



VMAPS

# VENTURA MANAGED ACCOUNT PORTFOLIOS

PRODUCT DISCLOSURE STATEMENT

**Ventura Managed Account Portfolios**  
ARSN 601 085 410

Responsible Entity:  
Ventura Investment Management Limited  
ABN 49 092 375 258  
Australian Financial Services Licence No. 253045

Date: 8 August 2022

VENTURA FM

# DIRECTORY

Investors with any questions regarding VMAPS should contact their financial adviser.

## **Responsible Entity**

Ventura Investment Management Limited  
ABN 49 092 375 258 | AFSL 253045  
Level 8  
309-315 George Street  
SYDNEY NSW 2000  
Website: [www.venturaFM.com.au](http://www.venturaFM.com.au)

## **Administrator**

Praemium Australia Limited  
PO Box 322  
Collins Street West  
MELBOURNE VIC 8007

General number for enquiries: 1800 571 881  
Email enquiries: [support@praemium.com.au](mailto:support@praemium.com.au)  
Email applications: [applications@praemium.com.au](mailto:applications@praemium.com.au)

# IMPORTANT INFORMATION

This Product Disclosure Statement (**PDS**) dated 8 August 2022 is issued by Ventura Investment Management Limited ABN 49 092 375 258 AFSL No. 253045 (**Responsible Entity**).

The PDS invites you to invest in the Ventura Managed Account Portfolios ARSN 601 085 410 (referred to throughout this PDS as **VMAPS, Scheme** or **Managed Account**), a managed investment scheme that is registered with the Australian Securities and Investments Commission under the *Corporations Act 2001* (Cth) (**Corporations Act**). Ventura Investment Management Limited (referred to throughout this PDS as **Ventura, we, our, us** or **Responsible Entity**) is the responsible entity of the Scheme. Ventura is a wholly owned subsidiary of Centrepoint Alliance Limited ABN 72 052 507 507 (**Centrepoint**). Centrepoint is not responsible for the production of this PDS.

Information in this PDS is a summary of significant information about VMAPS. The PDS contains references to the following documents (each of which forms part of this PDS) which also contain important additional information about VMAPS. You should consider the information in this PDS and each of the following documents before making a decision to invest in VMAPS.

#### **Additional Information Booklet**

The Additional Information Booklet contains important information about the operation of your VMAPS Account, investments in VMAPS, tax features, fees and costs and other important information.

#### **Investment Model Menu**

The Investment Model Menu contains important information about the Investment Models which you can invest in through VMAPS.

The Additional Information Booklet and Investment Model Menu are available at [www.venturaFM.com.au](http://www.venturaFM.com.au) and are also available in paper format free of charge upon request by contacting Ventura at the number shown on page 3 in the Directory or from your financial adviser.

VMAPS gives investors the ability to invest in a range of Investment Models developed and managed by various investment managers (the **Model Managers**). Investments in VMAPS are not deposits with or other liabilities of Ventura or the Model Managers or their respective related entities, and are subject to investment risk, including possible delays in repayment and loss of income and principal invested.

The performance of VMAPS, the repayment of capital or any particular rate of return on investments is not guaranteed by Ventura or the Model Managers or their respective related entities.

#### **About the Administrator**

Praemium Australia Limited ABN 92 117 611 784 (referred to in this PDS as **Praemium** or the **Administrator**) provides administration services for VMAPS. Praemium is a market leading provider of investment portfolio technology and management solutions with strengths in multi-asset administration. Praemium's technology specialises in corporate action processing, CGT optimisation, and sophisticated tax and investment reporting.

#### **About the Custodian**

As at the date of this PDS, HSBC Bank Australia Limited ABN 48 006 434 162 AFSL No. 232595 (**HSBC** or **Custodian**) has been appointed as the Custodian for the Scheme. HSBC's role as Custodian is limited to holding and maintaining assets of the

Scheme on behalf, and as agent of, the Responsible Entity. Any liability or responsibility which HSBC has or may have under the custody arrangements are to the Responsible Entity only. Where there are any assets of the Scheme which the Responsible Entity elects not to deposit with HSBC, HSBC shall have no liability whatsoever in respect of such assets. HSBC does not have a supervisory role in relation to operation and/or management of the Scheme and is not responsible for protecting the interests of Scheme members.

#### **Consent**

The Administrator, the Custodian and each Model Manager named in this PDS (each a **Service Provider**) have given and, at the date of this PDS, not withdrawn, their written consent to be named in this PDS and to the inclusion of the statements made about it, which are attributed to it, in the form and context in which they appear.

The Service Providers have not otherwise been involved in the preparation of this PDS and have not caused or otherwise authorised the issue of this PDS. The Service Providers and their employees and officers do not accept any responsibility arising in any way for errors or omissions from this PDS, other than in relation to the statements for which it has provided its consent.

#### **General Advice Warning**

The information in this PDS is general in nature only and is not personal advice. It has been prepared without taking into account your personal financial circumstances. You should read this PDS carefully and assess whether an investment in VMAPS is appropriate for you in light of your financial objectives, situation and needs.

#### **Updated information**

Information in the PDS may change from time to time. Updated information that is not materially adverse to investors will be provided at [www.venturaFM.com.au](http://www.venturaFM.com.au). A paper copy of the updated information will be provided without charge on request. Ventura reserves the right to change the features of VMAPS, including the Investment Models offered, at any time.

#### **Eligibility**

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

You can only invest in VMAPS if you are advised by a financial adviser unless otherwise outlined in our Non-Advised Investor policy available at [www.venturaFM.com.au](http://www.venturaFM.com.au). Copies of this policy are available in hardcopy on request free of charge by contacting Ventura.

Your financial adviser will be authorised by you to provide your instructions to Ventura and to access your Account. The financial adviser and Licensee are the persons named on the application form.

The Target Market Determination (TMD) for VMAPS can be found at [www.venturafm.com.au/vmaps-tmds/](http://www.venturafm.com.au/vmaps-tmds/) and includes a description of who VMAPS is appropriate for.

