

---

# Perpetual Private Investment Wrap

Features Book

**IDPS GUIDE AND FINANCIAL SERVICES GUIDE – PART 1  
FEATURES BOOK ISSUE NUMBER 6 DATED 1 SEPTEMBER 2022**

Issued by Perpetual Trustee Company Limited  
ABN 42 000 001 007 AFSL 236643

Perpetual 

## Important notes

The IDPS Guide and Financial Services Guide (Guide) for Perpetual Private Investment Wrap (Investment Wrap) is divided into two parts:

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

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

This Guide provides you with information about the Investment Wrap, an Investor Directed Portfolio Service (IDPS) operated by Perpetual Trustee Company Limited ABN 42 000 001 007, AFSL 236643 (Perpetual, PTCO, we, us, our). PTCO is also the custodian for any investments held in your Investment Wrap portfolio.

This Guide includes the Financial Services Guide (FSG) for the underlying custody service and will help you to understand the service and determine whether or not you should use it. It includes details about:

- how we can be contacted
- how we (and our associates) are remunerated
- fees and costs
- our internal and external dispute resolution procedures and how you can access them.

PTCO acts for itself when providing the custody service.

In accordance with its Australian financial services licence, the financial services that PTCO is authorised to provide to retail and wholesale clients include:

- providing general financial product advice
- providing a custodial or depository service
- dealing in a financial product by issuing, applying for, acquiring, varying or disposing of a financial product.

Our obligations as the IDPS operator and custodian include (but are not limited to):

- choosing the investment options available to investors
- providing custody of assets held under the Investment Wrap
- ensuring the service operates in accordance with the provisions outlined in this Guide
- reporting regularly to you.

The activities of the custodian and the IDPS are regulated by Australian Securities and Investments Commission (ASIC).

PTCO is a wholly owned subsidiary of Perpetual Limited ABN 86 000 431 827 and part of the Perpetual Group.

We have appointed Macquarie Investment Management Limited ABN 66 002 867 003, AFSL 237492 (administrator) to provide the administration services to the Investment Wrap described in this Guide.

We have also appointed The Trust Company (UTCCL) Limited ABN 35 008 426 784, AFSL 235170 (UTCCL) to arrange the ASX securities trading services provided to the Investment Wrap by platform brokers, as described in the Guide. UTCCL is also a wholly owned subsidiary of Perpetual Limited and part of the Perpetual Group.

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

References to 'you', 'your' and 'clients' are to investors (and, where the context requires, prospective investors) using the Investment Wrap. In deciding whether to acquire or continue to hold an investment in the Investment Wrap, you should consider this Guide. Applications can only be made on the appropriate application form.

We may update this Guide (including the terms and conditions of the Investment Wrap where we can according to the law) with changes that are not materially adverse without issuing a supplementary IDPS Guide. The Guide and updated information will be available to existing investors at our website, [www.perpetual.com.au/login](http://www.perpetual.com.au/login), and you can also obtain a paper copy free of charge, on request. If we make any change that is materially adverse, we'll replace this Guide or issue a supplementary IDPS Guide and provide 30 days' notice to investors. You should keep a copy of the Guide and any updates for future reference.

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

**Investments held under the Investment Wrap are subject to investment risk, including possible delays in repayment and loss of income or principal invested. Neither we nor any company in the Perpetual Group, nor any other party referred to in this Guide, guarantee the performance of or the repayment of capital from any investments held in the Investment Wrap.**

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

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

The Target Market Determination (TMD) for the Fund is available on our website or by contacting us.



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

We have absolute discretion to accept or reject any application. Where we accept your application, this Guide will set out the terms and conditions of the Investment Wrap and will govern our relationship with you.

# Contents

Important notes	inside front cover
Introducing Perpetual Private Investment Wrap	3
<b>What is a wrap service?</b>	3
<b>Perpetual Private Investment Wrap</b>	3
How the Investment Wrap works	4
Features at a glance	5
Investment services	7
<b>A wide range of investment options</b>	7
<b>Investment menu</b>	8
<b>Consolidated reporting on your portfolio</b>	8
<b>Administration made simple</b>	9
<b>Share trading</b>	9
<b>Margin lending</b>	9
Understanding risk	10
<b>Investment risks</b>	10
<b>Non-investment risks</b>	11
Opening your portfolio	12
<b>Eligibility</b>	12
<b>Applications to open a portfolio</b>	12
<b>Your first investment</b>	12
<b>Powers of attorney</b>	13
<b>Dishonoured investments</b>	13
<b>Application money held in trust</b>	13
Transacting	14
<b>Your investment instructions</b>	14
<b>The Perpetual Cash Account</b>	14
<b>Managed investments</b>	14
<b>ASX listed securities</b>	15
<b>International shares</b>	16
<b>Domestic fixed income</b>	16
<b>Term deposits</b>	17
<b>Additional disclosure information</b>	17
<b>Automated investment management tools</b>	17

<b>Netting</b>	18
Reporting	19
<b>Ongoing reporting</b>	19
<b>Online access to your portfolio</b>	19
<b>Reports available to your adviser</b>	19
<b>Reporting on a group of portfolios</b>	19
<b>Authorised representative access</b>	19
<b>Reporting on the value of your portfolio</b>	19
Withdrawals	21
<b>How to withdraw</b>	21
<b>Closing your portfolio</b>	22
<b>Disposing of portfolio assets</b>	22
Other information	23
<b>Operating your portfolio</b>	23
<b>You and your adviser</b>	23
<b>Joint portfolios</b>	24
<b>Deceased estates</b>	24
<b>Anti-money laundering/ counter-terrorism financing laws</b>	24
<b>Inquiries and complaints</b>	24
<b>Differences between investing in the Investment Wrap and investing directly</b>	25
<b>Use of agents and sub-custodians</b>	26
<b>Your representations and warranties</b>	26
<b>Your privacy</b>	26
<b>Professional indemnity insurance</b>	27
Tax	28
<b>Stamp duty</b>	28
<b>CGT assets</b>	28
<b>Revenue assets</b>	28
<b>Capital gains calculations</b>	28
<b>Deductibility of fees and charges</b>	28
<b>Goods and services tax (GST)</b>	28
<b>Tax file number (TFN)/Australian business number (ABN)</b>	29
<b>Non-resident investors for tax purposes</b>	29
<b>Reporting</b>	29
General terms and conditions	30
Contact details	inside back cover

# Introducing Perpetual Private Investment Wrap

## What is a wrap service?

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

## Perpetual Private Investment Wrap

Perpetual Private Investment Wrap is an Investor Directed Portfolio Service (IDPS) operated by Perpetual Trustee Company Limited.

The Investment Wrap is designed for investors who are looking for:

- a wide choice of investments
- consolidated reporting and
- someone else to manage the paperwork related to their investment portfolio.

The Investment Wrap provides a complete investment portfolio solution for your approved:

- managed investments
- Australian Securities Exchange (ASX) listed securities
- international shares traded on approved exchanges
- domestic fixed income securities
- term deposits
- other acceptable investments (see 'Other acceptable investments' in the 'Investment services' section for further information)
- personal assets (for reporting purposes only).

You also benefit from online access to your portfolio details and tax efficient features.

The Investment Wrap is one of the Perpetual Private Wrap products which, together with Perpetual Private Super Wrap and Perpetual Private Pension Wrap offered by Perpetual Superannuation Limited (ABN 84 008 416 831, AFSL 225246, RSE L0003315), can be grouped together so you can benefit from consolidated fees, reporting and statements (see 'Consolidated balances for fee purposes' in the Schedule of Fees and Costs, 'Consolidated reporting on your portfolio' in the 'Investment services' section and 'Ongoing reporting' in the 'Reporting' section for further information).

## An organisation you can trust

Perpetual Trustee Company Limited is part of the Perpetual Group, which is one of Australia's most trusted financial services institutions and has been in operation for over 130 years.

# How the Investment Wrap works

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

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

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

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

Your Perpetual Cash Account will be your central cash flow account. All cash transactions into or out of your portfolio, including deposits, applicable withholding taxes, payments, fees and charges will be processed through your Perpetual Cash Account. You can also deposit directly into your Perpetual Cash Account from different sources using a variety of methods such as BPAY® and electronic funds transfer.

When opening your Investment Wrap, we will open a new Perpetual Cash Account to form part of your portfolio. The current rate of return payable on Perpetual Cash Account balances at any time will be available to existing investors at [www.perpetual.com.au/login](http://www.perpetual.com.au/login).

