proceeds of your investments see the 'Closing your account' section for further details.

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 practicable after the proceeds from the sale of your illiquid investment(s) have been received, unless you instruct otherwise. Where illiquid investments are retained in your account, we reserve the right to sell these assets at our discretion once they become liquid, unless directed otherwise. In these circumstances, we reserve the right to pay any benefits according to your last payment instruction.

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.

## Transferring to a New Zealand KiwiSaver scheme

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 facilitates transfers to eligible New Zealand KiwiSaver schemes but currently does not accept transfers from KiwiSaver schemes.

If you are seeking to transfer your benefit to a KiwiSaver scheme, superannuation law requires that the full balance of your account(s) within the Fund be transferred. In order to facilitate the transfer the Trustee is required to receive certain information and declarations and you must complete the 'KiwiSaver transfer' form (available on request). 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 should consider the relevant term deposit offer document for details of any restrictions (generally term deposit providers require 31 days' notice to break a term deposit), delays or break fees that apply.

## Pension payments

The Pension Wrap 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.

The Pension Wrap allows you to receive pension payments fortnightly, monthly, quarterly, half-yearly or annually. Your adviser can amend your pension frequency online.

For fortnightly pension payments (new pension applications), the first pension payment processing date will generally be 14 days from the date the pension commences. For existing pensions, your adviser can select a pension payment processing date on your behalf online. Payments will then be made each fortnight from the first payment date. Some public holidays and end of financial year processing may affect your fortnightly payment schedule and we may be required to bring forward or delay pension payments in order for us to meet our legislative requirements.

For all other pension frequencies, payments will be drawn from your Perpetual 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.

Where we cannot pay the required minimum amount for a given year (for example, if we are unable to liquidate sufficient investments to make the minimum payment),

we will commute your pension and transfer your account in-specie from the Pension Wrap to the Super Wrap.

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. Please speak to your adviser if you would like to know more about the annual minimum payments applicable to you.

## Transfers between super and pension

You can transfer in-specie from the Super Wrap to Pension Wrap 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 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) from the Super Wrap to Pension Wrap, we are generally 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 through the Super Wrap

## Death and disability insurance cover

Taking out insurance cover through the Super Wrap may be a tax-effective way of providing financial security to you and your family should you die or become disabled.

Eligible Super Wrap members can apply for the following types of insurance through the Super Wrap:

- death and terminal illness cover
- total and permanent disability and
- income protection.

For detailed information on insurance cover available through the Super Wrap you should consider the separate product disclosure statement issued by the relevant insurer. These documents, which can be obtained from your adviser, will explain the features and benefits in full and help you decide whether to take out insurance through the Super Wrap.

Equity Trustees Superannuation Limited as trustee for the Super Wrap owns the insurance policies issued for cover held within superannuation. 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.

If a death, terminal illness or total and permanent disability insurance benefit is paid into the Fund on your behalf, this amount will be paid into your Perpetual Cash Account until you meet a condition of release or we receive other investment instructions from a properly authorised person.

In order for the Trustee to release benefits from the Fund, you must meet a condition of release. It is important to understand that there may be circumstances in which we will be unable to release the benefit at the time of claim under superannuation laws. There may also be circumstances where the benefit paid from the insurer 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. For more information about accessing superannuation benefits, please refer to 'Withdrawals'. 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 insurer's product disclosure statement carefully to properly understand the features and benefits available, the costs and when an insurance benefit is payable.

The insurer's product disclosure statement sets out in more detail the circumstances in which the various insurance benefits become payable and also the exclusions that apply to those benefits. They also explain the times at which insurance cover commences and when it ceases.

## Other types of insurance cover

Other types of cover, such as health events cover or trauma cover can also be taken out under a separate (but linked) non-superannuation policy, which will be owned directly by you. Please refer to the insurer's product disclosure statement for more information.

## 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 further 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 Wrap account, you will need to lodge an application.

The insurer's product disclosure statement explains 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. It also allows the insurer to determine the appropriate premium.

A limited amount of insurance, known as interim insurance cover, may be provided while a formal application for insurance is being considered. This interim cover will be held outside superannuation.

## How much will it cost?

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

- the type of cover you require
- the premium type and payment frequency
- the level of cover and benefit options that apply
- your age (premiums generally increase with age)
- your gender
- whether or not you smoke (premiums are generally higher for smokers)
- your general health
- your occupation and
- your pastimes and pursuits.

Once insurance has commenced, premiums are deducted regularly from your Perpetual Cash Account. Premiums increase each year, as your age increases. Your adviser can provide you with an estimate of the cost of insurance based on your individual circumstances.



