

PW Investment Administration Account

Product Disclosure Statement

1 January 2018

PW Investment Administration Account (referred to in this PDS as “the PW Investment Administration”, “the Account” or “the Product”) is a product issued from the Powerwrap Investment Account which is a registered Managed Investment Scheme under the Corporations Act 2001 (Cth) (ARSN 137 053 073). Responsible Entity: Powerwrap Limited (ABN 67 129 756 850).

GENERAL INFORMATION

This Product Disclosure Statement (“PDS”) dated 1 January 2018 is issued and promoted by Powerwrap Limited (“the Responsible Entity”, “Promoter” or “Powerwrap”) (ABN 67 129 756 850) (Australian Financial Services Licence No. 329829).

The PDS invites you to invest in the PW Investment Administration Account (referred to in this PDS as “the PW Investment Administration” or “the Product”), a product issued from the PowerWrap Investment Account which is a registered Managed Investment Scheme under the Corporations Act 2001 (Cth) (ARSN 137 053 073) (referred to in this PDS as “the Scheme”).

You can only invest in the Product if you are advised by a Financial Adviser so that you are informed about the investments you make in the Scheme. By purchasing this product, you will authorise your Financial Adviser to provide instructions, on your behalf, to the Responsible Entity and to access your Cash Account (on a limited access basis).

The information in this PDS is general in nature only and is not personal advice. This means it does not take into account your personal circumstances. You should read this PDS carefully and assess whether the Product is appropriate for you in light of your financial objectives, situation and needs.

Investments in the Product are not deposits with or other liabilities of the Responsible Entity or the Promoter, and are subject to investment risk, including possible delays in repayment and loss of income and principal invested. The performance of the Product, the repayment of capital or any particular rate of return on investments is not guaranteed by the Responsible Entity, the Promoter, or the investment managers.

Information in the PDS may change from time to time. Updated information that is not materially adverse may be provided at www.powerwrap.com.au. A paper copy of the updated information will be provided without charge on request to your Financial Adviser. The Responsible Entity reserves the right to change features and terms of the Product at any time.

Before investing in the Product, you must also open a Cash Account with an Approved Deposit-taking Institution (“ADI”) approved by the Responsible Entity to enable efficient operation of your PW Investment Administration Account.

Your Financial Adviser should give to you current disclosure information for each investment in the Product you are considering. A list of the accessible investments is available in the Approved Products List, available at www.powerwrap.com.au. Disclosure information is important and should be read before making your investment decisions. The Approved Products List is taken to be included in this PDS. You can also obtain a copy from the Responsible Entity at no charge on request.

This PDS 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. This offer is only open to persons receiving this PDS as a hard copy or electronically within Australia.

This PDS has been prepared for and is distributed by the Promoter, and is available only to clients of financial advisory firms who have entered into agreements with the Promoter.

All percentage and dollar amounts within this PDS are inclusive of GST (where applicable) unless otherwise specified.

DIRECTORY

Investors with any questions regarding the Product should contact their Financial Adviser.

Responsible Entity and Promoter

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PW INVESTMENT ADMINISTRATION ACCOUNT

A single investment account

The Scheme is a registered Managed Investment Scheme (Scheme) that provides access to a comprehensive range of managed funds and Model Portfolios within the PW Investment Administration Account. Your PW Investment Administration Account will be managed in accordance with instructions received from your Financial Adviser. You may also elect to hold some assets as non-Scheme assets and have them administered as part of a single portfolio for reporting purposes.

As such, working with your Financial Adviser, you can determine your investment strategy and can construct a suitable portfolio of investments.

The PW Investment Administration Account is a fully electronic product. When you invest in the Product you agree to receive all disclosures and reporting electronically via the online platform. You also authorise your Financial Adviser to act as your agent for performing online transactions on your PW Investment Administration Account and any non-Scheme assets.

Cash Account

Investors in the Product must open a single Cash Account (Cash Account) from an approved financial institution. The Cash Account is held inside the Scheme as a Scheme asset, meaning it will be held on your behalf by the Scheme or Scheme custodian (beneficial ownership).

Your Cash Account will be used to provide liquidity for the purchase of investments and the payment of fees and costs relating to your PW Investment Administration Account, any fees and costs for administering your non-Scheme assets and, where you have given your consent, fees paid to your Financial Adviser. You authorise the Responsible Entity to access your Cash Account for any of these purposes. In accordance with disclosure documentation relating to the Cash Account, a minimum balance must be maintained.

The primary provider of the Cash Account is Australia and New Zealand Banking Group Limited, ABN 11 005 357 522 (ANZ). The Responsible Entity will not withdraw any amount from this account except at your direction and as agreed with you under the terms of this Product Disclosure Statement. The Cash Account will be held on your behalf by the Scheme or Scheme custodian (beneficial ownership), and used to provide liquidity for the purchase of investments and the payment of fees and costs relating to your Scheme Account, any fees and costs for administering your non-Scheme assets and, where you have given your consent, fees paid to your Financial Adviser. If there is a shortfall in your Cash Account to pay fees and costs the Responsible Entity has the authority to access to your Scheme Account to redeem investments to cover the shortfall.

As the Cash Account is held inside the Scheme:

- the proceeds from the redemption of any investments of non Scheme assets or income received from investments of non Scheme assets which you have decided not to reinvest will be treated as Scheme contributions; and
- the withdrawal of funds from this Cash Account to pay any fees or charges related to your non Scheme assets will be treated as Scheme withdrawals.

When you invest in the Product you authorise your Financial Adviser to assist you to establish a Cash Account. You also authorise the Responsible Entity to access your Cash Account to acquire investments for your PW Investment Administration Account (in accordance with your instructions) and to pay the fees and costs associated with your PW Investment Administration Account as disclosed in this PDS. If there is a shortfall in your Cash Account to pay fees and costs, this authority gives the Responsible Entity access to your PW Investment Administration Account to redeem investments to cover the shortfall.

The interest rate you receive on cash balances is net of any fees paid to the Responsible Entity for the administration of your Cash Account. The Responsible Entity sets, from time to time, the rate of interest payable in respect of your Cash Holdings and this is generally 0.50% less than RBA Cash Rate. The interest rate payable will be disclosed in the Approved Product List associated with this Product Disclosure Statement.

Linked administration and reporting

If your Portfolio includes non-Scheme assets, the Responsible Entity will administer these assets and integrate reporting with your PW Investment Administration Account investments. This facility provides you with access to consolidated reporting across your entire portfolio.

KEY FEATURES

FEATURE	SUMMARY														
Create your own portfolio of investments	With the guidance of your Financial Adviser, you can select from a range of investments to create a unique portfolio that meets your personal requirements.														
Choice of Investments	Choose from a range of investments which includes ASX-listed and international securities (through a broker sponsored holding), term deposits, bonds, Model Portfolios, managed funds and cash. Your investments are chosen by you, with the assistance of your Financial Adviser.														
Beneficial Ownership	You will be the beneficial owner of all assets held within your PW Investment Administration Account. The assets will be held in the name of the Scheme. The Scheme may appoint a custodian for these assets.														
Fees and Costs	The fees and costs you will incur upon investing in the Product are made up of Product fees and costs, investment management fees and costs, and fees and costs payable to your Financial Adviser.														
Minimum Product Investments*	<table> <tr> <td>Initial Investment:</td> <td>\$20,000</td> </tr> <tr> <td>Minimum balance:</td> <td>\$20,000</td> </tr> <tr> <td>Minimum withdrawal:</td> <td>\$100</td> </tr> <tr> <td>Additional lump sum investment:</td> <td>\$100</td> </tr> <tr> <td>Additional regular investment:</td> <td>\$100 per month</td> </tr> <tr> <td>Regular withdrawal:</td> <td>\$100 per month</td> </tr> <tr> <td>Regular Investment Plan:</td> <td>\$100 per month</td> </tr> </table>	Initial Investment:	\$20,000	Minimum balance:	\$20,000	Minimum withdrawal:	\$100	Additional lump sum investment:	\$100	Additional regular investment:	\$100 per month	Regular withdrawal:	\$100 per month	Regular Investment Plan:	\$100 per month
Initial Investment:	\$20,000														
Minimum balance:	\$20,000														
Minimum withdrawal:	\$100														
Additional lump sum investment:	\$100														
Additional regular investment:	\$100 per month														
Regular withdrawal:	\$100 per month														
Regular Investment Plan:	\$100 per month														
Cash Account	You have a Cash Account for liquidity purposes.														
Model Portfolio Minimums	See the Approved Products List for the minimum amount, if any, stipulated by each Model Manager.														
Managed Fund Minimums	Generally, there are no minimum investment amounts for individual managed funds to be held within an Account. Some managers, however, may impose minimum restrictions – please refer to each managed fund’s PDS.														
Additional Investments	You may make additional investments of \$100 or more at any time.														
Regular Investment Plan	A fixed, nominated amount can be invested each month and allocated pro rata across Managed Funds in your PW Investment Administration Account. The minimum Regular Investment Plan amount is \$100.														
Regular Withdrawal Plan	A fixed nominated amount can be withdrawn from Managed Funds in your PW Investment Administration Account on a monthly basis. The withdrawals will be funded by a pro rata sale of assets held in your PW Investment Administration Account and paid to your Cash Account. The minimum regular withdrawal is \$100.														
Distributions and Dividends	Distributions from your managed fund investments and dividends from your non-Scheme equities investments are paid to your Cash Account as they are received. You can elect for income from Model Portfolio investments to be paid into your Cash Account or to be re-invested. If your Portfolio includes ASX-listed securities, you can elect to have dividends reinvested pursuant to a dividend reinvestment plan.														
Online reporting	The Product offers investors and their Financial Advisers a wide range of online reports, including: <ul style="list-style-type: none"> • Portfolio holdings • Portfolio valuations • Cash transactions to and from your Cash Account • Portfolio transactions • Income and Expense Reporting. 														
Suitability for SMSFs	The Product can provide advantages to SMSF investors, as it alleviates the record keeping burden associated with holding investments directly, and may reduce the cost of preparing your accounts.														
Transparency	You can view all investments, transactions and fees through secure online access, 24/7 for your entire Portfolio.														
Lower trading costs for investments in Model Portfolios as compared to other structures	As trades are first netted across individual portfolios in rebalancing Model Portfolio transactions, fewer trades are required to go to market, resulting in lower brokerage costs, a benefit passed on to investors.														