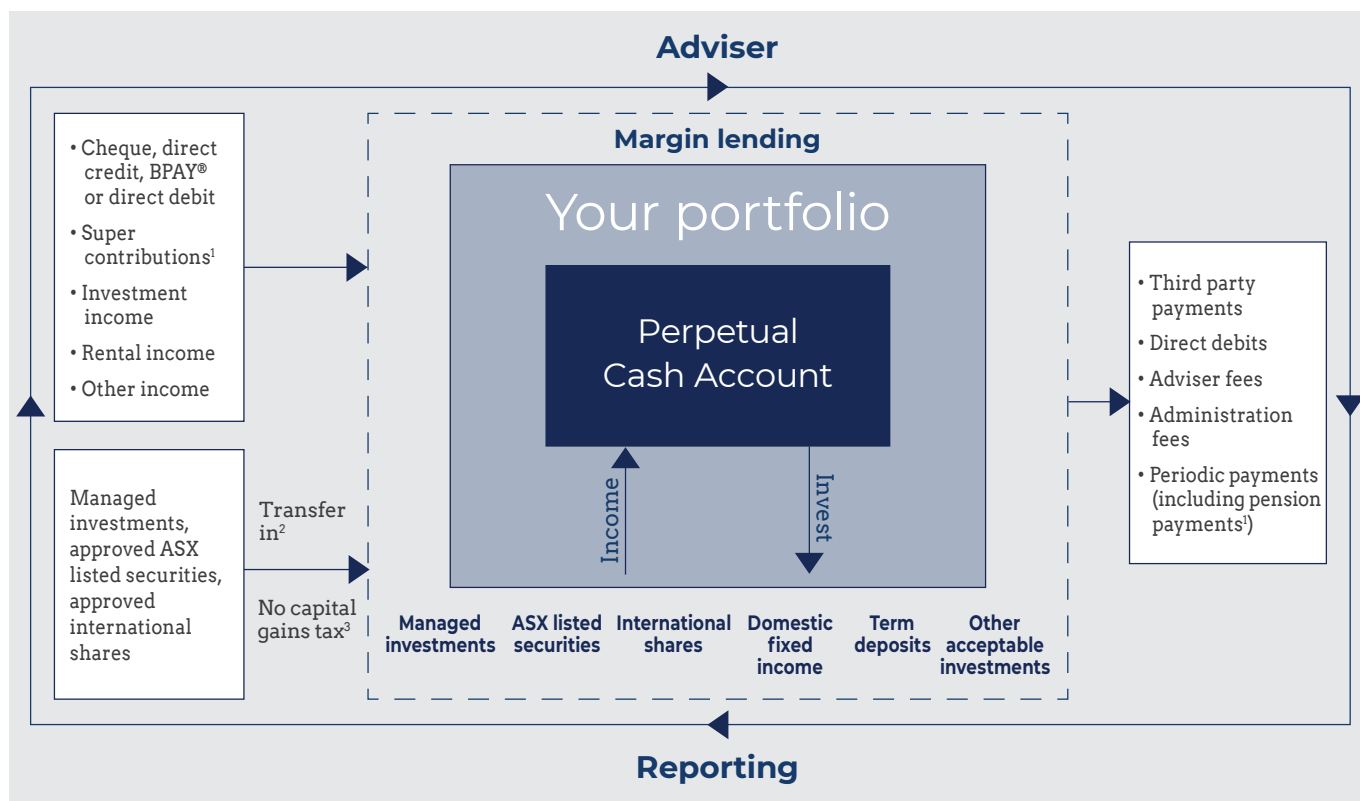
All investment paperwork associated with your transactions is processed by us and any information made available to you generally will also be made available to your adviser.

Corporate actions such as share buy-backs are managed on your behalf, according to the instructions you provide to your adviser or enter into our secure online website (Client Portal). The Investment Wrap gives your adviser a consolidated picture of your investment portfolio so their advice to you is based on the latest, integrated view of your financial situation.

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



## Your Investment Wrap portfolio



1 If you are opening a self managed superannuation fund portfolio.

2 Available for approved assets only.

3 Assuming no change in beneficial ownership.

# Features at a glance

Feature	Key information
<b>Reporting</b>	
Online access	Client Portal is a secure website that allows you to view details of your portfolio, such as the overall value, asset allocation and transaction history, update your personal details and also enter corporate action elections.
Statements	We will issue you with quarterly and annual statements on your portfolio.
Tax reporting	Receive tax information each year to assist you with completing your tax return.
Group reporting	Link multiple portfolios to access a consolidated report.
<b>Investment options</b>	
Perpetual Cash Account	The central cash flow account for all the cash transactions into and out of your portfolio.
Managed investments	An extensive range of approved managed investments offered by a wide selection of professional investment managers is available on the investment menu.
ASX listed securities	A wide selection of approved listed securities that can be transacted on the ASX.
International shares	A wide selection of approved international shares traded on approved exchanges.
Domestic fixed income	A range of approved domestic fixed income securities is available.
Term deposits	A range of approved term deposit options is available.
Other acceptable investments	It may be possible to include other acceptable investments in your portfolio, which may not fall into the investment option categories described above, such as property and unlisted unit trusts.
Personal assets	It may be possible to include certain personal assets in your portfolio for reporting purposes.
<b>Services</b>	
Margin lending	If you are eligible, the Investment Wrap supports margin lending to increase the size of your investment portfolio.
Dollar cost averaging	Regular monthly or quarterly investments from your Perpetual Cash Account into managed investments.
Automatic cash management	Manage the balance in your Perpetual Cash Account through the automated buying and selling of managed investments.
<b>Taxation</b>	
Capital gains tax (CGT) reconstruction service	Specialists can reconstruct your CGT records from the date you acquired each asset and produce an easy to read report covering your CGT position.
CGT optimisation service	Specialists can optimise your portfolio to minimise capital gains.
<b>Investment/transaction minimum amounts</b>	
Initial investment and ongoing portfolio balance	No minimum
Perpetual Cash Account balance	\$2,500
Balance per term deposit	\$10,000
Balance per managed investment	\$5,000
Managed investment transactions	\$1,000
Balance for international shares	As required by the relevant foreign exchange (generally minimum \$10,000).
Balance for domestic fixed income	As required by the issuer (generally \$500,000).
ASX listed securities balance and transactions	As required by the ASX, subject to a minimum purchase of \$500.
Other acceptable investments	Varies depending on the investment type.



Additional investments	
Cheque, direct deposit or BPAY	\$500 minimum for cheques only.
Direct debit	\$250 per debit.
SuperStream (SMSFs only)	No minimum amount for electronic processing of employer contributions.
In-specie transfers	Transfer your existing managed investments (which are available on the investment menu), ASX listed securities and approved international shares traded on approved exchanges into your portfolio.
Withdrawals	
Minimum withdrawal	\$500 per lump sum withdrawal.
Fees and other costs	
Fees and other costs	Please refer to the separate Guide Part 2 – ‘Schedule of Fees and Costs’ for full details of fees and costs applicable to the Investment Wrap.
Transacting on your portfolio	
Online trading	Your adviser can buy and sell certain investments online or you can trade via your platform broker.
Corporate actions	If you hold listed securities, we generally allow you to participate in corporate actions such as share purchase plans and rights issues.

# Investment services

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

The Investment Wrap is designed for investors who are interested in creating a combined portfolio of diversified investments without the administration hassles.

With an extensive investment menu, comprehensive online reporting and a focus on providing exceptional client service, the Investment Wrap is the choice for a wide range of investors (see 'Eligibility' in the 'Operating your portfolio' section for further information).

## A wide range of investment options

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

### Managed investments

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

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

The managed investments available through the Investment Wrap provide access to:

- the main asset classes
- wholesale fees, where available.

### Environmental, social and ethical considerations

We do not take into account labour standards or environmental, social or ethical considerations in the selection, retention or realisation of managed investments. In some circumstances we may consider these issues, but no specific methodology is applied.

Product issuers of a managed investment may have their own policies on the extent, if any, to which these considerations are taken into account when making investment decisions. Any such policy will be referred to in the PDS for the managed investment.

### Australian Securities Exchange (ASX) listed securities

Approved ASX listed securities include shares and other listed securities such as property trusts and exchange traded funds.

The Investment Wrap provides access to all approved CHESS sponsored, ASX listed securities. Please contact your adviser if you require further information on approved securities and any other trading rules or restrictions.

### International shares

The Investment Wrap also provides a selection of approved international shares (must be fully paid ordinary shares or common stock) traded on approved exchanges. Please contact your adviser if you require further information on eligible securities and any other trading rules or restrictions.

### Domestic fixed income

The Investment Wrap provides the ability to invest in approved government and corporate bond securities that are traded via the ASX or over the counter. Investors are required to comply with minimum holding and trade requirements. Trading is conducted through approved fixed income brokers. Please contact your adviser if you require further information on eligible securities and any other trading rules or restrictions.

### Term deposits

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

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

### Other acceptable investments

Other acceptable investments, which may be administered within your portfolio for an additional fee (see 'Other asset fees' in the Schedule of Fees and Costs for details), include:

- real property
- private unit trusts/widely held unit trusts
- private/unlisted company shares
- limited offering unit trusts, such as private equity funds and property syndicates
- international managed funds
- certain other fixed income investments, such as debentures.