# Other information

## Operating your account

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

### Authorising a Third Party to access your account

Please consider carefully who you appoint with authority on your account, and their level of authority, as we may follow their instructions as if they were from you. It's important that you understand this risk and the level of access you give you any other person.

### Keeping your online details secure

At all times you should keep your account and Client Portal login details secure. You should not disclose these details to anyone else. If you lose or suspect your account or Client Portal login details have been compromised or used by a Third Party, you should call us immediately. Failure to do so may result in a Third Party having unauthorised access to your account, including your personal details. Unauthorised access could result in a loss of your benefits due to fraud or other activity that has not been authorised by you. You and your adviser must take all reasonable steps to protect the security of your respective computer hardware and software and mobile devices that you use to access your account. It is very important that you inform us as soon as security has been compromised.

### Authenticator app

We may require you or your adviser to use Macquarie Authenticator for certain activities on your account, including when giving us instructions. Macquarie Authenticator is a mobile app which provides an extra layer of security that helps protect your account and personal information. The app sends actionable push notifications for you to approve or deny online transactions and account changes or generate a unique one-time rolling code as an alternative authentication method.

### Changing details

If any of your details change, including your contact details, you are able to update these online via Client Portal or by completing and signing a 'Change of account and client details' form or by contacting us. Your adviser may also update your details online.

### Instructions

You may be required to give us instructions electronically or in another manner that the Trustee reasonably determines as being appropriate from time to time. We do not accept all instructions and we may reasonably delay, or require further information, before acting on an instruction where it is appropriate to do so (for example, requesting supporting evidence to verify its authenticity). For details of what is accepted, please contact your adviser or call us on 1800 099 265.

## Telephone recording policy

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

## Cooling-off period

If you decide that your initial investment does not suit your needs, provided you have not exercised any of your rights or powers under the terms of this PDS, you can request in writing or in another manner that the Trustee reasonably determines as being appropriate from time to time, to have your account cancelled during the period of 14 days starting on the earlier of, when your transaction confirmation is received by you or five days after your initial investment is accepted.

You may withdraw any unrestricted non-preserved component of your investment or roll over to another superannuation fund. Generally, all new contributions will be preserved funds and cannot be returned to you. You will need to nominate another complying superannuation fund or retirement savings account to transfer these funds into.

The amount payable will be adjusted for any market movements, non-refundable taxes, duties paid or payable, and reasonable transaction or administration costs incurred by us in issuing your account. Therefore, depending on the circumstances, the amount payable may be more or less than the amount invested.

## Applying to open a second account in the Super Wrap

If you have an existing Super Wrap account in the Fund, you cannot open a second Super Wrap 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 work with your adviser to identify if an alternative method of transacting on these assets is available.

## 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 delivering services to you in an agreed scope and manner and may include:

- identifying which investment option(s) 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
- acting on your instructions to us
- advising you if your Perpetual Cash Account balance falls below the minimum balance requirement
- providing you with reports on your account in addition to our reporting
- providing you with the offer document for each investment and/or service offered, where applicable, prior to placing your investments
- notifying you of corporate actions that require your election.

### 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 other than to pay benefits to an account nominated or as otherwise authorised by you, where you have previously declared you have met a condition of release for withdrawing benefits.

## Anti-money laundering/counter-terrorism financing laws

In accordance with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act), we are required to collect information with respect to your identity in certain circumstances. This verification process may occur when you join the Fund, commence a pension or make any withdrawal or in any other circumstances required by law.

To meet this legal requirement, we collect certain identification information and documentation (Know Your Customer (KYC) Documents). Existing members may also be asked to provide KYC Documents as part of a re-identification process to comply with the AML/CTF laws, after previously having their identity verified. A delay in or refusal to provide the KYC Documents when requested may impact the services we are able to provide to you, including the processing of payments or withdrawals. We may rely on information, including

identity verification details, provided by you to a third party (such as your Financial Adviser).

Under the AML/CTF Act, the Trustee may be required to submit reports to the Australian Transaction Reports and Analysis Centre (AUSTRAC). This may include the disclosure of your personal information. We may not be able to tell you when this occurs and, as a result, AUSTRAC may require us to deny you (on a temporary or permanent basis) access to your investments. This could result in loss of the capital invested, or you may experience significant delays when you wish to transact.

## Superannuation benefit transfers to the ATO

We are required by law to transfer the following superannuation benefits to the ATO:

- inactive low-balance accounts
- lost member accounts
- unclaimed benefits.

After payment to the ATO, we are discharged from any further liability for payment of the benefit.

You can claim your super money by making an application to the Commissioner of Taxation. For more information, go to the ATO website at [www.ato.gov.au](http://www.ato.gov.au), speak to your financial adviser, or contact us.