* Unless otherwise agreed between your Financial Adviser and the Responsible Entity.

OPERATING YOUR ACCOUNT

Opening an Account

To open a PW Investment Administration Account, your Financial Adviser will assist you with completing an Application Form online, which will then be processed by the Responsible Entity. The Responsible Entity may, at its discretion, reject applications for membership of and investment in the Product.

When opening your PW Investment Administration Account, the Responsible Entity will also facilitate opening of an account with an approved stockbroker as selected by you and your Financial Adviser to enable you to trade in ASX-listed securities. They will also facilitate the opening of other accounts as required for transactions of Scheme and non-Scheme assets.

When you open your Cash Account, you also authorise the Responsible Entity to access your Cash Account to deduct cash from your account for settling all investment purchases and to pay all authorised fees and costs, as well as to pay in proceeds from the sale of investments.

Accessing your Account online

When your PW Investment Administration Account has been opened, you will be sent a Login ID and a password that you can use to access your Portfolio online. You are responsible for keeping your Login ID and password confidential.

Cash contributions

When you open your PW Investment Administration Account, you must deposit funds into your Cash Account. You have the option of making deposits via cheque or Electronic Funds Transfer (EFT). Once cleared funds are available in your Cash Account, you can make investments.

In-specie Transfers

You may be able to transfer investment assets you already own into your PW Investment Administration Account. This will involve completion of various forms, which your Financial Adviser will provide and assist you to complete. Fees and charges may also be payable for such transfers (see Fees and Other Costs, below).

It is important to note that no further transactions affecting the assets subject to the in-specie transfer can occur once the in-specie transfer process has commenced and until it is finalised. Where securities are being transferred into a Model Portfolio, your PW Investment Administration Account will be marked as inactive and will be withheld from the rebalance process until the transfer process is complete. You may receive interest on cash balances held in your Model Portfolio over this time, and you may also incur fees. When all securities have been transferred, your PW Investment Administration Account will become active. The investment assets in your PW Investment Administration Account will then be included with your selected Model Portfolio(s) at the next rebalancing opportunity.

Investment Authority and Instructions

Please note that all investment instructions must be directed through your Financial Adviser. The Responsible Entity does not bear any responsibility for your investment instructions not being acted upon in a timely and accurate manner by your Financial Adviser.

Your Financial Adviser will receive communication from the Responsible Entity relating to your Portfolio and it is the responsibility of your Financial Adviser to provide these communications to you.

The Responsible Entity will not accept instructions from your Financial Adviser in relation to a change of your personal details or to the closure of your PW Investment Administration Account; these instructions must be provided directly by you.

The Responsible Entity will continue to act upon any instructions from your Financial Adviser until it receives a written cancellation from you of their appointment. If you cancel the appointment of your Financial Adviser, then unless you appoint another Financial Adviser acceptable to us, the Responsible Entity will terminate your participation in the Product by giving you 30 days notice.

Regular Investment Plans

If you would like to make regular investments into the Product, you can establish a Regular Investment Plan, subject to a minimum, and have this paid out of your Cash Account. Regular investments are normally processed on the 15th day of each month. You can cancel the Regular Investment Plan at any time by providing instructions via your Financial Adviser. The amounts deposited under a Regular Investment Plan will be invested pro-rata across Managed Funds in your your PW Investment Administration Account.

To establish a Regular Investment Plan for a new PW Investment Administration Account, ask your Financial Adviser to assist you to complete the appropriate section of the Application Form. To add a Regular Investment Plan to an existing PW Investment Administration Account, or vary an existing Regular Investment Plan, please provide instructions via your Financial Adviser.

Investments excluded from Regular Investment Plans

Certain investments that may be available through the Product from time to time may impose minimum purchase amounts in either dollar or unit terms. You will not be able to acquire such investments through the Regular Investment Plan if the amounts you make available for investment do not meet the necessary minimum purchase amounts.

Switching between Investments

If you want to change investments in your Portfolio, your Financial Adviser can provide Responsible Entity instructions to sell an investment and purchase a different Investment on the Approved Products List. Switching between investments may have tax consequences, and you should consider seeking professional taxation advice if you are uncertain about the consequences of switching. Also, fund managers may impose transaction costs (in the form of a buy/sell spread) when units are bought and sold. Some fund managers may have minimum investment application and redemption amounts, which will be disclosed in the managed fund's PDS.

If you want to change your investment in a Model Portfolio, your Financial Adviser will communicate your instructions to the Responsible Entity. Tax consequences may occur as a consequence, and again it is appropriate to consider seeking professional taxation advice if you are uncertain about the consequences. Brokerage will apply to any changes to the composition of your investments in Model Portfolio(s).

Customisations

Model Portfolios may be able to be customised in a range of ways in accordance with your needs. Your Financial Adviser will manage any customisation in accordance with your instructions. It is important to remember that if you apply a customisation, your Model Portfolio may not perform in the same way as the Model Portfolio disclosed in the Approved Product List.

Making Withdrawals

You can request a withdrawal of part or all of your PW Investment Administration Account.

Partial withdrawals from your PW Investment Administration Account are subject to a minimum withdrawal amount of \$100 (being the minimum amount that you are able to withdraw from any one managed fund), and you are required to maintain a minimum combined balance in your PW Investment Administration Account of \$20,000. (Unless you advise the Responsible Entity specifically which Scheme investments should be affected by a withdrawal, the Responsible Entity will decide which managed funds to sell down and in what proportions, as appropriate).

Withdrawals will usually be actioned within one business day of receipt of the withdrawal request, but where you are withdrawing by selling down of units in managed funds the receipt of funds to your Cash Account will be dependent on the timing of each fund manager.

To fund withdrawals from investments held in Model Portfolios, securities are sold proportionally across all your Model Portfolios. The value you will receive will be the value at which the investments are sold net of all fees, charges and expenses (including transaction costs such as brokerage).

Transfers or withdrawal payments from your PW Investment Administration Account may be delayed from time to time when events impact on the Responsible Entity's ability to transfer assets or sell sufficient assets to satisfy withdrawal requests (for example, where managed funds are illiquid, securities are suspended or due to other market factors).

Some investment options may have minimum holding requirements or, withdrawal conditions based on fund liquidity. Please refer to the product disclosure documentation of the investment option/s in which you choose to invest for more information. As each Scheme member has an individual holding in the underlying assets they choose to invest in, any minimum holding or liquidity considerations in the underlying assets held by a member will not have an adverse effect on any other Scheme member.

Regular Withdrawal Plan

You can set up a Regular Withdrawal Plan to have a pro-rata amount withdrawn from existing managed funds in your PW Investment Administration Account.

Regular withdrawals are usually processed on the 20th day of each month.

The date on which funds are released from the sale of managed funds to your Cash Account will be dependent on each fund manager.

To establish a Regular Withdrawal Plan for a new PW Investment Administration Account, complete the appropriate section of the Application Form. To add a Regular Withdrawal Plan to an existing PW Investment Administration Account, or vary an existing Regular Withdrawal Plan, please provide instructions via your Financial Adviser.

As your Cash Account is held inside the Scheme, you will need to provide us with the details of an external bank account into which you would like the regular withdrawals to be paid.

Suspending withdrawals

In unusual circumstances (for example, the closure or disruption of a relevant security exchange), withdrawals may be suspended for a period of up to 90 days or such other period the Responsible Entity considers reasonable. In the event of a suspension, the Responsible Entity will notify your Financial Adviser.