These investments are subject to a due diligence assessment process before they can be accepted. Your adviser will facilitate this assessment process on your behalf, but there will be information we will ask you to provide to assist.

We reserve the right to decline to administer an investment, including where we are not able to service the investment.

### Personal assets

It may be possible to include in your portfolio reporting personal assets which are not Investment Wrap acceptable investments, such as insurance bonds, insurance policies, pension and annuity products, loans and collectables (noting that we do not take physical custody of such assets). Your adviser can provide us with details of these assets so that we can record them for inclusion in some of the reports that we provide to you.

## Investment menu

Your adviser will provide you with the investment menu, which forms part of this Guide, and recommend an appropriate investment strategy to suit your needs and risk profile.

The investment menu is also available to existing investors at [www.perpetual.com.au/login](http://www.perpetual.com.au/login) and you may request a copy at any time, without charge. You must read the PDS associated with the managed investments you are considering. These will be provided by your adviser free of charge.

### Investment selection process

Before we include an investment on the investment menu, the investment is subject to a number of suitability criteria. The criteria and timing of the assessment varies across the different eligible investments.

Conversely, where matters are brought to our attention that require an eligible investment on the investment menu to be reassessed, we may close an investment option to new investments where we deem this the most appropriate course of action. Where this occurs and you hold the investment, we will communicate this to you directly or via your adviser.

### Managed investments, domestic fixed income securities and term deposits

When adding or removing a managed investment, domestic fixed income security or term deposit option to or from the investment menu, the following criteria are considered:

- **operational fit:** this includes the liquidity of the investment (ie the ability to easily purchase/redeem the asset), the availability of pricing and performance data, the tax treatment and the ability of the product issuer to integrate with our systems
- **client demand:** to meet the changing needs of clients, the demand for products is assessed.

Other considerations may include the availability of independent research or any other factors that may result in the investment not meeting its stated objectives or otherwise not manageable through our existing processes.

### ASX listed securities

Requests to add ASX listed securities to the investment menu are generally considered based on the following criteria:

- **operational fit:** this includes the liquidity of the investment and the tax treatment
- **whether the security is classified as a 'fully paid ordinary' share:** where this is not the case, additional consideration may be required such as securities that are paid in instalments and securities that may be classified as a form of derivative.

### International shares

Requests to add international listed securities to the investment menu are generally considered based on the following criteria:

- **approved exchange:** we interface with a number of international securities exchanges and details of these exchanges are available from the investment menu from your adviser or online

- **fully paid ordinary or common stock:** these investments must be classified as 'fully paid' or common stock by the approved exchange
- **constituent of a major index:** to be approved for purchases, the securities must be in a major index. The relevant index is set by us and available from the investment menu.

### Managing conflicts of interest

As we are part of the Perpetual Group, which is a diversified financial services organisation that participates in both the domestic and international markets, both real and perceived conflicts of interest may arise when adding to or removing investments from the investment menu. For example, another member of the Perpetual Group acts as the responsible entity for a number of managed investments on the investment menu. We have policies as to how conflicts are managed and these policies apply to the investment selection process.

### Addition and removal of investment options

Our investment menu is reviewed regularly and is likely to vary over time.

Where possible, to allow you and your adviser time to adjust to variations to the investment menu, we will give advance notice of such a variation affecting your investment and the choice of transferring or disposing of that investment.

We do not take any responsibility for any movement in asset price or costs which may occur during the time it takes to complete our assessment (whether an initial assessment or a review) as to whether an investment can be added to, or continue to be made available on the Investment Menu. In admitting or removing the investment nor do we make any representations as to the suitability of the investment either generally or for your personal circumstances.

### Ongoing administration of financial products

The characteristics of some financial products (eg 'convertible' products) may change over time or a financial product may be replaced by another financial product. If, as a result, a financial product can no longer be administered under the Investment Wrap, it will need to be transferred out of your portfolio.

## Consolidated reporting on your portfolio

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

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

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

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

## Administration made simple

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

### Corporate actions

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

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

### Transfer your existing assets into your portfolio

You may transfer approved ASX listed securities, approved international shares traded on approved exchanges and managed investments on the investment menu that you already own into your portfolio without having to sell them. Generally, there will be no CGT liability as a consequence of the transfer, however stamp duty may be payable.

Term deposits cannot be transferred into your portfolio.

### Individual tax processing

Your investment income and capital gains/losses are tracked for you in any given year, making it easier to provide the relevant details at tax time. You will not need to contact different financial institutions for the details of your income, as we will provide you with a consolidated tax report, where we hold custody of all the investments in your portfolio.

### CGT reconstruction service

Keeping appropriate CGT records is very important for effective management of your portfolio. Accurate and up-to-date CGT records will help you and your adviser manage the impact of CGT on your portfolio. If you do not have all of the required CGT information when you open your account, we can help you through our CGT reconstruction service. You will then have all the information you need to decide which asset or group of assets to sell and when.

Perpetual's CGT specialists will reconstruct your CGT records from the date you acquired each asset. Based on these records, you will receive a detailed, easy to read report on each of the investments in your portfolio, covering your CGT position across shares, property, managed investments and any other portfolio assets you may have.

It is important to retain CGT records for at least five years after you have sold an asset, or had any other CGT event which impacted the asset.

Additional fees apply for the CGT reconstruction service. Your adviser can arrange a quote at the time you establish your portfolio.

### CGT optimisation service

We can also help you to optimise your CGT position in relation to your investments. At year end, you can elect for us to conduct a CGT optimisation exercise, which may be particularly important if you have realised a capital loss (see 'Capital gains calculations' in the 'Tax' section for further information).

Additional fees apply for the CGT optimisation service. Your adviser can arrange a quote at any time.

### You retain the rights

Your portfolio is held in your name and you make all the investment decisions. If there is a corporate action, such as a rights issue, we may contact your adviser with this information. You or your adviser can pass on your instructions to us to implement online.

## Share trading

As an Investment Wrap client, shares can be traded:

- by your adviser online through the platform for both ASX listed shares and international shares
- by you or your adviser for ASX listed shares only outside the platform through:
  - an alternative authorised external broker.

## Margin lending

Margin lending (also known as gearing) allows you to borrow against your existing investments. Alternatively, instalment gearing enables you to borrow against your regular savings. Margin lending means you can increase the amount of money you can invest. However, margin lending uses gearing, and as such is a high risk product that is suitable for experienced investors only.

We work closely with our approved margin lenders to provide enhanced online portfolio reporting to you and your adviser. We will also provide details of your portfolio to your lender. Your adviser can provide additional information on the margin lending products (including associated risks and fees and charges), as well as how these products operate in conjunction with the Investment Wrap. Your adviser can also provide the necessary loan application documents for the margin lender. You should ensure that you carefully read and understand the PDS, including the risks, for a margin loan before you invest.

It is the responsibility of you and your adviser to monitor any margin loan account you have linked to your Investment Wrap portfolio.

# Understanding risk

## Investment risks

All investments are subject to risk which means the value of your investment may rise or fall and/or you may not be able to redeem your investment quickly.

You should read and consider any relevant disclosure documents detailing specific information about the risks associated with any particular investments that you may be considering.

Before making an investment decision, it's important to understand the risks that can affect the value of your investment. The level of risk for each person will vary depending on age, investment timeframes, other investments and risk tolerance.