You can consolidate superannuation benefits transferred to the ATO into an active superannuation account through your myGov account. The ATO will also transfer any superannuation benefits of \$200 or more that it holds into an active superannuation account held by the member if the member is under age 65 and where the consolidated balance of the member's active superannuation account will be \$6,000 or more after the transfer.

Interest will be paid at a rate equivalent to CPI on all superannuation benefit amounts reclaimed from the ATO.

### Inactive low-balance accounts

An inactive low-balance account is an account with a balance of less than \$6,000 where the member has had no contributions for 16 months and where the member has **not** done at least one of the following:

- made changes to their investment option(s)
- elected to maintain or made changes to their insurance cover
- made or amended a binding beneficiary nomination or
- confirmed that they want their account to remain with their super fund by providing the fund with a written notice at least 30 days before the relevant date (see below for details).

Inactive low-balance accounts must be identified as at 30 June and 31 December each year and reported to the ATO on the following 31 October and 30 April respectively. The balances of those accounts remaining inactive at that time must then be transferred to the ATO.

### Lost member accounts

You will be considered a lost member in the Fund if you are uncontactable because:

- either:
  - the Fund has never had an address (whether non-electronic or electronic) for you

**or**

- at least one written communication (whether non-electronic or electronic) has been sent to your last known address (or addresses) and we believe, on reasonable grounds (eg communication returned unclaimed), that you can no longer be contacted at any address known to us **and**
- you have not contacted us (whether by written communication or otherwise) within the last 12 months **and**
- you have not accessed details about your superannuation interest in the Fund from any electronic facility we have provided within the last 12 months **and**
- we have not received a contribution or rollover for you within the last 12 months.

### Small or insoluble lost member accounts

A lost member account is also taken to be unclaimed super money if either:

- the balance of the lost member account is less than \$6,000 (small lost member account) or
- the lost member account has been inactive for 12 months and we are satisfied that it will never be possible to pay the benefit to the member (insoluble lost member account).

### Unclaimed benefits

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 or
- were a temporary resident who has permanently departed Australia and you did not claim your benefits within six months of the later of the date of your departure or your visa ceasing to be effective (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.

## Inquiries and complaints

We're committed to providing you with the highest level of service and the Trustee has established procedures for dealing with any inquiries and complaints.

### Inquiries

If you have an inquiry, you can either contact your adviser, phone our contact centre on 1800 099 265 during business hours, email us at [wrap@perpetual.com.au](mailto:wrap@perpetual.com.au) or write to:

Client Services  
Perpetual Private Super Wrap  
GPO Box 5230, Sydney NSW 2001

## Complaints

If you have a complaint about your investment in the Super Wrap or Pension Wrap or a Trustee decision that affects you, you should take one of the following steps:

1. Contact one of our contact centre representatives on 1800 099 265 and tell them about your complaint.
2. Email your complaint to [MyComplaint@perpetual.com.au](mailto:MyComplaint@perpetual.com.au).
3. Complete our online complaints submission form available at [www.perpetual.com.au/privacy-policy/making-a-complaint](http://www.perpetual.com.au/privacy-policy/making-a-complaint).
4. Put your complaint in writing and mail it to:  
Client Services – Complaints  
Perpetual Private Super Wrap  
GPO Box 5230  
Sydney NSW 2001

If you need additional assistance to lodge a complaint, we can support you. Please contact us to discuss how we may be able to assist you. An acknowledgement will be issued to you at the time of receipt of your complaint, either by phone, email or post.

We will investigate and endeavour to respond to all aspects of the matters raised in your complaint fairly and as quickly as we can and by no later than the maximum response timeframe of 45 days (unless the complaint is about the proposed distribution of a superannuation death benefit, where we will respond by no later than 90 days after the end of the 28 day statutory period available to potential beneficiaries to raise their objections about a proposed superannuation death benefit distribution). We will do our best to resolve your complaint as soon as possible. However, if we are unable to provide you with a response within the required timeframe, we will provide you with progress updates including reasons for the delay.

If, before the maximum response timeframe for your complaint has passed, you don't feel as though your concerns are being heard or have received our response and are not satisfied with the resolution that has been proposed, our Client Advocacy Team may be able to assist you. Please see [www.perpetual.com.au/about/client-advocacy](http://www.perpetual.com.au/about/client-advocacy) for information on how to get in touch with our Client Advocacy Team members.

If you make a complaint and we resolve it within 5 business days from receipt to your satisfaction, we are not required to send you a formal complaint response, unless you request one, or your complaint relates to hardship, or to any decision of the Trustee (or failure by the Trustee to make a decision) relating to a complaint.

If, at any time you are not satisfied with our response to your complaint, any aspect of our complaints handling process or if you have not received a response within the maximum response timeframe, the Australian Financial Complaints Authority (AFCA) might be able to assist you. You may also lodge a complaint with the AFCA at any time, although AFCA will not normally deal with a complaint until it has been through the Trustee's internal complaints handling process.