Capital Gains Tax (CGT) allocation methods

You can select from the following CGT allocation methods:

- Minimise Gain – tax parcels are selected to minimise the capital gain on disposal of an asset.
- Maximise Gain – tax parcels are selected to maximise the capital gain on disposal of an asset.
- First In First Out (FIFO) – the earliest tax parcel is selected on disposal of an asset.
- Manual Selection – your Financial Adviser can manually allocate disposals to tax parcels, or parts of tax parcels.

The default CGT allocation method is Minimise Gain. The CGT discount factor applied to your PW Investment Administration Account is based on your 'tax entity type' e.g. Individual, Partnership, Joint Investors, Company, Superannuation Fund or Trust.

You can change the CGT allocation method used for your Portfolio reports at any time by instructing your Financial Adviser to notify the Responsible Entity in writing. The new method will apply from the date the change is processed, and all transactions from the start of the current financial year. If you wish to change your CGT allocation method retrospectively, this will need to be processed manually as a cost base reconstruction. Additional charges may apply. It is recommended that you consider seeking professional taxation advice before selecting or changing your CGT allocation method.

Maintaining the appropriate balance in your Cash Account

The Responsible Entity recommends you maintain a balance in your Cash Account, in addition to any minimum required by the financial institution, sufficient to cover the total of three months fees, as well as any Regular Investment Plan amounts that relate to your PW Investment Administration Account.

If the balance of your Cash Account falls below the minimum required, and there are insufficient funds to cover monthly fees, then your investments held in the Product may be sold down to meet these obligations. Where investments are sold down to meet liquidity requirements of your PW Investment Administration Account, your Scheme assets will be sold in proportion, where possible. Where your Scheme assets include illiquid funds, these funds may be excluded from the sell down process.

Closing your PW Investment Administration Account

You can close your PW Investment Administration Account at any time. When closing your PW Investment Administration Account, you can elect to have:

- Assets sold and the proceeds paid by electronic transfer to your Cash Account;
- Assets transferred to another custodial arrangement (as allowable under law or under the terms of an investment itself); or
- A combination of sale and transfer.

Closing your PW Investment Administration Account will also terminate the Responsible Entity's administration and reporting service in respect of your non-Scheme assets.

To close your PW Investment Administration Account, you need to provide written notice by completing the Account Closure Form available from your Financial Adviser or the Responsible Entity. Please note delays may occur as a result of processes involving external providers such as fund managers, registries, custodians and Offices of State Revenue.

Prior to closing your PW Investment Administration Account, the Account balance will be applied to pay all outstanding fees and charges. It may be necessary to keep your PW Investment Administration Account open for a period of time pending the processing of any transfers and the receipt of any outstanding distributions. During this time, the minimum balance should be retained within your Cash Account.

Upon request to close your PW Investment Administration Account, the Responsible Entity will:

- Finalise any uncompleted part of your instructions up to and including the termination date;
- Deduct any outstanding fees and charges from your Cash Account;
- Sell assets in your PW Investment Administration Account if there is insufficient cash in your Cash Account to pay any outstanding fees and charges relating to your Portfolio; and
- Continue to charge your Cash Account for fees and charges associated with your Portfolio until such time as there are no further assets in your PW Investment Administration Account.

If you do not provide instructions relating to the transfer of Scheme investments, then investments will be sold, and the final proceeds paid in accordance with your instructions.

You will receive your final annual tax statement after the end of the financial year in which your PW Investment Administration Account is closed.

Changing details

You should notify the Responsible Entity directly as soon as possible of any changes in your personal details relating to your PW Investment Administration Account. Your Financial Adviser or the Responsible Entity can provide you with the appropriate form.

INVESTMENT OPTIONS

The Responsible Entity's objective is to provide clients with a wide range of investment choices. As a result, the Approved Products List is driven by demand from Financial Advisers and their clients. Provided the investment option being requested falls under one of the allowable investment option categories, the Responsible Entity can facilitate execution and administration, and is not aware of any reason why the option should be excluded, it may be made available for investment.

Managed Funds

You can choose from a selection of managed funds offered by a number of different fund managers as outlined in the Approved Products Managed Funds are typically held by the Scheme's Managed Fund custodian.

Managed funds must generally be held as Scheme assets. Because the managed funds available through the Product are offered at wholesale rates, investors benefit from lower fees than those typically available to retail investors.

Off-platform managed funds are those funds that can not be held by the Scheme's custodian and as a result are held outside the Scheme and in the name of the investor.

Listed Securities

You can choose from a selection of listed securities, including

- Australian and international Direct Shares
- Australian and international Listed Property Shares
- Australian and international Listed Investment Company Shares
- Australian and international Listed Debt Securities
- Australian and international Exchange-Traded Securities.

Term Deposits

You can choose from a range of Term Deposits.

Bonds

A range of Domestic and International bonds may be made available. Acceptance of applications is subject to approval.

Model Portfolios

You can choose from a selection of Model Portfolios. Descriptions of relevant Model Managers and their approaches to the Model Portfolio(s) they manage are available in the Approved Products List, at www.powerwrap.com.au.

Cash

You can hold funds in your Cash Account, which is held inside the Scheme and treated as a Scheme asset.

Service Assets

Service Assets are those assets investors may include in their portfolio reporting upon request. These may include assets such as direct property and unlisted unit trusts.

Other Investment Options

In addition, you can choose from a selection of other investment options. These are outlined in the Approved Products List.

Before you invest

You must read a copy of the current disclosure document for each investment you choose to invest in. These may describe the investment objective, investment strategy, risk/return profile, and investment time-frame of the investment manager. Your Financial Adviser will provide you with the current documents for the investments you are considering. You should also read a copy of the current disclosure document before making additional investments, as these may change over time.

The Responsible Entity has the right to change investments on the Approved Products List from time to time at its discretion. If your PW Investment Administration Account is invested in an asset that is subsequently removed from the Approved Products List, you may be allowed to continue to hold this investment in your PW Investment Administration Account, at the discretion of the Responsible Entity. Alternatively, if it is considered necessary, the Responsible Entity may seek instructions to transfer this investment to another custodial arrangement for you or where this is impracticable, to sell the investment on your behalf and pay the sale proceeds to your Cash Account.

Making changes to the investments in your Portfolio

You should always consult your Financial Adviser before you select any investment, or decide to increase or decrease your holding in any investment. 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.

Investment Decisions are *Your* Decisions

The value of investments may rise or fall from time to time, and neither investment performance nor the repayment of capital is guaranteed. The Responsible Entity does not assess the suitability or appropriateness of investments or investment managers for you, and does not make efforts to ascertain or disclose to you whether your Financial Adviser and/or its Licensee has an interest in any investment offered. You must form your own view as to the suitability of any investment for you, with the assistance of your Financial Adviser. Any investment decision is *your* decision.

HOW INVESTMENTS WORK

Ownership and how investments are held

Following the establishment of your Scheme Account, your investments may be held as assets by one or more custodians appointed by the Scheme or held in your own name.

The ownership of the various types of investments that you may hold following establishing a PW Investment Administration Scheme Account is structured as follows:

- Generally speaking, wholesale managed funds and investments managed via Model Portfolios must be held as Scheme assets and are held in the name of one or more custodians appointed by the Responsible Entity, meaning the custodian will hold legal title to the assets and you will have beneficial ownership of these assets;
- Your Cash Account is held as part of your Scheme Account (in which case you will have beneficial ownership of the cash account);
- ASX-listed securities are generally held through a broker sponsor arrangement outside the Scheme;
- International securities and international bonds are generally held through a broker sponsored arrangement inside the Scheme;
- Domestic bonds are generally held as Scheme assets and are held in the name of one or more custodians appointed by the Responsible Entity, meaning you will have beneficial ownership of these assets; and
- You can transact in Term Deposits of approved ADIs, as described in the Approved Products List. Generally, these are held outside the Scheme.

For assets held outside the Scheme, you are able to request that the Responsible Entity administer these assets and provide consolidated reporting of your Portfolio.

This is an administration and reporting service only.

ASX-Listed Securities – individual holdings

If you wish to invest in ASX-listed securities, a Holder Identification Number (HIN) will be created in your name or in a nominee name. This means you will be able to elect how you wish to participate in a range of corporate actions for your securities holdings, such as share purchase plans and rights issues.

As administrator, the Responsible Entity receives all communications relating to corporate actions affecting your securities holdings. This includes annual reports, information about meetings relating to securities and information about dividend reinvestment plans. You are able to participate in dividend reinvestment plans. If any communications on corporate actions are received, the Responsible Entity will notify your Financial Adviser.

International listed securities -individual holdings

If you wish to invest in international-listed securities these will be held in the name of the custodian or its nominee and you will retain beneficial ownership. You will be able to elect how you wish to participate in a range of corporate actions for your securities holdings, such as share purchase plans and right issues.

As administrator, the Responsible Entity receives all communication relating to corporate actions affecting your international-listed securities holdings, and will notify your Financial Adviser accordingly.