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

## Significant risks

Type of risk	Description of risk
Market and economic risk	Certain events may have a negative effect on the price of all types of investments within a particular market. These events may include changes in economic, social, technological or political conditions, as well as market sentiment, the causes of which may include changes in governments or government policies, political unrest, wars, terrorism, sanctions, pandemics and natural, nuclear and environmental disasters. The duration and potential impacts of such events can be highly unpredictable, which may give rise to increased and/or prolonged market volatility.
Asset risk	A particular asset that invests in may fall in value, which can result in a reduction in the value of your investment.
ESG risks	Inadequate consideration of issues related to environmental, social, governance and ethical factors may mean that investment values are adversely impacted.
Interest rate risk	Both prevailing interest rates and changes in interest rates may have a negative impact, either directly or indirectly, on investment returns.
Credit risk	The issuer or party to a transaction may not repay the principal, make interest payments or fulfil other financial obligations in full and/or on time. The market value of an investment can also fall significantly when the perceived risk of a note or bond increases or its credit rating declines.
Currency risk	For investments in international assets, which have currency exposure, there is potential for adverse movements in exchange rates to reduce their Australian dollar value. For example, if the Australian dollar rises, the value of international investments expressed in Australian dollars can fall. Currency management or hedging strategies may not necessarily provide protection against adverse currency movements.
Liquidity risk	The absence of an established market or shortage of buyers for certain types of investments can result in a loss if the holder of the investment needs to sell it within a particular timeframe. A shortage of liquidity can also result in delays in the payment of withdrawals.
Derivatives risk	Derivative values can fluctuate significantly and in certain circumstances a derivative can be more volatile than the underlying asset or index. The value of a derivative contract may fall as a result of an adverse movement in the underlying asset or index. Losses can be magnified where a greater exposure is created through the derivative position than is backed by the assets of . Derivatives may also be subject to liquidity risk and/or counterparty risk. Depending on market conditions derivative positions can be costly or difficult to reverse. A counterparty may also be required to take collateral from assets to support a derivatives contract. Therefore, there is a risk that if the counterparty becomes insolvent, the assets may not be returned in full.
Counterparty risk	A loss may occur if the other party to a contract defaults on their obligations under the contract.
Investment strategy risks	The particular investments you and your adviser choose to implement your investment strategy may involve specific risks, such as gearing risk and short-position risk. You should also refer to the relevant disclosure document for each of your chosen investments for details about any specific investment risks.
Legal and regulatory risk	Changes in legislation and differences between rules (including interpretation of the law) in domestic and foreign markets, including those dealing with taxation, accounting and investments, may adversely impact your investment.
Portfolio concentration risk	Investing in with a smaller number of investments may lead to more volatile returns than investing in a fund with a more diversified portfolio.

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

## Non-investment risks

### Operational and cyber risks

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

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

#### Technology risk

As with any service that uses technology, there is some risk that key systems hardware and software may fail, causing a delay in the processing and reporting on your portfolio. We have sought to manage this risk through establishing formal contracts with the administrator, which include monitoring of key service levels, their manual and automated processes and business continuity plans. Our framework also includes independent assurances provided over the administrator's systems and control procedures.

### Conflicts risk

Conflicts of interest may arise between related parties appointed to provide services to the Investment Wrap.

Perpetual Group has policies and procedures in place to manage any conflicts of interest, which ensure Perpetual's appointment and supervision of any related party is on arm's length terms and that any such related party performs its functions to the same standard as if the parties were not related and in the best interest of investors.

### Reliance on information provided by third parties

There is also risk associated with reliance on information provided by product issuers and other external service providers. These risks are managed by having formal service agreements in place with third party service providers. If they notify us of any errors, they are corrected promptly and if the changes are material, they are communicated to you and/or your adviser.

# Opening your portfolio

## Eligibility

The following investors may be eligible to open an Investment Wrap portfolio:

- individuals generally over 18 years old
- joint portfolio holders
- companies
- incorporated bodies (eg strata bodies corporate, trade unions and some social or sporting associations)
- unincorporated bodies, including partnerships
- trustees, including trustees of self-managed superannuation funds and family trusts
- deceased estates.

All investors must have an adviser to open and operate their portfolio.

## Applications to open a portfolio

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

When you open your portfolio, you will receive details regarding your:

- Investment Wrap portfolio
- Perpetual Cash Account
- online access.

## Your first investment

There is no minimum amount required to establish your Investment Wrap portfolio.

Your first investment may comprise either a single or several payments.

Upon opening your portfolio, your investments, excluding those made by the transfer of existing assets, will be credited to your Perpetual Cash Account. Your adviser will then purchase investments for you online according to the investment strategy that you have agreed upon.

You can invest into the Investment Wrap by:

- transferring in existing assets
- BPAY
- direct debit
- direct deposit
- cheque.

There must be sufficient cash available in your Perpetual Cash Account to meet the minimum cash balance, fees and other costs (as set out in the separate Guide Part 2 – Schedule of Fees and Costs) and taxes.

### **Transferring in existing assets (in-specie transfer)**

You may transfer approved ASX listed securities, approved international shares traded on approved exchanges and managed investments available on the investment menu that you already own into your portfolio. This is referred to as an in-specie transfer and can assist you in consolidating your investments.

Generally, the transfer will not result in a CGT event. We recommend that you seek professional tax advice that will consider your individual circumstances.

There is specific information we will ask you to provide to assist in the transfer of these assets, including the adjusted or reduced cost bases (as relevant) for CGT purposes. If you do not have this information, we can assist you in ascertaining these amounts via our CGT reconstruction service (see 'CGT reconstruction service' in the 'Investment services' section for further information).

You are generally unable to transfer term deposits into your portfolio.

### **BPAY**

BPAY is one of the easiest ways to add funds to your portfolio.

Select the BPAY option from your internet or telephone banking service and follow the instructions to enter the Investment Wrap **BPAY biller code 667022**, your **customer reference number** (which can be found on your investor statement) and your **investment amount**.

Investment amounts will generally be credited to your Perpetual Cash Account on the second business day following the payment. Using an incorrect reference number or biller code may result in delays in processing.

### **Direct debit**

You can set up automatic regular deposits into your Perpetual Cash Account from external accounts in the same name by completing the 'Direct debit request' form available on Client Portal or from your adviser. Full terms and conditions covering use of the direct debit facility are also available on Client Portal and should be read before completing this form.

We will debit an amount selected by you (minimum \$250 per debit) from the bank or building society nominated on the form at the chosen frequency.

Direct debit amounts will be deducted on a day of your choice and credited to your Perpetual Cash Account generally on the second business day following the deduction. You have a choice of the following payment frequencies:

- monthly
- quarterly in March, June, September and December
- half-yearly in June and December
- annually in June.

### **Cancelling a direct debit**

You can cancel your direct debit at any time without penalty. Please give us 14 days' notice in writing and notify us before the 24th day of the month to make the cancellation of your direct debit effective in the following month. Your direct debit will automatically cease if:

- your portfolio is closed
- you do not make at least one investment via direct debit in every 12 month period or
- three direct debits are rejected in a 12 month period.

We reserve the right to modify or cancel the direct debit at any time, for example, where you have had three or more dishonoured payments. Where your direct debit is to be modified or cancelled while your portfolio is still open, we will first give you 14 days' notice in writing or contact your adviser.

### **Direct deposit (electronic funds transfer)**

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

#### **SuperStream (for SMSFs only)**

Where you use the Investment Wrap to hold custody of your SMSF's investments, employers will be able to make contributions electronically through SuperStream. Your employer will also need to provide your Fund's ABN and account details for your Investment Wrap's Perpetual Cash Account. Please contact your adviser for further information and the relevant form.

### **Cheque**

When you set up your portfolio, you can request a personalised deposit book for making investments by cheque into your Perpetual Cash Account. Cheques should be made payable to **'PTCo – Investment Wrap (full portfolio name)'**.

Cheques should be accompanied by either a new application form (when setting up your portfolio) or a deposit slip (for existing portfolios) and be sent to us.

Cheques take approximately three business days to clear and must be cleared before your selected investments can be purchased.

We have also arranged for National Australia Bank (NAB) to accept cheque deposits on your behalf provided you use your Perpetual Cash Account deposit book, which you can request on your application form or by contacting your adviser. We will usually credit your Perpetual Cash Account on the same business day, provided you lodge your deposit at the counter on that day. Interest on the deposit then accrues from that day.

### **Powers of attorney**

A power of attorney is a legal instrument that gives the attorney the legal right to act on your behalf. It may be general or limited to certain acts.

You must grant us a power of attorney in cases where you require your portfolio assets to be registered in your name. We also recommend you grant us a power of attorney when you have existing assets that need to be transferred into your portfolio.

If you wish to grant us a general power of attorney, please contact us for the appropriate form that applies in your State.

### **Dishonoured investments**

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

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

### **Application money held in trust**

We will only open your portfolio once you have satisfied our application requirements including the identification requirements set down in the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF laws) and/or our internal policies and procedures.

If our application requirements have not been met, we can hold your application money for a period not usually exceeding 30 days. During that time, your application money will not be earning interest for you.

If, by the end of that time, our application requirements remain incomplete, we will return your application money to you.



# Transacting

## Your investment instructions

You provide investment instructions (to buy, sell or switch investments) through your nominated adviser. If you cannot contact your adviser, you must give us written and signed instructions, provided that you have received the relevant PDS and other disclosure documents for these investments. These instructions can be emailed, subject to the requirements in the 'Electronic instruction service' section.

Instructions will be acted on and effected as soon as practicable but there is no obligation to do so by any particular time, nor any obligation to enquire whether they are genuine or proper. In certain circumstances your assets can be realised without obtaining your instructions, with the proceeds paid to your Perpetual Cash Account (eg if your managed investment holding has dropped below the minimum requirement). You are responsible for any associated fees.