If your complaint relates to services provided to you by your financial adviser, please refer to the financial adviser's financial services guide for information about their complaints handling process. We also suggest you contact your financial adviser.

## Australian Financial Complaints Authority

We are members of the AFCA external dispute resolution scheme.

AFCA has been established by the Commonwealth Government to provide consumers and small businesses with a free and independent dispute resolution service for complaints about financial firms.

Time limits may apply to complain to AFCA and so you should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expires. Other limits may also apply.

You can lodge a complaint with AFCA by:

1. using their online portal available at [www.afca.org.au/make-a-complaint](http://www.afca.org.au/make-a-complaint)
2. email addressed to [info@afca.org.au](mailto:info@afca.org.au)
3. calling 1800 931 678 (free call)
4. mail addressed to:  
Australian Financial Complaints Authority  
GPO Box 3  
Melbourne VIC 3001



## About the Fund and Trustee

### 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 this 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 or can be forfeited, the powers and duties of the Trustee, the appointment and removal of the Trustee, the liability and indemnity of the Trustee, member's 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.

In the event of any conflict between the terms of the PDS (including incorporated information) and the terms of the Trust Deed and relevant law, the provisions of the Trust Deed and relevant law will prevail. The Trustee reserves the right to amend the terms and conditions of the Fund, the Division and/or any available Account in accordance with the provisions of the Trust Deed and relevant law.

### Your rights

As a member, you have an interest in all of the assets of the Fund. 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 are legally available to meet the liabilities of other investment options of the relevant trust 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

Equity Trustees Superannuation Limited is the trustee of the Fund. Our obligations as trustee include (but are not limited to):

- to choose the investment options available to members
- to ensure the Fund operates in accordance with its trust deed and continues to be a complying superannuation fund
- to report regularly to you and
- to keep the Fund's assets safe.

### Reserves

The Trustee maintains an operational risk reserve (ORR) to help satisfy the operational risk financial requirements under superannuation laws and APRA standards. The reserve is operated in accordance with the Trustee's Operational Risk Financial Requirement (ORFR) strategy. The purpose of the reserve and any Trustee capital held outside the Fund towards satisfaction of the operational risk financial requirements, is to provide funding for incidents where losses may arise from operational risk relating to the Division and/or the Fund. The level of Trustee capital and any ORR is determined by the Trustee based on an assessment of the risks faced by the Division and the Fund (as applicable).

## Differences between investing in the Super Wrap or Pension Wrap and investing directly

It is important to recognise that acquiring interests in underlying investments such as managed investments and Australian listed securities through the Super Wrap and Pension Wrap can differ from some other superannuation funds.

The following differences apply:

- the custodian will be the legal owner of the assets rather than the Trustee
- cooling-off rights allowing a refund of an investment within 14 days from the investment date, which are usually available to direct retail investors, will not apply to investments made via the Super Wrap or Pension Wrap. This means that any requests for a refund otherwise available to direct retail investors within the product issuer's cooling-off period will instead be treated as a normal withdrawal request, which may incur product issuer fees
- certain rights and obligations available to, or owing by, the legal owner of an asset are exercisable by the custodian, rather than the Trustee. For example, there may be differences in relation to:
  - withdrawal rights
  - transaction processing and unit pricing
- when you make an initial or additional investment in an underlying investment, there is a risk that you have not considered the most recent disclosure documents for the underlying investment, or that you have not been made aware of recent material changes or significant events affecting that investment
- 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
- you will not be eligible to vote at shareholder or unitholder meetings (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) nor participate in bonus share plans
- for term deposits, your investment will be pooled with the funds of other investors who wish to invest for the same term as you. As a result, some of the features and functions that may be described in the term deposit disclosure documents may not be available to you. For example, grace periods within which certain changes to a term deposit can be made without incurring an interest adjustment do not apply
- your eligibility under the Federal Government's Financial Claims Scheme may be different.

From time to time, interest bearing pooled operating accounts will be used, however no interest is payable to you in respect of those accounts.

### Your privacy

We collect personal information from you in the application and any other relevant forms to be able to process your application, administer your investment and comply with any relevant laws. If you do not provide us with your relevant personal information, we will not be able to do so. In some circumstances we may disclose your

personal information to PTCO and other service providers that perform a range of services on our behalf and which may be located overseas.