# — CONTENTS

IMPORTANT INFORMATION	3
DIRECTORY	2
ABOUT VMAPS	4
BENEFITS OF INVESTING IN VMAPS	5
KEY FEATURES	7
OPERATION OF YOUR VMAPS ACCOUNT	8
VMAPS INVESTMENT MODELS	10
REPORTING	11
RISKS	12
FEES AND OTHER COSTS	13
ADDITIONAL EXPLANATION OF FEES AND COSTS	17
OTHER IMPORTANT INFORMATION	20
GLOSSARY	22

# ABOUT VMAPS

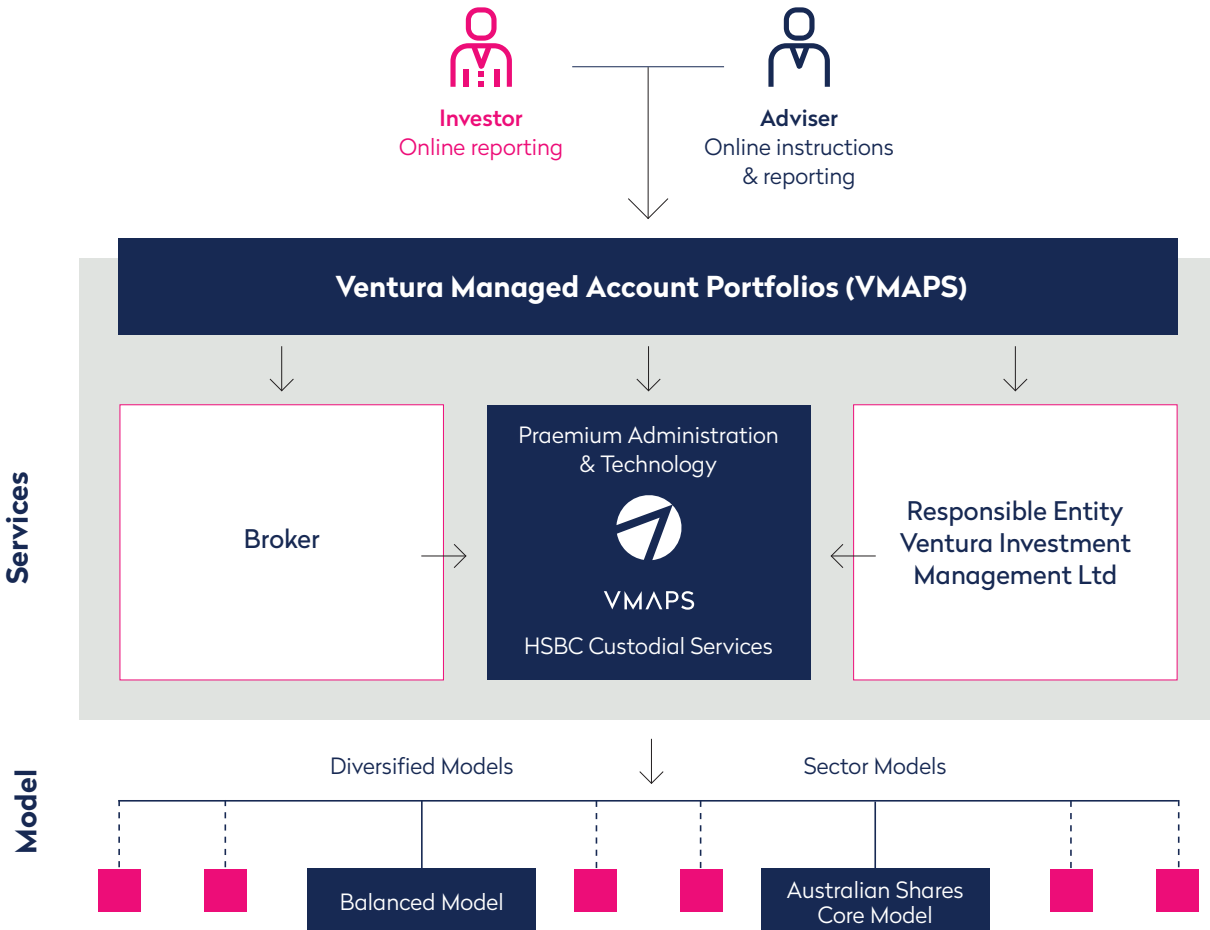
VMAPS provides investors with a diversified investment portfolio via a comprehensive range of professionally managed Investment Models. These models may include listed investments such as shares, exchange traded funds (**ETFs**), listed investment companies (**LICs**) and Australian Real Estate Investment Trusts (**AREITS**) as well as managed funds.

The range of Investment Models include:

- diversified models which provide exposure to a broad range of asset classes including cash, fixed interest, property and equities (both Australian and international); and
- sector models which provide exposure to a specific sector across various asset classes including cash, fixed interest, property and equities (both Australian and international).

Through your financial adviser by investing in VMAPS you can:

- construct a unique portfolio of listed investments and/or managed funds that is tailored to your individual objectives from a diverse range of Investment Model options with the added advantage of professional investment management by high quality investment managers (Model Managers). Where additional types of investments are required to meet your investment portfolio objectives, other investments may be used by the Model Managers to meet those objectives including cash, term deposits and managed funds;
- enjoy the benefits of full administration of your investment portfolio including automatic updates when changes are made by the Model Managers while you and your financial adviser monitor your portfolio online through comprehensive and transparent reporting of your individual investments;
- take advantage of a competitive fee structure and enjoy the benefits of lower trading costs through netting and access to wholesale brokerage rates;
- manage your personal tax consequences through your individual investment account (**Account**); and
- gain comfort in the knowledge that you retain beneficial ownership of the investments in your portfolio.



# BENEFITS OF INVESTING IN VMAPS

The benefits of investing in VMAPS include:

## Construct a unique portfolio using our diverse range of Investment Model options

There is the flexibility to select a single diversified investment model option from the Investment Model Menu that meets your needs. Alternatively you can blend any of the Investment Models available in the Investment Model Menu in any proportion that you choose. You and your financial adviser can blend Investment Models to suit your financial needs and objectives. The Investment Model Menu which describes the Investment Models you can invest into is available at [www.venturaFM.com.au](http://www.venturaFM.com.au). A hardcopy may also be obtained from Ventura free of charge on request by contacting us.

## Professional portfolio construction

The Investment Models in the Investment Model Menu are all professionally constructed and managed by the Model Manager(s). The Investment Models provide investors with access to professional investment managers and wholesale rates of brokerage which may not be available to individual retail investors.

## Change your Investment Models in a tax efficient manner

If your financial adviser on your behalf changes the blend of Investment Models held in your Account, we will update your Account via netting (see below), based on the new Investment Model weightings, before we make the necessary buys and sells so that your Account matches your new combination of Investment Models. This means that we don't unnecessarily sell down investments from your Account to adjust it to the new combination of Investment Models.

## Lower transaction costs including our netting process

In addition to accessing wholesale rates of brokerage through VMAPS we are also able to keep your trading costs down through our netting process. Trading in VMAPS is conducted at a pooled level, in some circumstances we will not need to go to the market to buy or sell investments required to construct your Investment Models. For example, if investors in one Investment Model of VMAPS are selling particular shares in ABC company and at the same time investors in another Investment Model of VMAPS wish to buy the same number of shares in ABC company, we may simply transfer that share from one group of Accounts to the other without incurring any brokerage cost. The benefits (in terms of lower brokerage costs) are passed on to investors.

## Comprehensive reporting

A range of quality reports are available to you and your financial adviser online 24 hours a day 7 days a week by accessing the website. The reports available allow you to easily manage and monitor your portfolio by detailing the individual investments in your portfolio, transactions within your Account, your portfolios exposure to each asset class and more. Tax reporting to assist in the preparation of your tax return is also available online and is updated throughout the year once the relevant distribution information is received.