We will act on all instructions from your adviser or directly from you except in limited circumstances, including if:

- we suspect that you or your adviser are in breach of the terms of this Guide
- the authenticity of the instruction is in doubt
- your instructions are unclear
- following the instructions is contrary to the law or relevant policy
- you do not have sufficient available cash in your Perpetual Cash Account to carry out the instruction
- your Perpetual Cash Account balance would fall below the minimum balance if the instructions were carried out
- you do not have sufficient investment holdings for us to carry out the instruction
- acting on them would be impracticable or would breach relevant market practice
- where your instructions require pre-approval by a margin lender where you have a margin loan attached to your portfolio
- there are other reasons beyond our control (eg corporate actions in progress).

We will act as your agent for the receipt of trade confirmations.

## The Perpetual Cash Account

Your Perpetual Cash Account will be used to:

- credit all cash investments and transfers
- fund the purchase of investments
- receive the proceeds from the sale of investments
- receive income from investments
- hold all surplus cash in relation to your portfolio
- pay any fees, taxes and charges related to your portfolio.

You do not need to give us specific instructions or directions in relation to the Perpetual Cash Account. All fees and taxes relating to your portfolio and to pay fees and charges to the person or entity entitled to them (including us and our associates) will be debited from your Perpetual Cash Account.

## Holding sufficient cash

Before transacting on your portfolio, you must have sufficient available cash (above the minimum balance) in your Perpetual Cash Account. If you sell assets within your portfolio, the proceeds cannot be used for another transaction or withdrawal until settlement occurs and the proceeds are cleared in your Perpetual Cash Account. If you transact on your portfolio with insufficient available cash, the transaction will be rejected. For listed securities, you may be charged a failed trade fee.

If there is insufficient available cash in your Perpetual Cash Account to meet any fees and/or costs, or if the available cash in your Perpetual Cash Account drops below \$2,500, you authorise and direct us to sell down your investment holdings to meet the fees and/or costs and replenish your Perpetual Cash Account to a balance of at least \$2,500.

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

- daily transacting managed investment(s)
- ASX listed securities
- non-daily transacting managed investment(s)
- international shares
- term deposits
- domestic fixed income securities
- other acceptable investments.

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

## Further information

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

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

## Managed investments

Your adviser will buy, sell or switch managed investments online. Product issuers have different rules relating to when applications and withdrawals will be accepted and processed. Details of these rules and turnaround times can be found in the PDS and other disclosure documents for each managed investment.

Managed investments may also seek unit holder approval for actions. Under some circumstances, we may seek your approval/rejection of the proposal.

## Disclosure documents

You should read the relevant PDS prior to investing in any of the managed investments, noting that not all of the features described in the PDS may be available to Investment Wrap investors. As the PDS for each investment may be updated or replaced from time to time, your adviser must provide you with the most recent PDS for each managed investment you are considering prior to acting on your investment instructions.

The PDS for each managed investment has been prepared by the relevant underlying product issuer. These documents contain more detailed information about the risks, strategies and objectives, the manager and the administration of the investment. The most recent versions of these documents are available from your adviser or Client Portal.

## Application

An application is the term used to describe the purchase of units in a managed investment when the investment is being funded from your Perpetual Cash Account.

Payment for your managed investment purchases will be deducted from your Perpetual Cash Account on the day that we apply for units in the managed investments. We will process instructions from your adviser as quickly as possible, depending on the application process of each product issuer.

The unit price that you receive for managed investments is determined by the product issuer. Where transaction requests are placed online by your adviser prior to 12.00 noon on a business day, we will generally send instructions to the product issuer on the same day. Where transaction requests are placed after 12.00 noon, we may send instructions on the same day, however generally these will be sent the following business day. Where managed investments have minimum investment requirements, or the product issuer does not calculate a unit price daily, it may take longer to process your instructions.

## Redemption

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

## Switching between managed investments

A switch is the term used to describe the redemption of a managed investment (or multiple managed investments) and, instead of the proceeds being directed to your Perpetual Cash Account, the funds are directed straight to another managed investment (or multiple managed investments). Switching between managed investments generally results in a CGT event arising to the investor. You should seek your own tax advice as to how this applies.

The minimum amount that can be switched between managed investments is \$1,000. If you give us an instruction to switch (or redeem) an amount that will result in less than \$5,000 remaining invested in a particular managed investment, we may process that instruction as a full redemption from that managed investment.

Where your adviser places an order for a full redemption from one managed investment with the proceeds being switched into more than one managed investment, we

may split the redemption order into a partial and then a full redemption in order to complete the application orders. In these circumstances, the full redemption will not be placed on market until the partial redemption has been completed.

Please refer to your adviser for further details.

## Managed investments that do not transact daily

Some managed investments do not process applications or redemptions on a daily basis. If you instruct us to apply for or redeem a non-daily transacting investment or another illiquid investment, we will process this transaction in accordance with the product issuer's timetable. In some cases this could be three months or more after we receive your instructions and extended delays may be experienced. Please refer to the relevant PDS and other disclosure documents or contact your adviser for further information.

## ASX listed securities

We will use the available cash in your Perpetual Cash Account to settle any purchases of ASX listed securities. We will withdraw cash to pay for the purchase on the same day, or within one day of being notified by your broker of the trade. You may be charged a failed trade fee if you do not have sufficient available cash in your Perpetual Cash Account to perform a trade.

All online orders placed through the platform to buy or sell ASX listed securities 'at market' may only be partially filled at the prevailing market price at the time the order is placed. Best endeavours will be used to complete partially filled orders. If you would like your order to be fully executed 'at market' in accordance with available price/volumes, your adviser would need to amend your initial 'at market' order. In the event that the whole, or part, of your order is filled prior to its amendment or cancellation, you will be liable to settle the whole or partially filled order.

Trading may be available outside the platform through the Perpetual online share transaction facility or an alternative authorised external broker. If you would like to use the Perpetual online share transaction facility or appoint an alternative authorised external broker, contact your adviser for further information.

For the Perpetual online share transaction facility (if applicable), we'll establish your facility and send you your account details and password once you accept its terms and conditions.

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

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

Instalment warrants and partly paid securities, which can only be purchased through an authorised external broker, can also be held in your portfolio. These cannot be traded online, via our website, by your adviser.

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

## Contra trading

When you sell ASX listed securities and want to buy other ASX listed securities online through the platform brokers at the same time, we will place the sale orders first and use the sale proceeds when received to cover the purchase costs of the buy orders. When there are insufficient funds after offsetting sales and purchases, we will draw the shortfall from your Perpetual Cash Account.

Contra trading is only available offline through an authorised external broker, not by trading via the Investment Wrap website. Contra trading generally results in a CGT event arising to the investor. You should seek your own tax advice as to how this applies.

## Corporate actions

We refer to corporate action as actions taken by, in respect of or against a security in which you have invested. These may affect the capital structure of the security, or the number or type of securities held on your behalf. These types of actions can be mandatory, such as share reconstructions, or voluntary, such as entitlement offers and share purchase plans.

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

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

We may refuse to act on your instructions if to do so would result in the acquisition of an asset not on the investment menu or is inconsistent with our duties under the law (eg if the governing documents of the service or the general law forbids it).

Where it is available, we will endeavour to provide relevant information to your adviser about corporate actions impacting your portfolio either directly or (at our discretion) through the corporate actions calendar, viewable by your adviser on our website. Your adviser must use the corporate actions calendar to check for any corporate action information that may be relevant to your portfolio or require your action.

When a corporate action occurs and we ask you for instructions, we must be given those instructions at least three business days prior to the published closed date of the action (the cut-off date), unless we specify otherwise. If you are required to make an additional payment to participate in a corporate action, there must be sufficient available cash in your Perpetual Cash Account as at 9.00am Sydney time on the nominated cut-off date for your instruction to be accepted as authorised. Where notice is received after the applicable cut-off date, or you have insufficient funds available, you may not be able to participate in the corporate action, and we are not liable to you for any potential loss of opportunity arising in those circumstances.

Generally you will not be able to vote at shareholder meetings or participate in bonus share plans (offered on some securities, enabling security holders to elect to receive fully paid bonus shares instead of cash dividends) on investments held in your portfolio.

## Class actions

You will generally be able to participate in class actions relating to investments and portfolio positions held on or after 2 April 2013.

If, however, for any particular class action you do not wish to participate, you should notify your adviser and we must receive your instructions at least three business days prior to the published closing date of the action.

If you close your portfolio prior to the conclusion of the class action, we will forward any proceeds in accordance with the payment instructions we received on the closure of your portfolio.

You will not be able to participate in class actions relating to investments and portfolio positions held prior to 2 April 2013. Where your holding is compulsorily joined to a class action, you authorise and provide us with a standing instruction to opt-out of those proceedings on your behalf at our discretion. We are not liable to you for any loss, including loss of opportunity, arising out of these circumstances.

## Approved partly paid securities

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

If there is insufficient available cash in your Perpetual Cash Account to meet unpaid instalment payments, we reserve the right to sell down your investment holdings to meet these payments.