Model Portfolios

As these holdings are pooled and held by a custodian, the Responsible Entity will act in the best interests of investors in the Scheme as a whole when dealing with corporate actions, and is not obliged to act on any individual investor's directions.

The Responsible Entity's policy regarding corporate actions affecting investments held in Model Portfolios is that generally:

- Dividends and distributions will be taken in cash;
- The Responsible Entity will generally adopt a neutral position and not vote at meetings, although may exercise its discretion and vote depending on the particular circumstances; and
- The Responsible Entity will deal with corporate actions using its discretion and advice from the model manager.

Sometimes externally imposed limits or caps may affect your entitlement to participate in corporate actions – if this happens you may have a lesser entitlement than an investor holding the same number of securities directly.

Any income earned from a Model Portfolio will be paid directly into your Cash Account unless you choose to have it reinvested in your Model Portfolio's cash holding (speak to your Financial Adviser).

Managed Funds

There is no managed fund distribution reinvestment program, and all distributions relating to your managed fund holdings are received in cash to the credit of your Cash Account. You may be able to instruct your Financial Adviser to acquire more units in the managed fund using the distribution amount received.

The Responsible Entity's policy regarding corporate actions affecting investments in managed funds is that it does not accept directions from individual investors since managed fund investments are generally held by a custodian. Generally the Responsible Entity will adopt a neutral position and not vote at member meetings, although it may exercise its discretion and vote depending on the particular circumstances. Investors can request a copy of the Responsible Entity's Corporate Actions Policy which will be provided free of charge.

Managed Funds for wholesale investors

Some investments (such as managed funds or managed investment schemes) are only open to investment by investors who qualify as a Wholesale Client. Your financial adviser is responsible for telling you whether you are a Wholesale client and the Responsible Entity will assume that if you choose to invest in one of these investments, you have received confirmation from your Financial Adviser that you are a Wholesale client. Please speak to your Financial Adviser for more information.

Term Deposits

You may elect to have interest on maturity re-invested or have interest credited to your Cash Account. Please read the disclosure documents for each Term Deposit product for further information.

REPORTING

When you invest in the Product you agree to view all information relating to your Portfolio online, and to receive all communications electronically, except as otherwise indicated in this PDS.

Online reporting

The following reports are available online for any period, showing:

- A summary of the transaction activity on your Portfolio
- Portfolio valuation
- Investment transactions
- Cash transactions to and from your Cash Account
- Distributions

Reports generally include your Portfolio holdings and transactions up until the previous business day, using the most recent market prices supplied. Reports can be generated for any time period or date, as far back as your initial investment date.

Tax information

Throughout the year, income received from your investments may be recorded as unfranked income. Your Portfolio will be updated with the tax breakdown of the distribution information relevant to the preparation of your tax returns as it becomes available, after the financial year end. This will include details of any interest, assessable income, franked and unfranked income, foreign income, distributed capital gains, all associated tax credits and any other relevant items that may assist a registered tax agent to prepare your tax return. This process will generally be completed by the end of October each year. The Scheme's independent auditor performs an annual audit of the system to ensure reliability for both Scheme and non-Scheme assets.

Annual Reports

The Corporations Act requires the Responsible Entity to provide you with an annual report detailing your investments in the Product, transactions impacting your PW Investment Administration Account and the fees that you have paid. These reports will be prepared each financial year after all investment income information has been received, and will generally be delivered electronically.

The Scheme is also a disclosing entity as defined under the Corporations Act. As a disclosing entity, the Scheme is subject to additional regular reporting and disclosure obligations. Copies of documents lodged with ASIC to comply with these requirements may be obtained from, or inspected at, an ASIC office and will also be made available on the Responsible Entity's website. You have a right to request the Responsible Entity to provide you free of charge the half yearly condensed financial report and any continuous disclosure notices lodged with ASIC (in addition to the annual report referred to above). Continuous disclosure notices will also be published on the Responsible Entity's website.

RISKS

The key risks associated with investing in the Product are described below. While the general investment risks are summarised below, you also need to refer to the disclosure document for each investment you are considering to understand the risks of making that particular investment.

Every investment decision involves an element of risk, and it is important that investors understand that these risks cannot be completely eliminated, and that the value of investments can rise and fall. The Responsible Entity and the Promoter do not guarantee the performance of, the repayment of capital from, or any particular rate of return of the Scheme assets or any available investment on the Approved Product List.

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 investment strategies; and
- Risk associated with the structures through which your investments are made.

Risks associated with the Product

Administration risk

Delays in the purchase and sale of investments in your PW Investment Administration Account can occur. There is some risk that systems failure may cause a delay in the processing of transactions on your PW Investment Administration Account. Delays can also be experienced as a result of transaction processing delays with brokers or fund manager, or if your Financial Adviser delays submitting a request to the Responsible Entity for the purchase or sale of investments.

Product and Scheme risk

Risks particular to the Product and the Scheme itself include that the Product and/or Scheme could be terminated, that fees and expenses could change (as described in Fees and Other Costs section), and that the Responsible Entity could be replaced.

The Responsible Entity monitors risks to ensure the Scheme is operated in the best interests of investors.

General Investment Risks

The investments that you make will generally be subject to one or more of the following risks:

Concentration risk

The fewer the number of investments in your Portfolio, the more concentrated your Portfolio. The more concentrated your Portfolio, the greater the risk that poor performance of a single investment may significantly affect the performance of your whole Portfolio. Concentration risk can also occur at an asset class level, depending on the investment or combination of investments chosen. For example, if your investments are comprised primarily of Australian equities and/or managed funds that primarily hold Australian equities and there is a downturn in Australian equity markets, you will have a greater risk of negative returns than if your Portfolio is diversified across other asset classes.

Liquidity risk

It is a characteristic of security markets that some securities trade infrequently. Liquidity risk is where a security trades too infrequently for investors to be able to realise their assets at the current market price in a timely fashion. In particular, while every effort is made for the Scheme 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 geared your Portfolio (that is, borrowed in order to invest), you will be subject to a number of additional risks including, but not limited to, 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 before borrowing to invest, and refer to your lender's disclosure documentation for full details of the risks involved.

Regulatory risk

Regulatory risk arises if regulatory or taxation changes introduced by a government or a regulator affect the value of investments. These regulatory or taxation changes may occur in Australia or other countries.

Market risk

Market risk generally refers to the risks associated with specific asset markets which cannot be mitigated by holding a broader selection of securities from the same market. Market risk relates to changes in the price of assets that are held in your Portfolio and can result in capital loss or fluctuations in the value of your Portfolio within short periods of time. Changes in the prices of assets are generally driven by changes to the profitability of companies and industry sectors, economic cycles, demand for securities, liquidity of securities, business confidence and government policy.

Investment Manager risk

Investment Manager risk refers to the risk that an investment manager fails to deliver returns that compare favourably with their peers or with the managed fund's or Model Portfolio's performance benchmarks. The key drivers of investment manager risk are the effectiveness of the manager's investment strategy; the implementation of the strategy; and the extent to which an investment manager is impacted by potential loss of key staff.

Underlying managed fund risk

There is a risk that investing in a managed fund may give different results than investing directly in the securities that the fund holds, because of income, capital gains or losses accrued in the managed fund, and the consequences of investments and withdrawals by other unit holders in those managed funds.

Currency risk

Changes in the value of currency exchange rates can impact the value of your investments, where your Portfolio is exposed to international investments.

Volatility risk

Changes in security and unit prices can affect the value of investments in your portfolio. Changes in investment prices can result from a number of factors including: the changing profitability of industries and companies, economic cycles, the volume of securities traded in a particular market, investor demand, business confidence, and changes to government and central bank policies, international events or natural disasters.

Company specific risk

The value of the investments in a particular company are subject to risks that are specific to the individual company. Risk, due to specific company factors, can mean that a company's return can be significantly lower than that of the market, which can negatively impact the value of your investments.

Interest rate risk

Changes in the general level of interest rates might have a negative impact on the value of your investments.

Fixed Interest risks

If your Portfolio is exposed to fixed interest investments, whether directly or indirectly, this involves credit risk, interest rate risk, and liquidity risk. Credit risk is the risk that a borrower may default on interest or principal repayments. Interest rate risk and liquidity risk have been explained earlier.

Inflation risk

The value of your investments may not keep pace with inflation. Broadly, this means prices may increase by more than the value of your investments. If this risk eventuates, you would not be able to buy as much with the value of your investments as you could today.

Derivative risk

A range of financial derivatives, for example futures and options, could be used to implement investment decisions and to manage risk in a Model Portfolio or within a managed fund. An investment in derivatives can cause a Model Portfolio or managed fund to make gains or incur losses. Derivative transactions may also involve the risk (including credit risk) that the counterparty on a transaction will be unable to honour its financial obligations.