Privacy laws apply to our handling of personal information and we will collect, use and disclose your personal information in accordance with our privacy policy, which includes details about the following matters:

- the kinds of personal information we collect and hold
- how we collect and hold personal information
- the purposes for which we collect, hold, use and disclose personal information
- the types of entities we usually disclose personal information to and the countries where they are likely to be located if it is practicable for us to specify those countries
- how you may access personal information that we hold about you and seek correction of such information (note that exceptions apply in some circumstances)
- how you may complain about a breach of the Australian Privacy Principles (APP), or a registered APP code (if any) that binds us, and how we will deal with such a complaint.

The Trustee's privacy policy can be found at [www.eqt.com.au/global/privacystatement](http://www.eqt.com.au/global/privacystatement).

PTCo's privacy policy is available at [www.perpetual.com.au/superwrap](http://www.perpetual.com.au/superwrap).

If you have any queries or complaints about your privacy, please contact:

Privacy Officer, Equity Trustees  
Perpetual Private Super Wrap  
GPO Box 5230  
Sydney NSW 2001  
Phone: 1800 099 265  
Email: [wrap@perpetual.com.au](mailto:wrap@perpetual.com.au)

The Trustee or PTCO may, from time to time, provide you with direct marketing and/or educational material.

## **Personal health information**

If you apply for insurance cover, you will be required to provide personal health information. If you do not provide us with your relevant personal health information, we will not be able to assess your insurance application.

We require your consent to collect, use or disclose your health and other personal information. The health and other personal information is collected and provided to the insurer to assess your eligibility for insurance and to administer your application.

Should you make a claim for an insurance benefit, your health and other personal information may be disclosed to the insurer, medical practitioners, claims investigators, reinsurers, the insurance reference bureau and such other experts as may be nominated by us or the insurer.

If there is any dispute about your entitlement to a disability benefit or any insurance related claim, your health and other personal information may be disclosed to legal and other advisers.

## **Incorporation by reference**

The law allows us to provide certain information to you separately to the PDS, which is taken to be incorporated into the PDS, provided the PDS identifies this additional information and how you can access it.

The following incorporated information forms part of this PDS:

- the investment menu (see 'Investment menu' in the 'Understanding your investments' section for further information)
- trustee investment limits (see 'Trustee investment limits' in the 'Understanding your investments' section for further information)
- Defined Fees for superannuation products.

This information is publicly available at [www.perpetual.com.au/superwrap](http://www.perpetual.com.au/superwrap) by clicking on the link to 'Continuous disclosure and important information' or can be obtained free of charge by contacting us or your financial adviser.

You should also read the incorporated information.



# Tax

The tax benefits derived from investing in superannuation are particular to your circumstances, so we recommend you see a tax adviser. This information is general only and shouldn't be relied on.

You can obtain details of any updated threshold amounts each year from [www.ato.gov.au](http://www.ato.gov.au).

## Super Wrap

### The Fund

#### Concessional contributions

Concessional contributions are generally subject to tax at up to 15% payable by the Fund.

#### Non-concessional contributions

Non-concessional contributions (also known as 'after-tax contributions') are not taxable within the Fund.

#### Tax on investment earnings

The maximum tax rate on the Fund's taxable income (including realised net capital gains) is 15%. However, the effective rate of income tax is generally less due to the impact of:

- concessional CGT treatment for assets held for more than 12 months
- allowable deductions (see below)
- tax offsets (see below).

#### Allowable deductions

Certain expenses incurred by the Fund may be claimed as tax deductions, which reduce the amount of tax payable. Where the Fund is entitled to a tax benefit, this amount is passed directly to you through tax rebates credited to your Perpetual Cash Account. Fees and costs are disclosed as the gross amount before any tax benefit is applied, so the actual net amount that you pay may be less.

#### Tax offsets

The Fund may be able to claim tax offsets, including franking credits and foreign income tax offset, to reduce the amount of tax payable by the Fund. Excess franking credits may be refundable to the Fund by the ATO.

### Members

#### Concessional contributions

##### Tax deductions

Employers can claim a full tax deduction for all contributions made on behalf of their employees.

Members can claim tax deductions for personal superannuation contributions up to the concessional contributions cap until age 75 (subject to meeting the work test if you are aged 67 or over).

### Additional contributions tax

Generally, a flat 15% tax applies to concessional contributions. However, tax of 30% will apply instead to concessional contributions (within the concessional contributions cap) if your income (including concessional contributions) is greater than \$250,000. If your income excluding concessional contributions is less than the \$250,000 threshold, but including the concessional contributions pushes you over the threshold, only that part of the contributions in excess of the threshold will be subject to tax at 30%. The ATO will issue an assessment to the member for the extra tax payable on the contributions. The member can elect to release the amount from the Super Wrap or pay the tax from other sources.