In these circumstances, money will be drawn from your investments in the same order to that which applies where investments need to be sold as set out under 'Holding sufficient cash' in the 'Transacting' section.

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

## International shares

Trading of international shares (at limit only) can only be conducted on the basis that the order will lapse if the trade is not filled by the end of the foreign exchange trading day. You will need to be in regular contact with your adviser when trading in international shares. All international share trading is conducted by the platform broker through your adviser.

Investors that choose to invest in these securities may be required to complete additional forms, as required by the laws of the foreign jurisdiction. Where required, you will be asked to provide these forms before any trades in these securities can proceed.

## Domestic fixed income

Domestic fixed income securities are traded either via the ASX, in the same manner as ASX listed securities, or over the counter through an approved fixed income broker. Minimum trade amounts vary between institutions, but are generally \$500,000.

## Term deposits

Your adviser can make online applications for any term deposits that are on our approved term deposit menu.

The minimum application amount is \$10,000 per term deposit. We will draw the funds from your Perpetual Cash Account on the day our application is made to the issuer of the term deposit. The details of these dates are available from your adviser.

On maturity of a term deposit, the amount invested (your principal) and interest earned will be credited into your Perpetual Cash Account.

The time it will take for these funds to be available in your Perpetual Cash Account will depend on when we receive the funds from the term deposit issuer and the time it takes for the proceeds to be cleared in your Perpetual Cash Account. For further details please refer to the offer document for the particular term deposit.

The interest rate applicable will be the advertised rate on the day the term deposit closes to applications. The advertised rate is available from your adviser. Interest on term deposits can be:

- paid into your Perpetual Cash Account upon maturity or
- reinvested, along with the principal, into another term deposit through your adviser.

### Rolling over a term deposit

Through your adviser, you may elect to roll over a term deposit from our approved term deposit menu to a new term deposit for the same term from the same issuer. You can roll over either the principal or the principal plus any interest earned on the maturing term deposit.

Importantly, where you wish to roll over the term deposit, the proceeds from the maturing term deposit are first credited to your Perpetual Cash Account and then invested in the next available term deposit. We recommend you or your adviser check your Perpetual Cash Account balance prior to maturity of the term deposit to ensure that you do not fall below an available cash balance of \$2,500 (which could occur, for example, if any fees were deducted from your Perpetual Cash Account at the point the term deposit proceeds were credited to your Perpetual Cash Account, prior to the term deposit rolling).

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

It should be noted that an election to roll over a term deposit on maturity becomes a standing instruction for all future maturities relating to that term deposit unless the election is subsequently revoked. Your adviser is able to update your rollover instructions up until 9.00pm one business day prior to maturity.

## Additional disclosure information

If a material event occurs which we believe is an important consideration when making additional investment to, or switches within, your portfolio and which we have not yet informed you about, we may be unable to comply with your instructions immediately. We will be required to forward you the relevant information and will only switch or invest in the investment option when we believe you have the necessary information.

## Automated investment management tools

A number of automated tools are available to assist you and your adviser to manage your investment strategy. These tools are established and maintained online, by your adviser.

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

Under dollar cost averaging and income reinvestment plans, you may acquire units in managed investments without having been given a current PDS or other disclosure documents in relation to those investments. Your adviser can provide you with the current disclosure documents, or they can be obtained online via Client Portal.

Investments through these automated tools will continue to be made until cancelled or until the arrangement is terminated for any reason.

### Automatic cash management

To help you manage your Perpetual Cash Account balance, you and your adviser can select a minimum (must be at least \$2,500) and/or maximum target cash balance. This can be either specific dollar amounts or a percentage of your portfolio. If your Perpetual Cash Account balance exceeds your specified maximum and your portfolio has been open for more than one month, we will automatically invest the additional balance according to your prevailing instructions. If your Perpetual Cash Account balance falls below your minimum target, we will sell down some of your investments and top up your Perpetual Cash Account balance.

The automatic cash management process is run on, or around the 20th of each month (this date may change without prior notice to you).

### Dollar cost averaging

Dollar cost averaging allows you to make regular investments from your Perpetual Cash Account into your managed investments.

You can choose to run dollar cost averaging either monthly or quarterly. You simply decide upon a start and finish date (at least six monthly or four quarterly investments must be made), the amount and into which managed investments you would like to make your investments. A minimum transaction of \$250 per month/quarter and \$50 per managed investment applies. Dollar cost averaging transactions will occur on or around the 16th of the month (this date may change without prior notice to you).

## **Income reinvestment plans**

You can elect for the distributions from your managed investments or dividends from your ASX listed securities to be reinvested into those investments or to be paid into your Perpetual Cash Account. On your instructions, your adviser will make this election online. Either cash payments or the reinvestment of distributions/dividends may not be available for some investments. Refer to the relevant PDS for the underlying investments or your adviser for details.

Distributions and dividends will only be credited to your portfolio once they have been received by us.

## **Netting**

We may offset instructions to dispose of portfolio assets against instructions from various clients to acquire assets so that only the net transactions need be acted upon. In some instances, no transactions may need to be made. We are entitled to retain any benefit which we may secure from netting.

There may still be tax implications for you if you have disposed of your portfolio assets.

# Reporting

One of the benefits of being a Perpetual Private Wrap client is consolidated reporting across the Investment Wrap as well as Perpetual Private Super Wrap and Perpetual Private Pension Wrap. You and your adviser gain a detailed and up-to-date picture of your portfolio, which makes managing your portfolio easier.

## Ongoing reporting

### Statements

We will prepare a detailed statement on the value of your portfolio, and any transactions that have taken place, as follows:

- as at 30 June (your annual statement) and
- as at 31 March, 30 September and 31 December (your quarterly statements).

Annual and quarterly statements will be available for you to view on Client Portal shortly after the end of the relevant reporting period.

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

### Tax reporting

Your tax report will provide details regarding your assessable income (including dividends, distributions and realised capital gains/losses on assets held within your portfolio) and expenses. Additional information for self-managed superannuation funds is also available. Should you open a margin lending account in conjunction with your portfolio, details of interest payments will be included on your tax report.

Where your portfolio includes 'Other acceptable investments' (see 'Other acceptable investments' in the 'Investment services' section for further information), there may be instances where we provide you additional supporting information in conjunction with your tax report (eg real estate agent annual rental statement). Where we do not hold custody of an investment you may be required to contact the issuer to confirm any tax disclosure requirements.

## Online access to your portfolio

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

The information available on Client Portal includes:

- transactions on your portfolio
- your portfolio balance and the latest available market value of your investments
- details of income you have received from your investments and your Perpetual Cash Account
- details of the fees and costs incurred on your portfolio
- your individual portfolio details
- your realised and unrealised gains and losses
- copies of your annual and quarterly statements
- additional information about managed investments
- ASX market information.

Online reports are generally updated daily with data as at the close of the previous business day.

You can also make elections on corporate actions and update your personal details online via Client Portal.

Unless you advise otherwise, we will automatically issue you with access to Client Portal at the time you establish your portfolio.

### Client Portal conditions of use

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

## Reports available to your adviser

Your adviser will be able to access a comprehensive range of reports and data on your portfolio to enable them to track your investments and other important information regarding your portfolio.

## Reporting on a group of portfolios

We offer you the opportunity to link your portfolio, for reporting purposes, to other portfolios offered by us where these other portfolios are held by your spouse or other family members. You and your adviser will be able to access a group portfolio valuation and asset allocation as well as be able to view individual group member reports.

## Authorised representative access

You can grant your accountant, self-managed super fund administrator or other financial representative secure access to view and download reports for your portfolio.

With direct access to your portfolio information, your financial representative will have the information readily available to complete your end-of-year accounting paperwork.

## Reporting on the value of your portfolio

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

### Perpetual Cash Account

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

The current rate of return payable on Perpetual Cash Account balances at any time will be available to existing investors at [www.perpetual.com.au/login](http://www.perpetual.com.au/login).

### Term deposits

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

## **Managed investments**

When you invest in a managed investment, the number of units allocated to you depends on its unit price and the amount you invest. Each managed investment will have a unit price set by the product issuer. The unit price that you receive is determined by the product issuer, and generally reflects the value of the managed investment's assets after deducting the product issuer's fees, expenses and transaction costs. The value of your managed investments will be the number of units held by you multiplied by the redemption unit price set by the product issuer. Further details are available in the PDS for each managed investment.

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

## **ASX listed securities (excluding instalment warrants)**

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

## **Instalment warrants**

The valuation price used to value instalment warrants is generally more reflective of an instalment warrant's value as the last available closing price may be several days old but the underlying security's value may have increased or decreased substantially. The valuation price would be expected to better reflect the instalment warrant price once the next trade in this security is made.

## **International shares**

International shares are valued at the last available closing price on the relevant exchange, converted to Australian dollars using the London 4.00pm close exchange rate. The value of international shares will be shown on statements and online in Australian dollars.