## Transparency – you can see what you own

You can log into the investor website at any time to view not only the Investment Model you have invested in but also the individual securities that make up your Account. This may provide greater transparency than other managed investment structures available in the market (e.g. managed funds).

## Manage your own tax affairs

You and your financial adviser can select the tax parcel accounting method for your Account which best suits your own circumstances, and you can adjust and amend the allocation method online as required, including after the trade has been completed.

## Tax planning

As an investor in VMAPS, you will have an individual Account with your investments allocated to that Account. As a result, your tax position in relation to VMAPS is affected only by the activity within your own Account. Any gains or losses are managed at the individual Account level, meaning you will not be adversely affected by the capital gain or loss position of any other investor.

## Move investments into or out of your Account at any time

Contributions and withdrawals can be in cash or in kind – all CHESS-eligible listed Australian securities are accepted. Moving investments into or out of VMAPS does not result in a realisation for capital gains tax purposes. Once you have selected your blend of Investment Model(s) we will sell those investments not required and invest the proceeds as per your selection (i.e. a rebalance). You may incur capital gains where investments are sold as a result of a rebalance.

## You can easily arrange for regular additional investments

It is easy to arrange to make a regular additional contribution into your Account via the Regular Contribution Plan.

# KEY FEATURES

<b>Investment</b>	
Investment Models	Choose from a diverse range of Investment Models
Cash Account	Used to settle your transactions
<b>Deposit Options</b>	
Cash	Direct debit BPAY® Cheque (Cheques may only be received with our prior approval)
Investment transfers	Allows you to transfer in CHESS-eligible listed Australian securities – consult your financial adviser for further details.
<b>Investment Minimums</b>	
Minimum initial investment	No minimum
Minimum additional investment	No minimum – you can make additional investments at any time
Minimum regular contribution	\$100 per month
Minimum account balance	No minimum
Minimum withdrawal	No minimum
Minimum regular withdrawal	No minimum
Minimum cash account balance	1% of your Account
Minimum trade size	The default is currently \$200 per investment, per trade and will apply where you have not set a minimum trade size. You have the option to determine a minimum trade size for your Account
Minimum investment model allocation	No minimum
<b>Regular transaction options</b>	
Regular Contribution Plan	Flexibility to invest regularly from your nominated external bank account into your Cash Account by either signing up to a regular contribution plan (minimums apply) or arranging your own savings plan via BPAY®
Regular Withdrawal Plan	You can make regular withdrawals from your Account either monthly, quarterly, half-yearly or yearly at a date that meets your needs

## Ownership of your investments

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### Beneficial ownership

The Custodian is the legal owner and you are the beneficial owner of the investments in your Account

## Reporting

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### Comprehensive reporting

All reporting is conveniently made available online. Some of the key reporting categories available include:

- Portfolio reporting
- Asset allocation reporting
- Transaction reporting
- Taxation reporting

## Other features<sup>1</sup>

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### Income

Flexibility to pay investment income into your external nominated bank account or have income from investments added to your Account and for this income to be included in the next rebalance.

### Fee payment option

Elect to top up your Cash Account for the amount of fees paid via direct debit from your nominated external bank account.

### Margin lending

Investment through margin lending arrangements is available. Consult your financial adviser for further details.

### Substitution

Where for some reason you are unable or unwilling to hold a particular security (e.g. ethical concerns) you may substitute the individual security with another ASX listed security, cash or reinvest evenly across other securities and cash in the Investment Models.

### Investment Model weighting

If you select more than one Investment Model you have the choice of applying Investment Model weightings on a floating or fixed basis. This will default to floating where no selection is made.

### Minimum holding lock facility

The convenience to lock your holdings at a level of your choice; when rebalancing the nominated shareholding will be maintained at or above your selected level.

<sup>1</sup> For more information on 'Other features' please refer to the 'Additional Information Booklet'.



# OPERATION OF YOUR VMAPS ACCOUNT

VMAPS is an online service that provides access to a diverse range of Investment Models within a single consolidated Account and has been designed to allow you and your financial adviser to easily monitor the progress of your portfolio.

In consultation with your financial adviser, once you have determined your investment strategy and constructed a suitable portfolio of investments from the Investment Model Menu, you authorise your financial adviser to provide instructions to the Administrator. Your Account will be managed in accordance with instructions from your financial adviser and they will perform online transactions on your Account. You will not be able to provide investment instructions directly to the Administrator. However changes to personal details (such as changes to your nominated external bank account or nomination of any persons that you wish to give access to your Account) must be provided directly by you to the Administrator.

If you cease to nominate a financial adviser authorised to use VMAPS, you may be required to stop investing in VMAPS. A copy of our Non-Advised Investor policy describes what happens when you cease to nominate a financial adviser is available free of charge on request or online at [www.venturaFM.com.au](http://www.venturaFM.com.au).

## Opening an Account

You can open an account by completing the VMAPS Application Form with your financial adviser. When you open your Account, the initial cash that you invest in VMAPS will be credited to your Cash Account.

Your Account will only become active once the Administrator has received your completed application together with your initial application amount and any CHESS-eligible listed Australian securities that you are transferring to your Account.

The Responsible Entity reserves the right to reject all applications. If your application to invest is rejected, your application money and/or securities will be returned to you with no interest.

## Your Cash Account

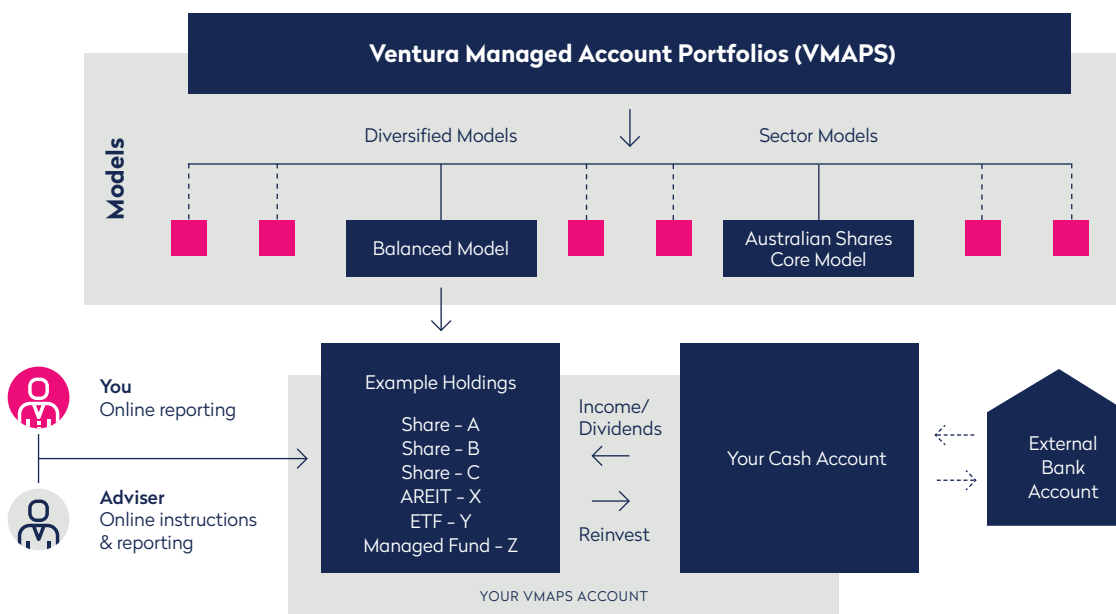
Your Cash Account is part of your Account and will be administered by the Administrator along with the investments that you hold through VMAPS. You are required to maintain a minimum balance of 1% of the value of your Account in your Cash Account to facilitate transactions and for the payment of fees and costs associated with the operation of your Account. The cash will be held in a bank account or invested in a cash fund selected by us. Any interest or income earned on any cash that is held in respect of your account will be credited to your Cash Account as and when it is received by us less the Cash Administration Fee. If your Cash Account has a negative cash holding i.e. your holding is overdrawn as a result of trades carried out for your Account, your Cash Account will be charged interest on the negative cash holding at the same rate of interest as that earned on positive accounts.