Concessional contributions that exceed your concessional contribution cap (see 'Contribution limits' in the 'Understanding superannuation' section for details) will be included in your assessable income and taxed at your marginal tax rate (plus Medicare levy), with a 15% tax offset to account for the contributions tax already paid by their super fund. You have the option to withdraw from your Super Wrap account an amount equal to 85% of the excess concessional contribution. Any excess concessional contributions withdrawn do not count towards your non-concessional contribution cap.

#### Non-concessional contributions

Any non-concessional contributions that exceed your non-concessional contribution cap (see 'Contribution limits' in the 'Understanding superannuation' section for details) are taxable at the top marginal tax rate (plus Medicare levy) and you must withdraw from the Super Wrap an amount equal to your liability to pay the excess contributions tax. To limit excessive contributions taxes, an individual non-concessional contribution generally will only be accepted if it is within the relevant limit. However, you are responsible for monitoring your total non-concessional contributions against the relevant limit.

You have the option of withdrawing superannuation contributions in excess of the non-concessional contributions cap and any associated earnings. The earnings will be taxed at your marginal tax rate.

### Spouse contributions

A person can claim a tax offset of up to \$540 per annum for superannuation contributions made on behalf of their low income or non-working eligible spouse earning up to \$37,000 during the year. The tax offset is calculated as 18% of contributions up to a maximum contribution of \$3,000.

You can obtain further information from [www.ato.gov.au](http://www.ato.gov.au).

## Tax on superannuation benefit payments

Tax may be payable when you make a lump sum withdrawal from the Fund. Tax applicable to the components of superannuation benefit payments is shown in the following 'Tax on lump sum benefit payments' table. Different rates may apply to temporary residents permanently departing Australia (see 'Tax on departing Australia superannuation payments (DASP)' in this section for details) or to residents who have not provided a TFN.

## Pension Wrap

### The Fund

#### Tax on investments

Generally, no tax is applied on superannuation amounts rolled over into the Fund, unless they have come from an untaxed source and contain a taxable component (eg some Government superannuation schemes). In this case, we are required to deduct income tax of generally 15% on the taxable component amount.

#### Tax on investment earnings

##### General

Investment earnings including realised net capital gains derived within a Pension Wrap account are generally not subject to tax, unless you have a TTR pension.

##### Tax offsets

Where tax offsets accrue to the PensionWrap, but can be applied to reduce the tax payable by the Super Wrap, we'll ensure they are utilised in a reasonable and equitable manner.

##### TTR pensions

The earnings on assets supporting TTR pensions will be taxed at the maximum rate of 15%, which is the same as the concessional tax rate applying to fund earnings on superannuation accumulation accounts.

### Members

#### Tax on pension benefit payments

Tax instalments may be payable in respect of pension payments made to you through the PAYG (Pay-As-You-Go) system.

Tax applicable to the components of pension benefit payments is shown in the following 'Tax on pension benefit payments' table. Different rates may apply to members who have not provided a TFN.

#### Tax on superannuation benefit payments

The following 'Tax on lump sum benefit payments' table provides details of tax payable on superannuation benefit payments, which include pension commutations.

## Tax on lump sum benefit payments

Component	Age benefit received	Tax treatment
Tax-free <sup>1</sup>	Any age	Tax-free
Taxable <sup>2</sup>	Before reaching age 60	Taxed at 20% <sup>3</sup>
	On or after reaching age 60	Tax-free

## Tax on pension benefit payments

Component	Age benefit received	Tax treatment
Tax-free <sup>1</sup>	Any age	Tax-free
Taxable <sup>2</sup>	Before reaching age 60	Taxable at marginal tax rate <sup>3</sup>
	On or after reaching age 60	Tax-free

- 1 Includes non-concessional contributions and Government co-contributions from 1 July 2007 (plus the former undeducted contributions, pre-July 1983 (amount fixed as at 30 June 2007), post-June 1994 invalidity, CGT exempt and concessional components).
- 2 Includes concessional contributions from 1 July 2007 (plus the former post-June 1983 (taxed) and excessive components).
- 3 Plus Medicare levy.

## General

### Tax on departing Australia superannuation payments (DASP)

The tax payable on a DASP (see the 'Conditions of release for superannuation benefits' table in the 'Understanding superannuation' section for further information) is:

- 35% for a taxed element of a taxable component
- 45% for an untaxed element of a taxable component.

DASPs paid to working holiday makers will be taxed at 65%.

## Tax on death benefits

Payment rules and the tax consequences depend on whether the death benefit is paid to a dependant or non-dependant. A death benefit dependant for tax purposes is a:

- current or former spouse<sup>1</sup>
- child<sup>1</sup> under age 18
- person who was financially dependent on you at the time of your death or
- person who you have an 'interdependency relationship'<sup>1</sup> with.

1 See the 'Estate planning' section for 'Dependants' under superannuation law.

### Death benefits paid to dependants

Lump sum death benefit payments are tax-free if paid to a dependant.