## **Domestic fixed income**

For domestic fixed income securities that are traded via the ASX, the valuation price used will be the last available face-value price per \$100 on the ASX.

Over-the-counter domestic fixed income securities will be valued using the closing bid market price for the day the prices are received.

## **Other acceptable investments**

Where we have agreed to hold this type of investment, these will be valued by reference back to the value provided by the issuer or other appropriate valuation methodologies, such as cost or independent market valuation. In some instances, we may require your assistance in obtaining these valuations.

## **Changes in methods for valuing assets**

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

## **Personal assets**

We do not undertake valuations on any personal assets that are included in your portfolio for reporting purposes only. The value shown on reports will reflect the latest value known to us. In some cases, you will need to provide valuation information to us so we can update the value on your report.

# Withdrawals

Your adviser can request a withdrawal from your portfolio for you at any time. The Investment Wrap offers the following withdrawal methods:

- bank transfer (via the internet)
- ad hoc cheque
- BPAY
- in-specie transfer out of your assets or
- any combination of the above.

You can also establish a regular withdrawal facility under which you can request payments for a pre-determined fixed amount to be made from your portfolio to your nominated Australian bank account on a weekly, fortnightly, monthly, quarterly, half-yearly or annual basis.

## How to withdraw

You can withdraw a minimum of \$500 from your portfolio provided that you have sufficient available cash.

If you have insufficient available cash in your Perpetual Cash Account to meet your required withdrawal, you can sell investments with the resulting proceeds being credited to your Perpetual Cash Account. The proceeds cannot be used to process a withdrawal until settlement occurs and the money is cleared in your Perpetual Cash Account.

If there is insufficient available cash to meet your required withdrawal and you or your adviser have not provided instructions to sell investments, we reserve the right to sell investments to provide sufficient cash to meet the withdrawal and also retain the minimum cash balance. In these circumstances, we will generally sell investments in the following order:

- daily transacting managed investments
- Australian listed securities
- illiquid investments.

You can make a withdrawal from your portfolio by completing a withdrawal form, available from your adviser. On the withdrawal form you will need to:

- confirm your name, portfolio number and the withdrawal amount (minimum \$500) and
- include the details of the Australian bank or building society account into which your withdrawal is to be transferred (if different from the account nominated on your application form).

Under the electronic instruction service, we will generally accept withdrawal requests sent in the form of an email attachment, subject to the 'Electronic instruction service' requirements.

All withdrawals will be processed by electronic funds transfer, unless requested otherwise. You can also request withdrawals by cheque or same-day telegraphic transfer. Additional fees may apply for these services (see 'Incidental fees' in the Schedule of Fees and Costs for details).

If there is sufficient available cash in your Perpetual Cash Account, withdrawals will be processed on the business day following the receipt of your request. Proceeds will

generally be available the following business day. Withdrawal processing may take longer in certain circumstances, for example, when the proceeds are credited to some building societies.



## Closing your portfolio

You can request to close your portfolio at any time by following these steps:

- confirm with your adviser that there are no outstanding dividends, distributions, corporate actions, fees, term deposits still to mature or unsettled transactions
- confirm with your adviser that all automated plans (automatic cash management, dollar cost averaging or direct debits) have been cancelled (where you have requested your portfolio to be closed and we have not received notification regarding your automated plans, we may, in our absolute discretion, choose to close those plans on your behalf)
- confirm with your adviser any adjustments that may be required for continuing fee grouping arrangements
- ensure your holdings are sold by your adviser and the proceeds cleared in your Perpetual Cash Account (except for any in-specie transfer out of your assets)
- notify us that you wish to close your portfolio, using the following guidelines:
  - notification must be in writing (to allow us to verify your signature); you cannot email or give these instructions verbally to your adviser
  - your notification can be provided to us in the form of an email attachment, subject to the 'Electronic instruction service' requirements and
  - your written notification must include:
    - your portfolio name and number and
    - the details of an Australian financial institution account into which you would like us to credit the proceeds or include the details of a superannuation fund where you would like us to credit the proceeds.

We cannot act on your instructions to close your portfolio if:

- your portfolio includes any:
  - term deposits that have not matured
  - illiquid assets, such as delisted assets or suspended managed investments, which cannot be liquidated or transferred
- there are any outstanding:
  - dividends and distributions – should you request that we proceed with closing your portfolio while dividends and distributions remain outstanding, you may incur fees for us to redirect those amounts to you (refer to the Schedule of Fees and Costs for details); processing of income is generally finalised within five business days following the receipt of the dividend or distribution by us
  - corporate actions – check with your adviser that there are no outstanding corporate actions on your portfolio
  - transactions – check with your adviser that there are no outstanding transactions on your portfolio
  - fees – any outstanding fees will be deducted upon closure of your portfolio.

## Disposing of portfolio assets

### Managed investments

As managed investments purchased through the Investment Wrap generally require large minimum investments, it may not be possible to transfer holdings in-specie directly to you if you choose to close your portfolio. However, it may be possible to transfer your holdings in-specie to another administration service and we will endeavour to do so upon your written instruction.

Delays may occur in disposing of any managed investments where the product issuer has suspended transactions or staggered the payment of redemptions.

### Listed securities

You can generally retain your listed securities if you close your portfolio. At your request, we will in-specie transfer these investments to you where possible. If the security is delisted from the exchange on which it trades or is placed in administration or liquidation, there may be restrictions on the ability to transfer these holdings.

### Term deposits

Early withdrawals of term deposits are usually available, however you should consider the relevant term deposit offer document for details of any restrictions (generally term deposit providers require 31 days' notice to break a term deposit), delays or break fees that apply. An early withdrawal request may take up to an additional two weeks to be processed by us.

### Other approved investments

You may be able to transfer other approved investments to your name if you close your portfolio. As the circumstances will vary depending on the type of investment, you should discuss this further with your adviser.

### Your Perpetual Cash Account

If you close your portfolio, your Perpetual Cash Account will also be closed and the balance dealt with according to your instructions.

# Other information

## Operating your portfolio

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

### Changing details

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

If your portfolio is both or all to sign, any of the authorised signatories will be able to update the details online without authorisation of the other parties.

### Electronic instruction service

Under the electronic instruction service, we will accept portfolio instructions, including withdrawal requests, sent in the form of a signed email attachment or where an electronic signature is provided.

By providing instructions by way of electronic instruction, you release us from, and indemnify us against, losses and liabilities arising from any payment or action we (acting reasonably) make based on any instruction (even if not genuine) that we receive electronically bearing your portfolio number with a signature apparently yours or that of an authorised representative on the portfolio.

You also agree that neither you nor anyone claiming through you has any claim against the Perpetual Group or its agents in relation to these payments or actions.

### Telephone recording policy

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

### Illiquid investments

We will seek to continue to report on illiquid investments. In accordance with our valuation policies, we may change the method by which we value an illiquid investment and report the most accurate value for the asset.

The ability to transact on illiquid investments will often be restricted due to forces beyond our control. In these events, we will work with your adviser to identify if an alternative method of transacting on these assets is available.

## You and your adviser

Your adviser is integral to the establishment and ongoing management of your portfolio. Your adviser is your primary point of contact and any queries about your portfolio should be directed to them. When you open your portfolio, you authorise your adviser to give us instructions.

Your adviser may authorise their support staff to assist them in the administration of your portfolio.

## Your adviser's responsibilities

Your adviser is responsible for delivering services to you in an agreed scope and manner and may include:

- identifying which investment strategy and mix of investments best suit your risk profile and needs
- ensuring that you have all of the necessary information and documentation to make investment decisions
- informing you of the potential risks involved with investment decisions
- monitoring and giving you advice on your portfolio
- establishing and maintaining your portfolio online
- ensuring that you authorise all transactions
- acting on your instructions to us
- advising you if your Perpetual Cash Account balance falls below the minimum balance requirement
- providing you with reports on your portfolio in addition to our reporting
- providing you with the offer document for each investment and/or service offered, where applicable, prior to placing your investments
- notifying you of corporate actions that require your election.

## Your adviser's authority

By opening your portfolio, you agree only to instruct your adviser (or us and our agents) after having read and understood the current Guide. You also authorise us and our agents to rely and act on such instructions.

Your adviser is authorised to withdraw from your portfolio using the following methods:

- BPAY
- online funds transfer
- ad hoc cheque.

## Ceasing your relationship with your adviser

An adviser is integral to the ongoing management of your Investment Wrap portfolio, so please contact us if your relationship with your adviser ceases.

To remain in the Investment Wrap you will need to provide us with the details of your new adviser, who will need to meet our requirements and be registered to use the Perpetual Private Wrap products.