Ventura will (by directing the Custodian of the managed investment scheme) hold any cash not required to cover settlements or to maintain adequate liquidity in a higher interest bearing cash account with Australia and New Zealand Banking Group Limited, ABN 11 005 357 522 (ANZ). Ventura will not withdraw, or direct the Custodian to withdraw, funds from this account other than in accordance with your direction (including a standing instruction) or where necessary to meet your Minimum Cash Balance or where otherwise directed by a regulatory body or court order. A Cash Administration Fee is charged for the additional tasks associated with managing your cash holdings in this way (see page 14 for further details).

## Your VMAPS Account

Where you have selected a combination of Investment Models, your Account will be viewed and treated as a single account of your consolidated holdings including your Cash Account. Your Account may include investments that do not form part of an Investment Model where you have locked an investment holding at a specified level.

For more details on operating your Account, please refer to the 'Operation of your VMAPS Account' section of the 'Additional Information Booklet' available at [www.venturaFM.com.au](http://www.venturaFM.com.au).



# VMAPS INVESTMENT MODELS

VMAPS provides investors with a diverse range of investment choices through the Investment Models placed on the Investment Model Menu. The Investment Models are developed and managed by high quality investment managers.

## Before you invest

The details for each Investment Model which you may access through VMAPS are contained in the Investment Model Menu. You should read and consider the information for each Investment Model you choose to invest in, including the investment objective, the investment strategy, the risk and return profile, and the investment time-frame recommended by the Model Manager.

You should consult with your financial adviser to choose the Investment Model or combination of Investment Models that best meets your personal investment objectives and strategy.

Descriptions of relevant Model Managers and their approaches to the Investment Model(s) they manage are available free of charge in the 'Investment Model Menu' at [www.venturaFM.com.au](http://www.venturaFM.com.au).

## Investment Model selection process

Ventura places significant importance on the assessment process of the Model Manager and its ability to achieve their investment objectives for the Investment Model(s).

Ventura is ultimately responsible for the prudent management of the investment strategies of VMAPS. Prior to the Model Managers making an Investment Model available on the Investment Model Menu, Ventura will conduct due diligence on the Investment Model which may involve consideration of the following:

- the investment philosophy and strategy of the Investment Model;
- the depth, experience and stability of the investment team managing the Investment Model; and
- the strategic fit of the Investment Model within the broader Investment Model Menu.

## Ownership and how your investments are held

Each investor has a separate account within VMAPS to which their investments are allocated. Once your Account is established your investments will be held by the Custodian appointed by Ventura. However, you will be the beneficial owner of the investments in your Account.

## Changes to the Investment Models

Ventura has the right to change or remove an Investment Model(s) on the Investment Model Menu from time to time at its discretion. If your Account is invested in an Investment Model that is removed from the Investment Model Menu, we will give prior written notice on the available options (including the default option) to your financial adviser who will be responsible for seeking instructions from you in relation to these changes. If we do not receive instructions we will proceed with the default option as described in the notice to your financial adviser.

## Making changes to the Investment Models in your Portfolio

You should always consult your financial adviser before you select any Investment Model, or decide to increase or decrease your holding in any Investment Model. Further, because your circumstances and investments can change, you should regularly consult with your financial adviser to ensure that your investments remain appropriate for you over time.

## Investing through VMAPS

As Investment Model holdings are held by the Custodian of VMAPS, Ventura will act in the best interests of investors in VMAPS as a whole when dealing with corporate actions. We are not obligated to act on any individual investor's directions.

For information on Ventura's policy regarding corporate actions, including voting, affecting investments held in Investment Models, please refer to the 'Investments in VMAPS' section of the 'Additional Information Booklet' and Ventura's Corporate Actions Policy. Copies of the Additional Information Booklet and Ventura's Corporate Actions Policy are available online at [www.venturaFM.com.au](http://www.venturaFM.com.au) or in hardcopy free of charge upon request by contacting Ventura.

# REPORTING

Quality reporting is available to you and your financial adviser online 24 hours a day 7 days a week by accessing the website. Once your Account has been established, your financial adviser will provide you with a link to the investor website together with a User ID and password to access it.

When you invest in VMAPS you agree to receive all information relating to your Account online and to receive all communication electronically including confirmation of transactions.

## Online reporting

Comprehensive reporting is available online and enables you to view:

- your Account details including a list of your investments;
- daily valuations of your Account;
- a snapshot of your portfolio exposure to each asset class;
- Cash Account transactions;
- income and expenses relating to your Account;
- investment transactions including trading activity and corporate actions.

Reports generally include your holdings and transactions up until the end of the previous Business Day, using the most recent market price available.

## Tax information

Throughout the year, your Account will be updated with the tax breakdown of the distribution information relevant to the preparation of your tax return(s). Tax reporting may however not be correct until after the end of the financial year as there may be delays in some investments providing the final tax component information. You should not rely solely on information reported in your Account in relation to tax.

## Annual Statements

You will receive an annual statement detailing your investments in VMAPS and the transactions impacting your Account for the full financial year. Your annual statement will be delivered electronically.

## Audit certificates

Audit certificates for VMAPS will be issued annually and will be available within 3 months of the end of the financial year. The audit certificates will be delivered electronically.

## Information from Investment Managers and Companies

We may receive information such as transaction confirmations and annual reports from time to time from the managers of the investments or companies you have invested in through VMAPS. You can request a copy of all communications legally required to be given to you.