Foreign market risk

Investing internationally carries additional risk. Risks inherent in this type of investment include, but are not limited to:

- Actions of foreign governments, exchange controls, political and social instability;
- Differences between countries relating to accounting, auditing, financial reporting, government regulation, securities exchanges and transactional procedures;
- Foreign markets may have different levels of liquidity, pricing availability and settlement and clearance procedures; and
- Exchange rate movements.

TAXATION

Given the complex nature of the Australian taxation system, investors should consider seeking specialist tax advice relating to their investment approach. The information in this PDS is for general information only.

As you are the beneficial owner of investments purchased through the Product, which are held in the name of the Scheme, these investments in the Scheme are taxed as if they are held by you directly.

Capital Gains Tax (CGT)

You may incur a CGT liability when investments within your PW Investment Administration Account are disposed of including when managed funds are sold, when securities are disposed of, when your investments are rebalanced and when withdrawals are made. You may also receive a managed fund distribution that includes a distributed capital gain.

If you are uncertain about how CGT rules apply to your circumstances or the most appropriate methodology for you, you should consider seeking tax advice.

Where capital losses are realised, these may be used to offset available realised capital gains. Capital losses not utilised in a financial year may be carried forward and utilised to offset your capital gains in future years.

Tax on investment income

Investments in your PW Investment Administration Account can derive income, such as distributions from managed funds and income from dividends. Income received will be taxable in your hands.

Tax on foreign investments

Income sourced from overseas investments may be subject to foreign taxes, such as withholding tax. You may be entitled to a tax credit in respect of foreign taxes paid.

Tax File Number (TFN) and Australian Business Number (ABN)

It is not compulsory to provide your TFN or ABN and it is not an offence if you decline to provide them. However, the Responsible Entity reserves the right not to accept applications in the PW Investment Administration Account where a TFN or ABN is not provided. Without a TFN or ABN, tax may be deducted at the top marginal rate plus Medicare levy from your interest and investment income at the time it is paid.

Goods and Services Tax (GST)

The Scheme is registered for GST. This means, for investors, that while GST is payable on fees relating to the administration of your PW Investment Administration Account, the Scheme will generally be able to claim input tax credits and/or reduced input tax credits of the GST paid. Unless otherwise stated, you will be charged the net amount of GST.

Deductibility of Fees

Some fees you pay in respect of your PW Investment Administration Account(s) may be deductible in the financial year in which they are incurred. You should consider obtaining your own tax advice in this regard.

FEES AND OTHER COSTS

DID YOU KNOW?

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

For example, total annual fees and costs of 2% of your 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.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund* or your Financial Adviser.

TO FIND OUT MORE

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

* The fees of the Account and investment managers are not negotiable.

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 the proceed of sale of your investments.

The possible tax implications of investing in the Product 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 the net effect of GST unless otherwise indicated.

Further information

If you require further information about your fees and other costs associated with your PW Investment Administration Account, please contact your Financial Adviser.

Fees and costs for Model Portfolios are set out in the Approved Products List and the fees and costs for managed funds are shown in the relevant fund's Product Disclosure Statement.

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

Type of Fee or cost	Amount	How and When Paid
Fees when your money moves in or out of the Product		
Establishment Fee The fee to open your investment	Nil	Not applicable
Contribution Fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal Fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit Fee The fee to close your investment	Nil	Not applicable
Management Costs The fees and costs for managing your investment		
Product Administration Fee (payable to the Responsible Entity)	There is an administration fee of 0.05% pa (\$0.50 per \$1000) based on the total value of any International Listed Securities in your portfolio (excluding foreign currency cash holdings).	Deducted from your Cash Account monthly in arrears, based on the average daily value of your International Listed Securities holding (in AUD) over that month.
Cash Administration Fee	Estimated to be between 0.25% and 1.30% p.a	The Cash Administration Fee is the amount the Responsible Entity earns for the administration of your Cash Account. The Cash Administration Fee is deducted from the interest rate earned on your Cash Account and is not directly from your account.
Investment Costs for Model Portfolios (payable to the Model Manager) The amount you pay for specific Model Portfolios is shown on the Approved Product List.	Most Model Manager investment management fees are in the range of 0.35% to 1.00% (\$3.50 - \$10.00 per \$1,000), although some Model Managers could charge up to 2% (\$20 per \$1,000). ¹	The Model Manager investment fee is deducted from your Cash Account and is generally calculated based on the daily value of your Scheme Account attributed to the relevant Model Portfolio and deducted monthly in arrears.
Investment Costs for Managed Funds (payable to the investment manager) The amount you pay for specific Managed Funds is shown in the fund's product disclosure statement.	Investment management fees for managed funds vary widely, but are usually in the range of 0.30% to 1.50% (\$3.00 - \$15.00 per \$1,000), although some funds could charge up to 4.00% (\$40 per \$1,000). ²	Calculated and charged by the individual investment manager and reflected in the unit price or assets of each managed fund. Refer to the product disclosure statement of each managed fund for details on how and when these fees and costs are charged.
Expense Recovery	A dollar fee up to \$100 p.a.	Deducted from your Cash Account annually in arrears as at June 30.
Service Fees³		
Investment Switching Fee⁴ The fee for changing your investments	Nil	Not applicable
Transaction Fees	\$20.50 for each sale or purchase order for a managed fund including orders pursuant to a Regular Contribution Plan or Regular Withdrawal Plan. Up to \$100 per application, investment and redemption for off-platform managed funds. A flat dollar fee of \$20.00 (Term Deposits only) for each time you open or renew a Term Deposit.	Deducted from the your Cash Account at the time of the transaction. This fee will be deducted at the time of transaction. Deducted from your Cash Account at the time of the transaction.

¹ Performance fees and brokerage may also be charged.

² Performance fees and a Transaction Cost (or buy/sell spread) may also be incurred.

³ Please refer to the Additional Fees and Costs section for details of Special request fees and Adviser Remuneration costs that may be payable.

⁴ Transaction costs may be incurred in giving effect to the switch, however.

The total fees and costs that you pay include the fees and costs of the Product, the fees and costs for non-Scheme assets, the costs of your Cash Account, the costs of the investments you choose and the fees agreed between you and your Financial Adviser. It is important to understand the fees of any assets you acquire and that those fees will be in addition to the fees charged for the Product, together with transaction and account costs incurred. The costs of your Cash Account and the investments you choose will be set out in the disclosure document displayed with the Approved Product List at www.powerwrap.com.au.

Example of annual fees and costs

The table below provides an example of how the fees and costs for investing in an investment option for this managed investment product can affect your investment over a one year period. You should use this table to compare this product with other managed investment products.

Example: Investment in the Perpetual Pure Credit Alpha		Balance of \$50,000 with a contribution of \$5,000 during the year
Contribution Fee	N/A	For every additional \$5,000 you put in you will be charged \$0.
Plus Management Costs # (Investment Cost + Expense Recovery)	1.01% + \$100 p.a.	And for every \$50,000 you have in the investment option you will be charged \$605
Equals Cost of investment option		If you had an investment of \$50,000 at the start of the year and put in an additional \$5,000 during that year, * you would be charged fees of \$605 per annum. What it costs you will depend on the investment you choose and the fees you negotiate with your fund or financial adviser.**
Additional fees and cost may apply. Please refer to the Additional Explanation of Fees and Costs.		
*This illustration assumes that the investor invests the additional \$5,000 on the last day of the year.		
**Product fees are not negotiable.		

This example assumes the full \$50,000 is invested in the investment option and does not take into account a minimum cash account balance. A Cash Account administration fee applies in relation to cash holdings which is not taken into account in this example. For more information, refer to the 'Cash Administration Fee' in the Fees and Cost table.

ADDITIONAL EXPLANATION OF FEES AND COSTS

Product Fees

Product Administration Fee

A flat rate of 0.05%pa based on the total value of any International Listed Securities in your portfolio (excluding foreign currency cash holdings) will apply. This fee is for the administration of your International Listed Securities and is deducted monthly (in arrears) from your Cash Account.

Expense Recovery

The Responsible Entity is entitled to be reimbursed from the Scheme for audit expenses which cost per member will not exceed \$100 per annum. The Responsible Entity is also entitled to be reimbursed from the Scheme for abnormal expenses, such as the cost of investor meetings, legal costs of any proceedings involving the Scheme and terminating the Product or the Scheme. Whilst it is not possible to estimate such expenses with certainty, the Responsible Entity anticipates that the events that give rise to such expenses will rarely occur.

Transaction Fees:

Transaction Fees:

- Managed Fund trades incur a transaction fee, described in the Approved Products List, currently \$20.50 for each sale or purchase order for a managed fund including orders pursuant to a Regular Contribution Plan or Regular Withdrawal Plan, and
 - A charge of \$20 for each time you open or renew a Term Deposit. This is deducted from your Cash Account at the time of the transaction.
 - A charge of up to \$100 for applications, investments and redemptions for off platform managed funds, deducted from your Cash Account at the time of the transaction.

Transaction costs:

There are various transaction costs that you could incur, in addition to the fees set out above, when you execute transactions in various asset classes.

