

# IMPORTANT CHANGES TO VMAPS FEE STRUCTURE

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## Why have changes been made to the pricing of VMAPS, and VMAPS Super/Pension?

At Ventura we are constantly looking for opportunities to enhance the features and service delivery of VMAPS, as evidenced by our recent release of digital acceptance of applications for investors, and the expansion of the investment menu, and more to follow soon.

We also continue to review the value investors and members receive on an ongoing basis. To this end, we are excited to inform you of some important changes to the price structure of VMAPS. Overall the changes may result in a beneficial outcome for existing and new investors and members in VMAPS and VMAPS Super/Pension.

## What are the investment administration fee changes?

The changes apply to both existing and new investor and member accounts and include the introduction of an ongoing investment administration fee cap at \$3 million. This means that no ongoing investment administration fees will be charged on the portion of the account in excess of \$3 million.

A new Family Group Account Aggregation option is also being introduced which, in certain circumstances, could significantly reduce the average administration fee per account for families with multiple VMAPS accounts (see overleaf).

## Investment Administration Fee Capping: Investment account

Account balance	Old	New
\$0 - \$300,000	0.48%	0.48%
\$300,000 - \$600,000	0.35%	0.35%
\$600,000 - \$1,000,000	0.12%	0.12%
\$1,000,000 - \$2,000,000	0.10%	0.10%
\$2,000,000 - \$3,000,000	0.03%	0.03%
Above \$3,000,000	0.03%	Nil

This notice is issued in respect of VMAPS and VMAPS Super/Pension (Praemium SMA Superannuation Fund, ABN 75 703 857 864 RSE R1074352). This document has been prepared and issued by Ventura Investment Management Limited, ABN 49 092 375 258, AFS licence number 253045 (Ventura), and Diversa Trustees Limited ("Trustee") ABN 49 006 421 638 AFSL 235153 RSE Licence No L0000635. Ventura is the responsible entity for the Ventura Managed Account Portfolios, referred to in this document as VMAPS. Information contained in this document is of a general nature only, it is not intended as advice as it does not take into account your individual objectives, financial situation or needs. You should consider the Product Disclosure Statement (PDS) in deciding to acquire or continue to hold this product. Investment can only be made by completing the VMAPS application form with your financial adviser. To obtain a copy of the PDS contact your adviser or Ventura.

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## From 9 April 2018 VMAPS will offer Family Group Account Aggregation.

Family Group Account Aggregation allows you to link up to six SMA and/or SuperSMA accounts, which may in some instances reduce the overall investment administration fee payable on each 'linked' account by effectively 'aggregating' your family's account balance.

Family Group Accounts can include individuals, SMSFs, a trust or company – provided either director or trustee is an immediate family member. The definition of a spouse or child within a Family Group is assumed to be the same as the definition under the Superannuation Act for defining dependents.

The Family Group Account Aggregation is only applicable to the ongoing investment administration fees payable and not other types of fees charged under the PDS nor any member advice fees.

Investment Administration Fees are charged on a tiered basis, therefore higher account balances typically can achieve lower average Investment Administration Fees.

- Each person applying to be linked must have the same financial adviser, account held on the same VMAPS 'service' (including SMA and SuperSMA).
- Any new Family Group Account Aggregation nomination will override any previous nomination.
- Family Group Account Aggregation will only apply if the nominated accounts are in an aggregated group at the time of monthly fee calculation.
- Signatories must be the Investor, Trustee, Member, Director, Secretary, Power of Attorney or Guardian.
- Praemium reserves the right to reject or cancel a Family Group Account Aggregation request.
- Family Group Account Aggregation applications cannot be processed while fees are being calculated.

## How much can family groups save with the new fee levels plus Family Group Account Aggregation?

Accounts	Account Balance	Admin Fee pa (Current)	Admin Fee pa (New)	% Saving pa
Mrs Smith Investment	\$350k	\$1,615	\$1,246	23%
Mr Smith Investment	\$300k	\$1,440	\$1,068	26%
Patrick Smith (son)	\$100k	\$480	\$356	26%
Total	\$750k	\$3,535	\$2,670	24%

To apply, investors and members need to fill out a Family Group Account Aggregation Form which can be accessed via their adviser. This form is submitted to the Praemium SMA Investment Operations team via [support@praemium.com.au](mailto:support@praemium.com.au)

Once the application is processed, each family member's account balances will be added together (aggregated) and applied to the administration fee tiers applicable for your service.

For more information on Family Group Aggregation speak to your financial adviser.