A death benefit paid as a pension will be tax-free if either the deceased or the beneficiary is aged 60 or over. If both are under age 60 at the time of death, the pension (less any tax-free amount) will continue to be taxed at the beneficiary's marginal tax rate (plus Medicare levy) less 15% pension tax offset until the beneficiary turns age 60, when it becomes tax-free.

If the death benefit is paid as a pension to a dependent child, the balance must be paid as a (tax-free) lump sum when the child turns 25 (unless permanently disabled).

### Death benefits paid to non-dependants

Death benefit payments to non-dependants for tax purposes (eg an adult child) must be paid as a lump sum benefit. The taxable component of a death benefit paid to a non-dependant will normally be taxed at 15% (plus Medicare levy).

Where a death benefit contains an insurance amount, it may include an untaxed element. The untaxed component of a death benefit paid to a non-dependant will normally be taxed at 30% (plus Medicare levy).

### Death benefits paid to your legal personal representative

If the death benefit is paid to your legal personal representative for distribution through your estate, any tax payable will depend on how the death benefit is ultimately distributed between your dependants and any non-dependants.

## Tax on disability super benefits

A tax offset of 15% is generally available on disability super benefits paid as a pension to members under age 60.

## Tax on terminal illness benefits

Generally no tax is payable on benefits that are paid to you under the 'terminal medical condition' condition of release (see the 'Conditions of release for superannuation benefits' table in the 'Understanding superannuation' section for details).

## Tax on salary continuance benefits

PAYG tax will be deducted on any salary continuance benefits that are paid to you.

## How tax is deducted

### Stamp duty

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

### Contributions to the Super Wrap

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

### Income earned in the Super Wrap

Tax of 15% will be deducted from your Perpetual 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%, or that a capital loss attributable to your investments can be offset against such other capital gains, we may adjust the amount of tax deducted from your Perpetual Cash Account during our end of year tax processing (refer 'Annual taxation adjustments' in this section for more details).

### Deductible expenses in the Super Wrap

The Fund may claim a tax deduction on some of the expenses debited from your Perpetual Cash Account. If this is the case, your Perpetual Cash Account will be credited for the tax effect of any tax deduction claimed in respect of those expenses as part of the annual tax adjustment process (refer 'Annual taxation adjustments' in this section for more details).

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 Perpetual Cash Account will be credited for the tax effect of any tax deduction claimed in respect of those insurance premiums.

### Withdrawals from the Super Wrap

When you withdraw or rollover all or part of your account, we will deduct an estimate of capital gains tax of up to 15%. If you make a partial withdrawal and we subsequently establish that the capital gains tax payable is less than 15%, or that a capital loss attributable to your account can be offset against such other capital gains, we will credit the surplus tax to your Perpetual Cash Account. This calculation forms part of the annual taxation adjustments (refer 'Annual taxation adjustments' in this section for more details).

### Treatment of capital gains

Where you have purchased multiple parcels of the one asset and subsequently sell part of your holdings, the Fund will calculate the capital gain/loss on a first-in-first-out (FIFO) basis. This means the first parcel of an asset purchased is treated as being sold first.

## **PAYG withholding tax**

We may be required to withhold PAYG tax on any benefits paid from the Fund to you. The amount of tax withheld will 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.

## **Calculating tax at your individual level**

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

For example, tax is not paid by managed investment funds. Superannuation funds that invest in them may be liable for:

- tax at 15% on any taxable income distributed to them and
- tax of up to 15% on any capital gain distributed to them or arising from withdrawals from the managed investment.

## **Franking credits**

You are generally required to hold your investments for at least 45 days (not including the day the stock was acquired or disposed of) before you can be eligible for franking credits for dividends or distributions. Subject to this requirement and provided your account remains open during our end of year tax processing you may be able to utilise your franking credits applicable to your investment distributions/dividends. Where applicable, the benefits of franking credits will be allocated to your account as part of this tax process.

## **Annual taxation adjustments**

Annual taxation adjustments are processed for the year ended 30 June and are completed only after the Fund's tax return has been lodged and any tax refund has been received from the ATO.

If you close your accounts prior to this annual processing being completed you will not receive the benefit of any such tax adjustment. Should you move from the Super Wrap to Pension Wrap during the year (and close your super account), the taxation adjustment will be calculated in respect of both accounts and will be credited to the account that remains open. For further information please speak with your adviser.

## **Annual tax calculation statement**

We'll issue a Guide to Member Notional Tax calculation setting out the calculation of the tax attributable to your account for the year ended 30 June.

## **Tax file number (TFN)**

**You should provide your TFN when joining the Fund.**

Under the Superannuation Industry (Supervision) Act 1993, we are authorised to collect, use and disclose your TFN.