- Changes in Model Portfolios (whether initiated by you, or by the relevant Model Manager) will lead to various trades of securities, and therefore brokerage. As previously noted, such brokerage should be lower than if you held the securities directly, as trades are first netted between investors transacting in such securities, and only post-netted trades are sent to market. Brokerage is shared across all investors whose Accounts participated in each particular trade and deducted from your Model Portfolio cash holding
- When you acquire or sell Australian or International listed, brokerage will be charged at the rate negotiated between your Financial Adviser and the relevant broker (within the limits described in the Approved Products List). This fee will be added to the purchase or deducted from the sale amounts of each transaction. (If the trade cannot settle, a dishonour fee may be deducted from your Cash Account together with any costs associated with that failed trade. These fees may be deducted at the time the trade fails to settle.)

Asset type	Cost
ASX Listed securities	If you were to invest in an ASX listed security (for example BHP) you will be charged brokerage at a rate agreed between you and your Financial Adviser within the limits described in the Approved Products List.
International Listed Securities	If you were to invest in an International listed security (for example Google) you will be charged Foreign Exchange conversion and brokerage at a rate agreed between you and your Financial Adviser within the limits described in the Approved Products List.
Model Portfolios	If you were to invest in a model portfolio you will be charged a Model Manager fee by the Model Portfolio Manager. This fee is outlined in the Approved Products List. If the model portfolio comprises assets such as managed funds and Exchange Traded Funds, there will be Indirect Cost Ratios associated with these. Information on these will be contained in the disclosure documentation for these assets provided to you by your Financial Adviser.

Service Requests

Fees and costs will be charged if you request additional services. The fees are generally charged on the basis of recovering costs incurred in providing these services. These fees and costs are:

- A fee per in-specie transfer of managed funds (i.e. in or out of your PW Investment Administration Account), described in the Approved Products List (currently \$38.50).
- An Office of State Revenue in-specie online processing fee per transfer (does not apply to listed shares).

The range of additional services available and the charges for any additional services may change from time to time. These will be published as changes occur. These fees are deducted from your Cash Account at the time at which the additional service is provided.

Investment Management Fees

Investment Manager Fees

This is the fee payable to the investment manager for its role in managing the investment, and applies to both managers of managed funds and Model Portfolios. The investment manager of a managed fund recovers its manager fee from the assets within the fund itself (and is disclosed in the managed fund's PDS). The investment management fee for the investment manager of a Model Portfolio is calculated daily based on the funds you have attributed to that Model Portfolio, and deducted monthly by the Responsible Entity from your Cash Account. This fee for each Model Portfolio is described in the Approved Products List.

Performance Fees

Some investment managers (for managed funds or Model Portfolios) will charge performance-based fees when the investment return generated exceeds a certain benchmark or certain specified criteria, if applicable. These are described in the relevant disclosure document for that investment and in the Approved Products List for Model Portfolios.

Managed Funds Transactions Fees

When you purchase or sell units in a managed fund, the investment manager may also charge a transaction fee, which is usually represented in the form of a buy/sell spread - the difference between the purchase price and the sale price of units. Please refer to the PDS for the transaction fees for each specific managed fund in which you seek to invest.

Adviser Remuneration

Your Financial Adviser (through its Licensee) may receive payment in connection with the provision of financial advice to you, including in relation to recommending the Product to you. The level and the type of such fees are to be agreed between you and your Financial Adviser, and reflected in your Application Form.

<p>a) Initial Advice Fee (Fee on initial investment)</p>	<p>A flat dollar fee or percentage based fee on the amount deposited to start your Investment Account. This fee is negotiated between you and your Financial Adviser, and is capped at no more than 5.5% of the total initial investment.</p>	<p>Deducted from your Cash Account based on the total initial investment (including in-specie transfers).</p>
<p>b) Ongoing Adviser Fee</p>	<p>A fee for the provision of ongoing financial advice to you. This can be either a flat or tiered percentage of your Portfolio, or a flat dollar amount. Whether the fee is a flat dollar amount or a percentage of assets charge, the fee cannot exceed 2.2% per annum (\$22 per \$1,000).</p>	<p>Deducted monthly in arrears from your Cash Account. Where the fee is based on a flat or tiered percentage of your Portfolio value (plus Cash Account balances if agreed between you and your financial adviser), it is calculated daily. Where the fee is a flat dollar amount, it is calculated on a pro-rata basis based on the number of days in the month for which the fee applies.</p>
<p>c) Adviser Review Fee</p>	<p>A fee for the provision of specific ongoing reviews of your financial situation and Portfolio. This can be either a percentage of your Portfolio, or a flat dollar amount. Whether the fee is a flat dollar amount or a percentage of assets charge, the fee cannot exceed 2.2% per annum (\$22 per \$1,000).</p>	<p>Deducted monthly in arrears from your Cash Account. Where the fee is based on a percentage of your Portfolio value, it is calculated daily. Where the fee is a flat dollar amount, it is calculated on a pro-rata basis based on the number of days in the month for which the fee applies.</p>

The Responsible Entity is authorised by you to deduct monies from your Cash Account to pay to your Financial Adviser (legally, and in terms of process, monies are actually paid to the Licensee of your Financial Adviser) for financial advisory services provided to you, including in relation to facilitating your investment in the Product and your Portfolio. The level and the type of fees deducted are determined as a result of the agreement between you and your Financial Adviser, and as reflected in your Application Form. We can only deduct and pay fees to your Financial Adviser with your consent and we will rely on your Application Form as evidence of your consent. The types of adviser remuneration you can agree with your Financial Adviser are set out below. Your reports will show the deduction of the agreed amounts.

Initial Advice Fee

You can authorise the Responsible Entity to pay your Financial Adviser an Initial Advice Fee from your Cash Account as either a dollar amount or a percentage of the total initial investment (including in-specie transfers). This fee must be agreed by you and your Financial Adviser. Whether the fee is a dollar amount or a percentage-based fee, the fee cannot exceed 5.5% per annum (\$55 per \$1,000) of the total initial investment (including in-specie transfers).

Ongoing Adviser Fee

You can authorise the Responsible Entity to pay your Financial Adviser an Ongoing Adviser Fee from your Cash Account. You and your Financial Adviser can negotiate an Ongoing Adviser Fee that can be either an annual dollar amount or a flat or tiered percentage of assets charge. Where you agree a percentage-based fee with your Financial Adviser, that fee is calculated daily against the end-of-day value of investments held within your Portfolio, and deducted from your Cash Account on a monthly basis. Where you agree an annual dollar amount fee with your Financial Adviser, the fee will be calculated monthly, at a rate equivalent to 1/12 of the agreed annual fee. Whether the fee is a dollar amount or a percentage-based fee, the fee cannot exceed 2.2% per annum (\$22 per \$1,000).

Adviser Review Fee

You can authorise the Responsible Entity to pay your Financial Adviser an Adviser Review Fee from your Cash Account. You and your Financial Adviser can negotiate an Adviser Review Fee that can be either an annual dollar amount or percentage of assets charge. Where you agree a percentage-based fee with your Financial Adviser, that fee is calculated daily on the value of investments held within your Portfolio, and charged to your Cash Account on a monthly basis. Where you agree a dollar based annual fee with your Financial Adviser, the fee will be calculated monthly, at a rate equivalent to 1/12 of the agreed annual fee. Whether the fee is a dollar amount or a percentage-based fee, the fee cannot exceed 2.2% per annum (\$22 per \$1,000).

Government charges and taxes

Any government taxes and charges, such as stamp duty and GST, will be deducted from your Cash Account, as applicable. For information about the tax implications of investing in the Product, see the 'Taxation' section of this PDS.

Changes to Fees

This PDS will be updated if the Responsible Entity's fees are changed. Fees and costs relating to investment manager charges and transaction costs will be updated in the Approved Products List and in the PDS for each managed fund. The Scheme Constitution imposes maximum limits in relation to Product fees charged by the Responsible Entity to investors. These maximums are:

- Investment Administration Fee – up to 1.1% on the average daily balance of your Account
- Special Request Fees – up to \$100 per request
- Withdrawal Fee - up to 5.5% of the withdrawal amount
- Additional Service Fees – up to \$10,000 (as agreed with the investor).

The Responsible Entity does not intend to increase its fees, but you will be given 30 days notice of any proposed increase.

IMPORTANT ADDITIONAL INFORMATION

Promoter

The Product is marketed and promoted by Powerwrap Limited (ABN 67 129 756 850, AFSL No. 329829).

Powerwrap Limited does not guarantee the performance of the Product or any investments held within the Scheme or the repayment of capital or any particular rate of capital or income return.

Cooling off

A 14 day cooling off period applies if you change your mind about your initial investment in the Product. The 14 day period starts from the earlier of 5 business days after your PW Investment Administration Account has been established and the date you receive your Welcome Letter confirming that your PW Investment Administration Account has been established. You may exercise your cooling off right by giving written notice to the Responsible Entity. As your Cash Account is held inside the Scheme, you will need to provide us with the details of an external bank account into which we can return your initial funds less any reasonable transaction costs and any movement in the price of investments.