## Responsible Entity reporting

VMAPS is a disclosing entity and is subject to regular reporting and disclosure obligations under the Corporations Act. Copies of documents lodged with ASIC to meet these obligations may be obtained online by searching ASIC register on the ASIC Connect website at [connectonline.asic.gov.au](http://connectonline.asic.gov.au). You also have the right to request a copy of these documents from us, including the latest annual financial accounts, half-yearly accounts and continuous disclosure notices when they become available, and we must send you a copy (free of charge) as soon as is practicable. Copies of these documents may also be made available on our website at [www.venturaFM.com.au](http://www.venturaFM.com.au).



# RISKS

## What is risk?

Every investment decision involves an element of risk, and it is important that you understand that these risks cannot be completely eliminated, and that the value of investments can rise and fall. None of Ventura or any of the Model Managers guarantee the performance of the investments in VMAPS, or the repayment of capital or any particular rate of return on VMAPS.

When you select an investment, it is important to identify your investment objectives and the level of risk you are prepared to accept. Your financial adviser will assist you with this process, which should take into account a range of factors, including:

- the timeframe over which you require or expect a return on your investment;
- the extent to which you need regular income, as opposed to long term capital growth;
- your level of comfort with volatility;
- the general and specific risks associated with particular investments and strategies; and
- risk associated with the structures through which your investments are made.

## Some of the key risks associated with investing in VMAPS include:

### Operational risks

Certain operational risks are inherent in the administration of VMAPS such as processing errors and systems or technology failure, which may affect the value of your Account.

Despite security measures, fraud, data loss/damage or business interruption may result from cyber threats against or unauthorised infiltration of the technology systems and networks used in relation to the Scheme or those of Ventura's service providers.

Ventura and its service providers have policies in place for managing operational and cyber risks and their consequences. Ventura has the discretion whether or not to compensate investors for immaterial or negligible losses arising from processing errors or systems failures.

### Scheme risk

Risks particular to the Scheme itself include that the Scheme could be terminated, that fees and expenses could change (as described in 'Fees and Other Costs' section), and that Ventura could be replaced as responsible entity of VMAPS. Ventura monitors risks to ensure the Scheme is operated in the best interests of investors.

### Investment Model risk

There is a risk with each Investment Model that the investments made by the Model Managers will not achieve the investment objectives for the Investment Model, and that some or all of the capital invested in the Investment Model will be lost. There is also a risk that one or more Investment Models could be closed, in which case the securities which comprise the Investment Model may need to be sold or transferred to another Investment Model or to the investors that hold an interest in that Investment Model. Ventura monitors the performance of the Model Managers for each of the Investment Models and periodically assesses whether the Investment Model is continuing to meet its objectives. For Investment Models that invest in managed funds, the Investment Model will be subject to the risks of the underlying managed funds investments. You should refer to the relevant managed fund disclosure statement for full details of those risks.

### Model Managers risk

A Model Manager may fail to deliver returns that are comparable with their peers or with the managed fund's or Investment Model's performance benchmarks. Some drivers of this risk include the effectiveness of the Model Manager's investment strategy, the implementation of the strategy or the extent to which a Model Manager is impacted by potential loss of key staff.

### Concentration risk

The fewer the number of Investment Models in your Account, the more concentrated your investments in particular investments or classes of investments. The more concentrated your investments, the greater the risk that poor performance of a single investment may significantly affect the performance of your whole Account.

### Liquidity risk

Liquidity risk is where a security trades too infrequently for investors to be able to realise their investments at the

current market price in a timely fashion. In particular, while every effort is made for VMAPS to be able to satisfy all withdrawal requests promptly, the nature of the underlying investments means that in certain circumstances – for example, if trading in a managed fund has been restricted or suspended – all withdrawal requests may not be able to be fully met when they are received.

### Leverage risk

If you have borrowed in order to invest in an Investment Model, you will be subject to additional risks including margin calls as a result of market volatility, increased losses as a result of increased exposure and interest rate risk. If you are utilising a margin loan and a margin call is made pursuant to the terms of that loan, it may be necessary to sell assets and use the net proceeds to reduce your loan balance. You should talk to your financial adviser about the risks involved before borrowing to invest.

### Regulatory risk

Regulatory risk arises if regulatory or taxation changes introduced by a government (whether in Australia or foreign) or a regulator affect the value of investments.

### Market risk

Market risk relates to changes in the price of investments that are held in your Account and can result in capital loss or fluctuations in the value of your Account within short periods of time. Changes in the prices of assets may be driven by changes to the profitability of companies and sectors, economic cycles, business confidence and government policy. There are also additional risks in investing in foreign markets such as political and social instability and exchange rate movements.

### Derivative risk

A range of financial derivatives, for example futures and options, could be used to implement investment decisions and to manage risk in an Investment Model. An investment in derivatives can cause an Investment Model to make gains or incur losses. Derivative transactions may involve the risk that the counter party on a transaction will be unable to honour its financial obligations.

### Counterparty risk

The service providers engaged by the Responsible Entity may not perform their obligations and this may affect the services offered to you.

# FEES AND OTHER COSTS

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## DID YOU KNOW?

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

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

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

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## TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the ASIC website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a managed investment fee calculator to help you check out different fee options.

This PDS shows the fees and other costs that you may be charged. These fees and costs may be deducted from your Cash Account or from your investments.

The possible tax implications of investing in VMAPS are detailed in the Taxation section of this PDS.

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

All fee amounts are represented in Australian dollars and are inclusive of Goods and Services Tax (**GST**) unless otherwise stated.

**The total fees and costs that you pay include the fees and costs of VMAPS. It is important to understand the fees of any investments you acquire and that those fees will be in addition to the fees charged for VMAPS, together with transaction and account costs incurred. The fees and costs set out in this PDS are for access to the VMAPS platform only. The fees and costs of the Investment Models that you choose will be set out in the Investment Model Menu available at [www.venturaFM.com.au](http://www.venturaFM.com.au).**

## Further information

If you require further information about your fees and other costs associated with your Account, please contact your financial adviser.

The table below provides a summary of the main fees and costs. The Additional Explanation of Fees and Costs section provides further details.

Fees and costs for Investment Models are set out in the Investment Model Menu and are in addition to the fees in these tables.

Type of fee or cost	Amount	How and when paid
<b>Fees when your money moves in or out of VMAPS</b>		
<b>Establishment Fee<sup>1</sup></b> The fee to open your investment	Nil	Not applicable.
<b>Contribution Fee<sup>1</sup></b> The fee on each amount contributed to your investment	Nil	Not applicable.
<b>Withdrawal Fee</b> The fee on each amount you take out of your investment	An in-specie transfer fee of \$29 per stock line transferred out of VMAPS. An In-specie transfer fee will not apply to cash transfers.	Deducted from your Cash Account at the time of the In-specie transfer.
<b>Exit Fee</b> The fee to close your investment	Nil	Not applicable.

<sup>1</sup> An Establishment Fee and Contribution Fee is not charged by us however your financial adviser may charge an Adviser Establishment Fee or an Adviser Contribution Fee; this amount may be negotiated with your financial adviser. Please refer to the Additional Explanation of Fees and Costs.