We will disclose your TFN to another superannuation provider, when your benefits are being transferred, unless you request us, in writing, or in another manner that the Trustee reasonably determines as being appropriate from time to time, that your TFN not be disclosed to any other superannuation provider.

Declining to quote your TFN is not an offence. However, providing your TFN will have the following advantages:

- we can accept all permitted types of contributions to your account
- other than the tax that may ordinarily apply, you will not pay more tax than you need to – this affects both contributions to your superannuation and benefit payments when you start drawing down your superannuation benefits
- it will make it much easier to find different superannuation accounts in your name so that you receive all your superannuation benefits when you retire.

We will use your TFN and personal details to verify our records with the ATO. We will update or correct your TFN if instructed by the ATO. We will contact you if the ATO has advised of other changes to your personal details.

## **Social security**

Your investment in the Fund may affect your social security or pension entitlements. The calculations are complex so we recommend that you seek advice from your financial or tax adviser, or use the Financial Information Service provided by Services Australia.

# Estate planning

On your death, your superannuation benefits in the Fund may be treated differently to other assets you own. The Trustee of the Fund is 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 (your estate).

In the event of your death:

- we will continue to deduct applicable administration 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 options until we receive other instructions from a properly authorised person.

Upon notification of your death we will cease to deduct adviser fees unless authorised otherwise.

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.

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

- a dependant of yours (see 'Dependants' below) who is not a child or
- a child of yours who is:
  - less than age 18
  - 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).

## Dependants

For the purpose of paying a death benefit under superannuation law, a dependant is a:

- spouse
- child
- person who was financially dependent on you at the time of your death
- person who you have an 'interdependency relationship' with.

A member's 'spouse' includes:

- another person (whether of the same sex or a different sex) with whom a member is in a relationship that is registered under relevant law
- another person who, although not legally married to the member, lives with the member on a genuine domestic basis in a relationship as a couple.

A member's 'child' includes:

- an adopted child, stepchild or ex-nuptial child

- a child of the member's spouse
- someone who is a child of the member under family law.

Two people have an 'interdependency relationship' if:

1. they have a close personal relationship and
2. they live together and
3. one or each of them provides the other with financial support and
4. one or each of them provides the other with domestic support and personal care.

If a close personal relationship exists but the other requirements for interdependency aren't satisfied because of a physical, intellectual or psychiatric disability, then there is also an interdependency relationship.

## Death benefit 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 nomination
3. Reversionary pension nomination (Pension Wrap only)
4. Child pension nomination.

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

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.

There are also different tax consequences depending on the type of nomination you make and the beneficiaries. We recommend that you consult your financial and/or tax adviser before making any nomination.

### No nomination

If you do not nominate a beneficiary, your account balance will generally be paid as a lump sum to a dependant or to your legal personal representative who will distribute your account balance as part of your estate assets.

### 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.



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

- 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.

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.

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 a dependant or 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
- child of yours who is:
  - less than age 18
  - 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 the 'Child pension nomination' section for further details about child pension nominations.

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

## **Reversionary pension nomination (Pension Wrap only)**

If you make a valid reversionary pension nomination, the Trustee will be bound by it and will continue to pay your benefit as a pension to your nominated beneficiary.

The person you nominate for your reversionary pension must be either:

- a dependant of yours (see 'Dependants' in this section for details) who is not a child or
- a child of yours who is:
  - less than age 18
  - 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).

To receive your benefit, the beneficiary you have nominated must also 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 estate.

## **Child pension nomination**

Under certain circumstances you may wish to nominate a qualifying child of yours to receive your death benefit as 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 a lump sum until your child reaches a nominated age of up to 25 years (or earlier where required by law)
- tax effective treatment of income payments
- 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 completing 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. 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.

To apply for a child pension, complete the 'Non-lapsing death benefit nomination' form and a child pension schedule available from your adviser. You can nominate your beneficiaries and give us additional directions relevant for the child pension.

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.

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

## Superannuation and family law

The law allows for superannuation benefits to be split between you and your spouse (including a defacto spouse of the same or different sex) in the case of legal separation or divorce.

Under the law we may be required to:

- provide certain information about your superannuation interest to certain eligible persons without notifying you of the request and/or
- 'flag' and/or split your superannuation interest according to a superannuation agreement or Family Court order.

Although the Fund's Trust Deed allows us to charge fees for related transactions, we currently don't intend to do so and will notify you before any change.

The legal requirements for splitting your superannuation benefit in these circumstances are complex and effecting a split of your superannuation interest may have significant financial and tax consequences for you. We therefore recommend that you seek professional legal, tax and financial advice on how these provisions may affect you.

## Contact details

For further information, or a copy of any of our product disclosure statements, please contact us.

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