PDS and the Scheme Constitution

Your relationship with the Responsible Entity is governed by this PDS, the Scheme Constitution, the Corporations Act and other laws. When you want to know your rights as a Scheme investor, the first place to look is the Constitution. You can inspect a copy of the Constitution at the head office of the Responsible Entity or you can request a copy. This PDS sets out some of the material provisions of the Constitution.

Each investor should ensure that participating in the Product is suitable for them, and does not contravene any obligations binding on them. This document can only be used by investors receiving it (electronically or otherwise) in Australia who are Australian residents for tax purposes.

Compliance Plan and Committee

The Scheme has a compliance plan which describes the procedures applied in operating the Scheme to ensure compliance with the Corporations Act, the Constitution and other laws. The compliance plan is lodged with ASIC and audited annually.

A compliance committee (of which the majority of members are independent of the Responsible Entity) monitors the Responsible Entity's compliance with the compliance plan.

Responsible Entity

As Responsible Entity of the Scheme, Powerwrap Limited is responsible for the administration and management of Scheme. Details regarding Powerwrap's AFSL can be found on ASIC's website www.asic.gov.au. Under the Constitution and the Corporations Act, the Responsible Entity must:

- Act honestly and in the best interests of all Scheme investors;
- Have adequate arrangements for the management of conflicts of interest that may arise in providing financial services;
- Exercise a reasonable degree of care and diligence in managing the Scheme assets;
- Ensure that the Scheme's property is clearly identified, held separately from other property, and that it is valued at regular intervals;
- Ensure that any payments made from the Scheme are made in accordance with the Constitution and the Corporations Act;
- Ensure that the Constitution and compliance plan of the Scheme meet the requirements of the Corporations Act; and
- Report to ASIC any breaches of the Corporations Act that represent a significant breach of financial services law.

The Responsible Entity may retire or be removed in accordance with the Corporations Act.

Rights and obligations

In relation to the Responsible Entity's powers, duties and liabilities in respect of the Scheme and the Product, the Constitution:

- Allows the Responsible Entity to refuse applications for investment, in whole or in part, at the Responsible Entity's discretion and without giving reasons;
- Allows the Responsible Entity not to act on instructions in certain cases and provides that the Responsible Entity is not liable for delays due to failure to act on unclear instructions or for other reasons beyond its control;
- Allows the Responsible Entity to terminate Accounts, including if an investor does not hold the required minimum balance or breaches the rules governing the Scheme as set out in this PDS;
- Allows the Responsible Entity to set a minimum investment to be made in the Scheme;
- Allows the Responsible Entity to extend the period for withdrawal in certain circumstances;
- Provides that, unless the Corporations Act imposes liability, the Responsible Entity is not liable to you except for fraud, negligence or breach of trust;
- Provides that the Responsible Entity is entitled to be indemnified from the assets of the Scheme for any liability incurred in properly performing or exercising any of its powers or duties in relation to the Scheme, except to the extent the liability is caused by its negligence, breach of trust or fraud;
- Allows the Responsible Entity to change the Constitution, but only with investors' approval if the change would adversely affect the rights of investors;
- Allows the Responsible Entity to charge fees and recover all expenses incurred in the proper performance of its duties in respect of the Scheme; and
- Gives the Responsible Entity the right to terminate the Scheme by notice to investors, and then to transfer cash to investors.

Please note that this is not an exhaustive list of the Responsible Entity's rights under the Scheme Constitution.

In relation to your rights and obligations as a Scheme investor, generally the Constitution:

- Sets out your rights to absolute and beneficial entitlement to the investments (including any income) in your PW Investment Administration Account;
- Defines your rights to withdraw from the Product, and what you are entitled to receive when you withdraw from the Product;
- Defines when the Scheme may be wound up and what you are entitled to receive on winding up;
- States that your liability is generally limited to your PW Investment Administration Account value;
- States the quorum required for meetings of members of the Scheme; and
- Contains procedures for how the Responsible Entity deals with complaints.

Custodian

The Responsible Entity may appoint custodians who have responsibility for the holding of the investments of the Scheme. The custodians have not independently verified the information contained in this PDS, and, accordingly, accept no responsibility for the accuracy or completeness of this PDS. The custodians do not guarantee the performance of investments held within the Scheme nor the repayment of capital or any particular rate of capital or return.

The custodians may only act in accordance with the terms of the custody agreement between them and the Responsible Entity. Under the Constitution, the Responsible Entity has the discretion to change a custodian at any time, subject to the terms of any custody agreement.

Differences between investing directly and investing through a Managed Investment Scheme

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

- All investments held in the Product are held in the name of the Scheme or the name of a custodian. This means that you will not receive direct communications and reporting from investment managers.
- As an indirect investor, you do not have the right to call, attend or vote at a meeting of unit holders of the managed funds in which you invest, or of companies whose shares are included in a Model Portfolio or managed fund in which you are invested.
- If you were a direct investor, you would be able to apply for and withdraw from investments without the minimum investment transaction limitations imposed by the Responsible Entity.
- The time taken to process investment transactions may take longer than the time taken for a direct investment. This is due to the nature of the Product in that the Responsible Entity may deal with several investment managers to complete a single investor request. Also, the custodian may delay acting in order to perform a consolidated trade on behalf of multiple investors.
- As an indirect investor, you do not have any cooling off rights or rights to complain directly to the managed funds in which you invest nor any rights to withdraw from any product if the disclosure in relation to the product is found to be defective.

Investment disclosure documents

Where applicable, your Financial Adviser must give you a copy of the relevant disclosure document for each investment in which you are considering investing, before you make any decision to purchase or add additional investments.

Each disclosure document provides a description of the investment offered, the investment manager's approach to investing and objectives, what it invests in, performance information, any level of gearing of the fund's assets, information on associated fees and costs, risks and other relevant information relating to the specific investment. In addition, your Financial Adviser may have access to further information in relation to each of the investments offered that can assist you with your investment decision.

The role of your Financial Adviser

You can only invest in the Product through a Financial Adviser. Your Financial Adviser is integral to the operation and maintenance of your PW Investment Administration Account. Your Financial Adviser will help you understand your financial position, identify your goals and financial issues, make more informed decisions about your investments, and choose an investment strategy that best suits you.

When you invest in the Product, you agree to appoint your Financial Adviser as your agent for the purposes of operating your PW Investment Administration Account, and providing the Responsible Entity with instructions in relation to your Portfolio.

Disclaimer: Your Financial Adviser is not the agent of and has not been approved or endorsed by the Responsible Entity. Accordingly, the Responsible Entity is not responsible for any advice your Financial Adviser provides, including any investments they might recommend. The Financial Adviser is your Financial Adviser, and you are responsible for managing this relationship.

Providing instructions to the Responsible Entity through your Financial Adviser

By completing the Application Form to invest in the Product, you authorise your Financial Adviser to transact on your Portfolio. This means that the Responsible Entity (or its agents) can accept and act on such instructions given by your Financial Adviser without requiring your signature, additional proof, instructions or further confirmation from you.

The transactions for which this authority applies are:

- Purchasing and selling investments held within your Portfolio
- Withdrawing amounts from your Cash Account for initial and additional investments to your Portfolio
- Full or partial withdrawals from your Portfolio to your Cash Account.
- Starting, changing or stopping a Regular Investment Plan
- Starting, changing or stopping a Regular Withdrawal Plan
- Changing the tax accounting method to be used when reporting on your Portfolio

The Responsible Entity is entitled to rely on the instructions of your Financial Adviser as if they were your instructions, unless it has reason to believe that the person providing the instructions is not your Financial Adviser. However, please note that the Responsible Entity requires direct instructions from you to change your contact details.

The Responsible Entity will continue to act upon any instructions from your Financial Adviser until it receives a written cancellation of the appointment. If you cancel the appointment of your Financial Adviser, then unless you appoint another Financial Adviser acceptable to the Responsible Entity, your participation in the Product will be terminated by giving you 30 days notice. Your Cash Account may also be terminated.

You release, discharge, and indemnify the Responsible Entity and all of its successors and assigns from and against all losses, actions, liabilities, claims, demands, and proceedings arising from your selection and appointment of a Financial Adviser, and all acts matters and things done or purported to be done by a Financial Adviser even if not actually authorised by you, and neither you nor any person claiming through you will have any claim or right against the Responsible Entity or any of its successors and assigns in relation to any act, matter, or thing done or purported to be done by your Financial Adviser or any person purporting to be your Financial Adviser.

You agree that if a payment is requested, made, or received by your Financial Adviser, such payment shall constitute a discharge of the obligations of the Responsible Entity and neither you nor any person claiming through you will have any claim against the Responsible Entity.

Past performance

Performance data for investments may be included in the particular investment's disclosure document available from the Approved Products List and/or from relevant investment managers directly. Past performance should not be taken as an indication of future performance of any investment.