Type of fee or cost	Amount	How and when paid
<b>Management Costs</b>		
The fees and costs for managing your investment in VMAPS are made up of the following components described below:		
<b>Administration Fee<sup>1</sup></b>	<b>Account balance</b>	<b>Fee rate p.a.</b>
	First \$300,000	0.38%
	\$300,001 – \$600,000	0.28%
	\$600,001 – \$1,000,000	0.12%
	Balance over \$1,000,000	Nil
<b>Cash Administration Fee</b>	Up to 0.75% p.a. on the interest earned on the portion of your cash holdings with higher interest bearing accounts.	The Cash Administration Fee is applied monthly in arrears from interest earned on the portion of your cash holdings within the higher interest bearing accounts as explained under 'Your Cash Account' on page 9, prior to that interest being credited to your Account and will not be deducted directly from your Account.
<b>Indirect Cost Ratio</b>	Up to 2.00% p.a. The range shown above is an estimated percentage as at the date of this PDS. Refer to the Investment Model Menu for the specific Indirect Cost Ratio ( <b>ICR</b> ) that applies to a particular Investment Model.	The ICR accrues daily and is deducted from the Investment Models you are invested in.
<b>Model Management Fee</b>	0.00% – 0.85% p.a. The range shown above is an estimated percentage as at the date of this PDS. Refer to the Investment Model Menu for specific Model Management Fees.	Calculated and payable monthly in arrears based on the daily average of your VMAPS account balance and the particular model portfolio(s) selected and deducted directly from your Account.
<b>Service Fees<sup>2</sup></b>		
<b>Investment Switching Fee</b>	The fee for changing your investments between Investment Models	Nil
		Not applicable.

<sup>1</sup> The Administration Fee is tiered, meaning a separate percentage is charged at each tier depending on the size of your Account and as your Account balance increases the percentage reduces. Example – a balance of \$1,000,000 would be charged at 0.38% for the first \$300,000, 0.28% on the next \$300,000 and 0.12% for the next \$400,000.

<sup>2</sup> Please refer to the Additional Explanation of Fees and Costs section for details of advice fees and other costs that may be payable.

## Example of annual fees and costs for a balanced investment option

This table gives an example of how the fees and costs for an investment in an Investment Model with a balanced investment objective can affect your investment over a one year period. You should use this table to compare this product with other managed account services.

### Example – the Morningstar Balanced Investment Model

Type of fee or cost	Amount	Balance of \$50,000 with a contribution of \$5,000 during the year
<b>Contribution Fee</b>	Nil	for every additional \$5,000 you put in you will be charged \$0
<b>PLUS Management Costs</b>	Management Costs of 1.225% consisting of: + Administration Fee of 0.38% + Model Management Fee of 0.605% + Indirect Costs of 0.20% + Cash Administration Fee of 0.04% <sup>1</sup>	AND for every \$50,000 you have in the balanced option you will be charged \$613 each year
<b>EQUALS Cost of balanced investment option</b>	1.225%	If you had an investment of \$50,000 at the start of the year and you put in an additional \$5,000 during that year, you would be charged fees of \$613.  What it costs you will depend on the Investment Model(s) you choose and the fees you negotiate.

<sup>1</sup>Based on the neutral position of the cash allocation in that model



# ADDITIONAL EXPLANATION OF FEES AND COSTS

## Administration Fee

Ventura is responsible for the majority of the costs incurred in operating VMAPS, including costs associated with custody, technology and administration. The Administration Fee is applied across the total value of investments held within your Account including any cash and other investments that are not part of an Investment Model and have minimum holding locks applied. The fee is calculated at the end of each month based on the average daily value of your Account over the month and deducted monthly in arrears from your Cash Account.

The Administration Fee is tiered, meaning a separate percentage is charged at each tier depending on the size of your Account. As your Account balance increases, the percentage reduces. Example – a balance of \$1,000,000 would be charged at 0.38% for the first \$300,000, 0.28% on the next \$300,000 and 0.12% for the next \$400,000.

## Cash Administration Fee

To deliver enhanced returns to investors, Ventura has entered into an arrangement with ANZ, to deposit a portion of your cash in higher interest bearing accounts. A Cash Administration Fee of up to 0.75% p.a. is charged for the additional tasks associated with managing your cash holdings in this way, including establishing and allocating the cash accounts and giving instructions (including deposits and withdrawals). The Cash Administration Fee is deducted from interest earned on the portion of your cash holdings held with higher interest bearing accounts prior to that interest being credited to your Account.

## Indirect Cost Ratio

Where managed funds or ETFs are included in an Investment Model, the managers of the funds may themselves charge fees (including management fees and performance-related fees) and incur transaction costs. The amount of those fees and costs incurred in the underlying investments is expressed as an ICR. The ICR varies from model to model and is based on estimates as at the date of this PDS. We may update the ICR from time to time via a notice on our website where the change is not materially adverse. Refer to the Investment Model Menu for the specific ICR that applies to a particular Investment Model.

## Model Management Fees and Model Performance Fees

Each Investment Model has its own separate fee structure, as agreed with the Investment Model's manager. There may be a fee payable to the Model Manager(s) for their role in managing the assets within the Investment Models. These fees may have two components being the Model Management Fee and a Model Performance Fee (if applicable). The Model Management Fee and the Model Performance Fee (if applicable) for an Investment Model is an estimate of the investment management costs for managing the Investment Model(s) and is charged by Ventura. Ventura pays the applicable fees to the Model Manager out of the Model Management Fee.

Model Management Fees (if applicable) are charged on the percentage of your Account that is linked to the Investment Model, including locked securities and is calculated monthly in arrears based on the average daily value of your Account. It is deducted directly from your Account. As at the date of this PDS there is currently no intention to charge Model Performance Fees.

For information on the Model Management Fees and Performance Fees for the Investment Models please refer to the 'Investment Model Menu' available at [www.venturaFM.com.au](http://www.venturaFM.com.au).

## Transactional and Operational Costs

Transactional and operational costs are indirect costs associated with the actual investment transactions underlying each Investment Model. These include the following:

Type of fee or cost	Amount	How and when paid
<b>Brokerage</b>	Brokerage will be charged at wholesale brokerage rates of 0.05% plus GST (where netting applies it may reduce this fee).	Deducted from your Cash Account at the time of the transaction.
<b>Settlement Fee</b>	A Settlement Fee of \$1.21 per securities transaction will apply to each securities transaction within your Account.	Deducted from your Cash Account at the time of the transaction.
<b>In-specie transfer fee</b>	An In-specie transfer fee of \$29 per stock line transferred out will be charged however no fee is payable when securities are transferred into your Account.	Deducted from your Cash Account at the time of the transfer

The amount of transactional and operational costs you will incur will vary depending on the size of your investment and the amount of transactions that are undertaken. A Model Manager may elect to trade some or all of their securities outside the regular trading process. These trades will not be able to be netted and may attract varying amounts of brokerage, which will be deducted as an expense from the cash holding of your Account.

Where for operational reasons there is insufficient cash for the settlement of a trade within VMAPS, an overdraft facility is available for which interest and other expenses may be charged. Interest expenses will be allocated on a pro-rata basis across all investor Accounts with a negative cash holding. This is intended as a short term arrangement only.

Managed funds into which Investment Models may invest may charge a buy/sell spread on a buy or sell of units in those funds. The amount of the buy/sell spread varies, depending on the Investment Model you select and is an additional cost to you. You should refer to the relevant managed fund disclosure statement for full details of their fees and charges.

The examples shown in the Fees and Other Costs section are shown net of any amount recovered by the buy/sell spread applicable to underlying managed investments. Where a fee or cost is unable to be recovered by the buy/sell spread charged by the responsible entity it will be an additional cost to the investor.

For more details on trades outside of the normal rebalance process, please refer to the 'Trades outside of the normal rebalance process' section of the 'Additional Information Booklet' available at [www.venturaFM.com.au](http://www.venturaFM.com.au).

## Expense recovery

Ventura in our capacity as Responsible Entity of VMAPS is entitled to be reimbursed from VMAPS for all expenses which we properly incur or become liable for in connection with administering VMAPS including audit, legal and tax consulting fees and custody fees. In addition, any compliance committee costs, expenses and liabilities can be paid or reimbursed from VMAPS.

Ventura may be entitled to input tax credits for certain costs or expenses that we incur in our capacity as Responsible Entity of VMAPS. If any claim for input tax credits results in us, in our capacity as Responsible Entity, receiving a payment from the Australian Taxation Office (ATO), the amount of the ATO payment will be applied towards costs and expenses that we may incur in our capacity as Responsible Entity (and which we are otherwise entitled to deduct from investors' Accounts).

To the extent that the costs, expenses and charges are attributable to a particular investor they will be deducted from that investor's Account.

Unless we determine otherwise, costs, expenses and charges are allocated to investors in proportion to the Account value expressed as a percentage of the total value of investors Accounts with the resultant proportionate costs debited from your Account. We can also invoice you for the amount, or any part of the amount, allocated to you and this is a debt due to us if there are insufficient funds in your Account to pay the debt.

You also indemnify us against any liability we may incur as a consequence of acting on your instructions.

All expenses not attributed to a particular investor, other than abnormal expenses, will be paid by us from the Administration Fees that we receive from VMAPS.

Abnormal expenses are expenses we are entitled to deduct from your Account but which are not generally incurred during the day-to-day operations of VMAPS. These abnormal events may include the cost of running a meeting of investors in VMAPS or legal fees incurred by changes in VMAPS constitution or defending legal proceedings. We are entitled to seek reimbursement from your Account in relation to those expenses should they arise.

## Service Requests

Fees and costs may be charged if you request additional services, such as the provision of additional reports. The fees are generally charged on a cost recovery basis. These fees are deducted from your Cash Account at the time at which the additional service is provided.

## Financial Adviser Fees

Your financial adviser (through your financial adviser's Licensee) may receive payment in connection with the provision of financial advice to you, including in relation to recommending VMAPS to you.

If you give Ventura a direction to pay monies to your financial adviser for financial advisory services provided to you, you are authorising us to deduct monies from your Account to pay to your financial adviser (through the Licensee of the financial adviser). The level and the type of fees deducted will be determined by you through the agreement between you and your financial adviser. These fees will be set out in your Application Form, or in such other form agreed to by Ventura. We

can only deduct and pay fees to your financial adviser with your consent and we will rely on your Application Form (or in such other form agreed to by Ventura) as evidence of your consent.

The financial adviser fee amounts specified in your forms will be GST inclusive.

The types of adviser remuneration you can agree with your financial adviser are set out below.

### Adviser Establishment Fee

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

### Adviser Contribution Fee

The Adviser Contribution Fee is calculated as a percentage of each contribution or rollover and paid to your financial adviser with your consent. The amount of the Adviser Contribution Fee is deducted from your Account to a maximum of 4.40% of each contribution.

### One-off Advice Fee

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

### Ongoing Adviser Fee

If you wish, you can have amounts deducted from your Account to pay fees to your financial adviser as agreed between you and your financial adviser. The amount of the Ongoing Adviser Fee is deducted from your Account to a maximum of 2.20% p.a. of your initial amount and/or an agreed fixed dollar amount up to 2.20% p.a. of your initial amount.

### Adviser Research Fee

An Adviser Research Fee may be payable to your financial adviser for the provision of research which is conducted by them and/or third party contractors as part of the provision of financial product advice to you. The amount of the Adviser Research Fee is deducted from your Account to a maximum of 2.20% p.a. of your initial amount or agreed fixed dollar amount up to a maximum of 2.20% p.a. of your initial amount.

### Licensee Service Fee

A Licensee Service Fee may be payable to your financial adviser's licensee for services provided by the licensee including assisting with determining, reviewing and assessing the Fund and the Investment Models to be offered under VMAPS. The amount of the Licensee Service Fee is deducted from your Account to a maximum of 2.20% p.a. of your initial amount or agreed fixed dollar amount up to a maximum of 2.20% p.a. of your initial amount.

## Important note

Certain asset-based fees cannot be charged where any form of geared or borrowed funds have been used to invest in your Account, specifically, a percentage-based Ongoing Adviser Fee cannot be charged where you have borrowed funds through a margin lending facility or where any other form of borrowed funds have been used to invest in VMAPS.

## Government charges and taxes

Any Government taxes and charges, such as stamp duty and GST, will be deducted from your Account as applicable. The benefit of any tax deductions is not passed onto investors. For information about the tax implications of investing in VMAPS, see the 'Taxation' section of this PDS.

## Changes to Fees

Ventura may change the fees and costs at any time at our discretion. You will be given at least 30 days' notice of any increase in fees or charges (other than Government charges).

This PDS will be updated if the fees and costs that Ventura charges change. Fees and costs relating to Model Managers will be updated in the Investment Model Menu.

The Constitution of VMAPS imposes maximum limits in relation to fees for VMAPS charged by Ventura to investors.

These maximums are detailed in the 'Fees and Other Costs' section of the 'Additional Information Booklet' available at [www.venturaFM.com.au](http://www.venturaFM.com.au). You should read that information before making an investment decision.

## Taxation

The Australian taxation system is complex, so investors should consider seeking tax advice relating to their own personal circumstances. The information in this PDS is for general information only.

As you are the beneficial owner of investments held in your name in VMAPS, these investments in VMAPS are taxed as if they are held by you directly.

You should read the information about taxation in the 'Taxation' section of the 'Additional Information Booklet' available at [www.venturaFM.com.au](http://www.venturaFM.com.au) before making an investment decision.