Anti-Money Laundering and Counter-Terrorism Financing Act

Anti-money laundering and counter-terrorism financing legislation requires the providers of financial products and services to conduct customer identification. This may occur on account opening, during the course of the customer relationship and/or upon the withdrawal of funds. Your Financial Adviser will ask that you provide copies of appropriate documentation to verify your identity.

By signing the Adviser Declaration in the Application Form, your Financial Adviser is declaring to the Responsible Entity that they have verified your identity in accordance with the requirements of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, and is acknowledging that the Responsible Entity cannot accept your Application Form without this declaration.

Environmental, Social and Ethical Considerations

Unless otherwise indicated in investment disclosure documentation, investment managers do not take into account labour standards, environmental, social or ethical considerations in making investment management decisions.

Termination of your Account

You can terminate your participation in the Product by providing the Responsible Entity with 14 days written notice. Generally this will take 5-10 business days to be processed, although the Constitution allows up to 60 days to complete your request. There may be additional delays as a result of external providers such as fund managers, registries, custodians and Offices of State Revenue. Your participation in the Product can be terminated if you breach any terms and conditions of the Product, Scheme or the Scheme Constitution. Terminating your participation in the Product will also terminate the Responsible Entity's administration and reporting service in respect of your non-Scheme assets.

Complaints

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

The Complaints Officer
Powerwrap Limited
PO Box 16071
COLLINS ST WEST VIC 8007

The Responsible Entity will always acknowledge any complaint in writing and respond as soon as practicable and within 45 business days. If you are not satisfied with the response, you can contact the Financial Ombudsman Service (FOS) ABN 67 131 124 448, an independent external industry complaints resolution scheme on 1300 780 808 or write to:

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001
Fax: (03) 9613 6399
Email: info@fos.org.au

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

Any complaints you may have about the underlying investments you have acquired through the Scheme should be directed to the issuer of the underlying investment. Generally the disclosure documents for the underlying investments will disclose whether and how you are able to make those complaints. We will assist you in attempting to resolve your complaint with the product provider of the underlying investment by informing you if the product provider's dispute resolution procedures are available to you, and by providing information about your investment in the product. However, as investments made through the Scheme are held in our name, your right to bring a complaint in relation to an underlying investment may be different to if you invested directly.

Privacy

We are required to handle your personal information in accordance with the requirements of the Privacy Act 1988 and the Australian Privacy Principles. Please view our Privacy Policy online at www.powerwrap.com.au which sets out our full obligations regarding the handling of your personal information.

By signing the Application Form accompanying this document you agree to the Responsible Entity collecting personal information from you in order to process your application, and administer and manage your Portfolio. This includes administering and auditing your investments, modelling data, data testing, communicating with you and dealing with any complaints or enquiries. You need not provide any personal information requested in the Application Form or in any other document or communication relating to your Portfolio, however, without this information, your application may be rejected and/or you will not receive an appropriate level of service.

You agree to allow the Responsible Entity to provide access to your personal information to external service providers, including overseas service providers which may include providers in the United States, the European Union, India and New Zealand, that provide services in connection with your Portfolio, including, technology providers, investment managers and approved stockbrokers. When you nominate a Financial Adviser in the Application Form, you are authorising the Responsible Entity to supply that Financial Adviser and its Licensee with information about your investments. Any other use or disclosure to a third party, body or agency is subject to the terms of our Privacy Policy.

Your personal information may also be disclosed:

- if, acting in good faith, the Responsible Entity believes that the law requires or permits it to do so;
- if you consent; or
- to any person proposing to acquire an interest in our business.

Under the Privacy Act 1988, you may request access to your personal information that held by the Responsible Entity and seek the correction of such information. You can contact the Responsible Entity to make such a request or for any other reason relating to the privacy of your personal information by telephoning 03 8681 4600 or writing to:

The Privacy Officer
Powerwrap Limited
PO Box 16071
COLLINS STREET WEST VIC 8007

Our Privacy Policy also contains information about how you can complain about a breach of the Australian Privacy Principles and how we deal with such complaints.

GLOSSARY

AFSL	Australian Financial Services Licence
Application Form	The Application Form you fill in to apply to join the Product.
Approved Products List	The list of investments that you can invest in via the Product, together with descriptions of such investments, and which is available at the website of the Responsible Entity. This list includes Scheme assets and non-Scheme assets.
ASIC	Australian Securities and Investments Commission
ASX	Australian Stock Exchange
Cash Account	A cash account provided by a financial institution that will be accessed by the Responsible Entity for the purpose of processing transactions in your Portfolio.
Constitution	The legal document that establishes and governs the Powerwrap Managed Investment Scheme
FIFO	First In First Out
Financial Adviser	The business or person that provides you with financial advice in relation to your Portfolio, and who holds an AFSL, or is licensed by a Licensee to do so
Full Access Authorised Operator	The authority given by you to the Responsible Entity to perform transactions on your Cash Account that relate to the operation of your Portfolio
In-specie	In kind or in its existing form (rather than by conversion to cash)
Licensee	The holder of an AFSL
Model Manager	An investment manager who has entered into an agreement with the Responsible Entity to include its Model Portfolio(s) as available investments in the Scheme
Model Portfolio	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 Approved Products List from time to time, and which is used by the Responsible Entity for the purpose of determining the investments held in your PW Investment Administration Account
PDS	Product Disclosure Statement
Portfolio	Your Account in the Scheme together with any non-Scheme assets you have asked us to administer
PW Investment Administration Account	A badged presentation of the Scheme, configured in conjunction with the Promoter, and designed to suit the investing needs of you and Financial Advisers
Promoter	Powerwrap Limited the entity responsible for promoting and marketing the PW Investment Administration Account
Regular Investment Plan	The facility for making regular investments.
Regular Withdrawal Plan	The facility for making regular withdrawals.
Responsible Entity	Powerwrap Limited, the licensed operator/Responsible Entity of the Scheme.
RITC	Reduced Input Tax Credit
Scheme	The Powerwrap Managed Investment Scheme (ARSN 137 053 073)
SMSF	Self Managed Superannuation Fund

HOW TO COMPLETE THE APPLICATION FORM

You should complete the Application Form with the assistance of your Financial Adviser. Before you do this, you should read this PDS thoroughly, along with the disclosure documents of all investments in which you choose to invest.

Step 1 – Establish the appropriate applicant type

The following types of investors can open an Account:

- Individual
- Joint applicant
- Sole trader
- Company
- Partnership
- Incorporated Association or Body
- Unincorporated Association or Body
- Trust (non-corporate or corporate)
- Superannuation fund

Please refer to the table on the next page for details for each type of applicant.

Step 2 – Complete the Application Form with the assistance of your Financial Adviser

Your Financial Adviser will enter your details online in the Application Form, enabling applications for the Scheme, your Cash Account, your broker account and any other accounts as required. The Application Form also contains an authority for the Responsible Entity to administer your non-Scheme assets. Once your Financial Adviser has entered your details and printed out the Application Form, you should check that all sections have been completed correctly and that your Financial Adviser has signed the adviser declaration. You should then read and sign the Application Form, as well as any application forms for the Cash Account and broker account.

Step 3 – Return signed Application Forms and relevant supporting documentation

Once the application forms are signed and completed, original copies must be returned to your Financial Adviser for forwarding to the Responsible Entity, Cash Account provider and stockbroker. Your Financial Adviser may hold off sending in your Application Form until your Cash Account details are received, to enable these details to be included in the Application Form.

Account names and designations for different types of investors

While your Financial Adviser will complete your application details online, you should check that investor details are completed as outlined in the table below.

Investor type	Account Name	Account Designation	Who Signs
Single Applicant	Use given names. Do not use initials	Mr John Citizen	Individual investor. If you are signing under Power of Attorney, please also attach a certified copy of the Power of Attorney.
Joint Applicant	Use given names. Do not use initials	Mr John Citizen & Mrs Norma Citizen	Both investors. If you are signing under Power of Attorney, please also attach a certified copy of the Power of Attorney.
Company, Incorporated Association or Body	Use name of Company, Incorporated Association or Body registered with ASIC	Citizen Pty Ltd	Two Officers; OR As required by the Constitution or rules of the company; OR One Director for a Sole Director Company
Superannuation Fund	Use the name of the Trustee(s) then the name of the Fund	Mr John Citizen & Mrs Norma Citizen [Super Fund A/C]	All Trustees
Trusts	Use the Trustee(s) personal names, then the name of the trust / beneficiary	Mrs Norma Citizen [Baby Citizen A/C]	All Trustees
Estate	Use executor(s) personal name(s), then the name of the deceased estate	Mr John Citizen [Est. Helen Jones A/C]	The Executor
Partnership	Use partner(s) personal name(s) then the name of the partnership	Mr John Citizen & Mrs Norma Citizen [Partnership A/C]	Both Partners
Unincorporated Body or Association	Use personal name(s) then the name of the club	Mr John Citizen [Body/Association A/C]	Appointed Officers