## Family Group Account Aggregation

Family Group Account Aggregation allows you to link your VMAPS Account(s), which may reduce the overall Administration Fee payable on each 'linked' Account. For more information see the Additional Information Booklet.

# OTHER IMPORTANT INFORMATION

## Differences between investing directly and investing in VMAPS

There are a number of differences between your rights as an investor accessing investments through VMAPS, and the rights of direct investors in those same investments. The key differences are:

Investing through VMAPS	Investing directly in the investment
<p>The investor is the beneficial owner and not the legal titleholder of the investments. Investments in the assets that comprise the Investment Models are registered in the name of any Custodian that we appoint. Consequently, the investor does not automatically:</p> <ul style="list-style-type: none"><li>• receive notices from the issuer of the underlying investments; or</li><li>• have voting rights in relation to the underlying investments.</li></ul>	<p>The investor holds legal and beneficial title to investments and receives notices about the securities, including notices of meetings and annual reports and retains full discretion to exercise voting rights.</p>
<p>The investor has online access to a single report consolidating the relevant information regarding the valuation of underlying investments.</p>	<p>The investor receives reports and accounts from the issuer of each security, not a single consolidated report.</p>
<p>The timing of payments, rate of return (due to fees or taxes payable), timing of distributions and price of investments may differ from those available to direct investors.</p>	<p>The investor receives directly from the issuer payment, rate of return and pricing of investments.</p>
<p>The time to acquire or withdraw from an underlying investment may be delayed by VMAPS administrative requirements.</p>	<p>Investments and withdrawals are made in accordance with the parameters of the particular investments and the Scheme's Constitution which allows for withdrawals.</p>
<p>A corporate action may impose a limit or cap on the number of entitlements per holding, which may result in an investor receiving fewer securities or a lesser entitlement than a direct investor.</p>	<p>The investor's entitlement under a corporate action is determined by their individual holding and is not affected by the holdings of others.</p>
<p>Generally, investors holding securities through VMAPS will not be able to access shareholder discount cards and other similar schemes.</p>	<p>The investor has full access to any shareholder discount schemes.</p>
<p>You can only invest in VMAPS through your financial adviser unless otherwise stated in our policy.</p>	<p>You do not need a financial adviser for most investments in which you can invest directly.</p>
<p>A 14-day cooling off period applies to an investment in VMAPS.</p>	<p>You may not have a cooling off period in relation to certain investments you make directly (e.g. shares).</p>

## Cooling off

A 14 day cooling off period applies if you change your mind about your initial investment in VMAPS. The 14 day period starts from the earlier of:

- 5 days after your Account has been established (activated); and
- the date you receive your welcome letter confirming that your Account has been established.

You may exercise your cooling off right by giving written notice to us. We will take all reasonable steps to comply with a request made during the cooling-off period to realise any assets that you have directed us to acquire, transfer assets held under the VMAPS directly to you and/or to return any moneys held for you, unless we reasonably consider that it would not be fair to all members to do so. If we realise assets, we will return to you the amount you paid in connection with the acquisition of those assets (including returning any fees payable to us in connection with the acquisition) less any costs incurred in relation to the acquisition. However, if the value of the assets has decreased between the time you applied for an interest in VMAPS and the time we realised the assets, the amount you receive may be less than the amount you initially invested.

Your refund will be paid by either an in-specie transfer of securities (if you transferred securities into VMAPS with your initial application) or cash following the sale of securities (at your request) commencing at the next date at which a rebalance of your Account occurs following receipt of your instructions to exercise your cooling off right. Transaction costs may be applicable.

## Enquiries and complaints

Ventura has procedures in place to properly consider and deal with any enquiries and complaints about the operation and investments held through VMAPS. If you have a complaint, it should be made in writing to:

Mail: Claims Manager  
Centrepoint Alliance  
Level 13, Corporate Centre One  
2 Corporate Court  
Bundall QLD 4217  
Email: [complaints@cpal.com.au](mailto:complaints@cpal.com.au)  
Phone: 1800 653 244

Ventura will immediately acknowledge the receipt of the complaint verbally or in writing and in any event, within 1 business day. Ventura is generally required to respond to a complaint within 30 calendar days after receipt unless particular circumstances apply.

If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority (**AFCA**).

AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: [www.afca.org.au](http://www.afca.org.au)  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Telephone: 1800 931 678 (free call)  
In writing to: Australian Financial Complaints Authority,  
GPO Box 3, Melbourne VIC 3001

Any complaints you may have about financial product advice you have received from your financial adviser in relation to VMAPS should be directed to your financial adviser or their Licensee.

You should also read the 'Other Additional Important Information' section of the 'Additional Information Booklet' available at [www.venturaFM.com.au](http://www.venturaFM.com.au) before making an investment decision.

# GLOSSARY

<b>Account</b>	Your Account in VMAPS, which includes your investments in Investment Models and your Cash Account
<b>AFSL</b>	Australian Financial Services Licence
<b>Application Form</b>	The Application Form you fill in to apply to join VMAPS
<b>ASIC</b>	Australian Securities and Investments Commission
<b>ASX</b>	Australian Securities Exchange
<b>Business Day</b>	A day that is not a Saturday, Sunday, public holiday or bank holiday in Sydney or Melbourne
<b>Cash Account</b>	A Cash Account established by Ventura for the purpose of processing transactions in your Account, which is a Scheme asset
<b>Constitution</b>	The constitution of VMAPS
<b>ETF</b>	Exchange Traded Fund
<b>Licensee</b>	The holder of an AFSL
<b>Model Manager</b>	An investment manager who has entered into an agreement with Ventura to include its Investment Model(s) as available investments in VMAPS
<b>Investment Model Menu</b>	A document that forms part of this PDS that contains the list of Investment Models that you can invest in via VMAPS, together with descriptions of such investments, and which is available at <a href="http://www.venturaFM.com.au">www.venturaFM.com.au</a>
<b>Investment Model</b>	A notional portfolio of assets constructed by the Model Manager and managed in accordance with specified investment objectives, investment strategies and asset allocation guidelines, as described in the Investment Model Menu, and which is used by Ventura for the purpose of determining the investments held in your Account
<b>PDS</b>	Product Disclosure Statement
<b>Rebalance Date</b>	The Business Day that your Account is rebalanced
<b>Regular Contribution Plan</b>	The facility for making regular contributions to your Account
<b>Responsible Entity</b>	Ventura Investment Management Limited, the responsible entity of VMAPS
<b>Scheme</b>	Ventura Managed Account Portfolios (ARSN 601 085 410)
<b>Securities</b>	In this PDS, securities means shares, ETFs, debentures stocks or bonds and interests in managed funds, but does not include derivatives

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VMAPS

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**Client Services**

Phone: 1800 571 881

Email: [support@premium.com.au](mailto:support@premium.com.au)

Email applications: [applications@premium.com.au](mailto:applications@premium.com.au)

**Correspondence Address**

Praemium Australia Limited

PO Box 322

Collins Street West

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