If you choose not to have an adviser, our policy is that we will appoint a dedicated account manager so you can continue to manage your investment portfolio in the Investment Wrap through our custody only service. In this event, please contact us to obtain more information about the Perpetual Private Custody Service.

## Joint portfolios

If you open a portfolio with more than one portfolio holder, you are liable jointly and individually for fees and costs on the portfolio. All joint portfolio holders must sign the application form to set up the portfolio operating instructions (eg 'any one of us to sign' or 'both/all of us to sign'). If you choose 'both/all of us to sign', some online withdrawal methods may not be available as they can't be operated by both/all persons. Should you wish to alter the portfolio operating instructions in the future, you will need to notify us in writing, in accordance with the signing instructions of your portfolio.

We may accept a cheque into a joint portfolio which is payable to any one or more of the joint portfolio holders. If there is a dispute about the signing authority, we reserve the right to permit operation on the portfolio only when all joint portfolio holders have signed the instruction. If a portfolio is held in joint names and one portfolio holder dies the credit balance in the portfolio will be treated as owing to the surviving portfolio holders (joint tenancy).

## Deceased estates

In the event of your death:

- we will continue to deduct applicable administration fees until the portfolio is closed by your legal personal representative or any other person who we recognise as having a claim to your portfolio (eg an executor or administrator appointed to manage your estate)
- we will cease to deduct adviser fees unless authorised otherwise and
- your investments will continue to be invested in accordance with the most recently selected investment strategy, including transactions that may be triggered by automated plans, until we receive other instructions from a properly authorised person.

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

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML Act) regulates financial services and transactions in a way that is designed to detect and prevent money laundering and terrorism financing.

Under the AML Act, we are required to:

- verify your identity before providing services to you
- collect information about your circumstances, including the source of funds being invested, your occupation (individual investors) and your beneficial owners (non-individual investors)
- where you supply documentation relating to your identity, keep a record of this documentation for seven years after the end of your relationship with Perpetual.

To ensure we comply with our obligations under the law, a number of measures and controls have been implemented to verify your identity and to monitor your transactions. As a result:

- transactions may be delayed or refused where further information regarding your identity is required or there are reasonable grounds to believe that the transaction breaches the law or sanctions of Australia or any other country
- where transactions are delayed or refused, we and the administrator are not liable for any loss you suffer (including consequential loss) as a result of our compliance with the AML Act.

Where required by law, information may be disclosed to regulatory or law enforcement agencies, including the Australian Transaction Reports and Analysis Centre (AUSTRAC), which is responsible for regulating the AML Act.

You will need to complete the relevant 'Customer identification' form and provide it to us with your application. We or the administrator may also require additional information from you to assess your application and after accepting your investment.

## Inquiries and complaints

We're committed to providing you with the highest level of service and we have established procedures for dealing with any inquiries and complaints relating to the Investment Wrap.

### Inquiries

If you have an inquiry relating to the operation of the Investment Wrap and/or any financial product advice provided in relation to the Investment Wrap, contact your adviser and discuss it with them.

### Complaints

#### Investment Wrap

If you have a complaint about the operation of the Investment Wrap and/or any financial product advice provided in relation to the Investment Wrap, you should take one of the following steps:

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

We will endeavour to respond to your complaint fairly and as quickly as we can and by no later than the maximum response timeframe of 30 days. If we have not had a reasonable opportunity to respond to your complaint before the maximum response timeframe ends, we will write to you to let you know.

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

If, at any time you are not satisfied with our response to your complaint, any aspect of our complaints handling process or if you have not received a response within the maximum response timeframe, the Australian Financial Complaints Authority (AFCA) might be able to assist you.

### Australian Financial Complaints Authority

We are members of the AFCA external dispute resolution scheme.

AFCA has been established by the Commonwealth Government to deal with complaints from consumers and small businesses about financial services firms. AFCA service is free of charge to you.

Contact details for AFCA are as follows:

**Phone** 1800 931 678  
**Email** [info@afca.org.au](mailto:info@afca.org.au)  
**Website** [www.afca.org.au](http://www.afca.org.au)  
**Mail** Australian Financial Complaints Authority  
GPO Box 3, Melbourne VIC 3001

### Portfolio investments

If your complaint relates to a financial product held through the Investment Wrap, you should approach the product issuer in the first instance. We will facilitate any dispute resolution with product issuers, including providing any necessary evidence of your holding in that financial product via the Investment Wrap.

## Differences between investing in the Investment Wrap and investing directly

Acquiring interests in underlying investments through the Investment Wrap is not identical to holding these investments in your own right. The following differences apply:

- the custodian will be the legal owner of the assets rather than you
- you do not become the direct unit holder in the managed investments you have selected for your portfolio. The registered unit holder will be the custodian as our agent for you. As such, the custodian may exercise the rights of a unit holder or decline to exercise them in accordance with the arrangements specified in this Guide
- cooling-off rights allowing a refund of an investment within 14 days from the investment date, which are usually available to direct retail investors, will not apply to investments made via the Investment Wrap. This means that any requests for a refund otherwise available to direct retail investors within the product issuer's cooling-off period will instead be treated as a normal withdrawal request, which may incur product issuer fees

- for term deposits, your investment generally will be pooled with other investors that wish to invest for the same term as you. As a result, some of the features and functions that may be described in the term deposit offer documents may not be available to you
- for ASX listed securities in your portfolio, the custodian will:
  - instruct CHES<sup>1</sup> to settle your transactions in line with market practice
  - control your holdings on CHES<sup>1</sup> in line with the ASX business rules
- international shares in your portfolio will be held in custody for you by the custodian or its delegate(s), who will settle your transactions in line with market practice
- domestic fixed income securities in your portfolio will be held in custody for you by the custodian or its delegate(s), who will settle your transactions in line with market practice. You will be required to meet the minimum parcel and trading requirements of the issuer or approved fixed income broker
- certain rights and obligations available to, or owing by, the legal owner of an asset are exercisable by the operator, rather than by you. For example, there may be differences in relation to:
  - withdrawal rights (refer 'Withdrawal rights' in this section for further information)
  - transaction processing and unit pricing
- when you make an initial or additional investment in an underlying investment, there is a risk that you have not considered the most recent PDS and other disclosure documents for the underlying investment, or that you have not been made aware of recent material changes or significant events affecting that investment, including any changes to fees and costs
- you can access managed investments with wholesale fees, where available, which can be significantly cheaper than the retail fees you would pay if you invested in each managed investment directly
- interest earned on any pooled operating accounts used by the operator or custodian will (if permitted by law) be retained by the operator or custodian and will not be payable to you
- as the custodian is the registered owner of your assets held in custody, you are unable to participate in regular or ad hoc meetings (such as annual general meetings for listed companies) nor do you have any voting rights (refer 'Voting policy' in the 'Other information' section for further information).

1 CHES is a system that records the ownership of shares and other listed securities in electronic form (rather than on paper). The custodian holds these securities in custody, in an individual investor account, on your behalf. As you are not the registered holder, you do not have voting rights, nor is a proxy voting service provided. We generally do not vote or seek your instructions in relation to voting. However, at our discretion, we will vote as per your instructions if received.

## Withdrawal rights

The custodian is the direct investor for accessible investments and holds all relevant withdrawal rights, which may differ depending on whether the investment is made by the custodian as a wholesale investor (usually the case) or retail investor. Withdrawal rights for an accessible investment may not be available to the custodian if the product issuer's relevant PDS or disclosure document becomes defective before the issue of the investment.

As you are an indirect investor, the product issuer is not required to return the investment to you or provide you with other options such as notifications of an option to withdraw if the investment is or becomes 'illiquid'. Withdrawal rights may also be affected where redemptions are offered on a scaled-back basis. As your investment may be pooled with other indirect investors investing via the Investment Wrap, the amount you could be entitled to also may be distributed pro rata with those other investors, resulting in an amount less than would be the case if the investment was held individually.

## Voting policy

As the direct investor, the IDPS custodian receives notices of meetings or resolutions that relate to eligible investments. We do not proactively make this information available to you or your adviser.

We maintain a voting policy under which we do not offer you voting rights (aside from voting under any corporate actions relating to securities in which you have invested – see 'Corporate actions' in the 'Transacting' section for further information) except under the following limited circumstances where we may:

- allow client instructions to be made via proxy in writing
- actively solicit client voting instructions.

These circumstances include:

- fulfilling our obligations under applicable law
- where the investors are 'key management personnel' as defined by the Corporations Act
- investors who hold a material interest in the investment that could reasonably be expected to impact the outcome of a resolution.

Where such matters are brought to our attention:

- we will endeavour to provide you, via your adviser, with the material that would have been sent to you if you were a direct investor
- we will not permit you to act as a corporate representative on our behalf as custodian – instead we will accept your written voting instructions so that we can endeavour to lodge these via proxy
- we may require confirmation in writing from the relevant company secretary or other representative to confirm your eligibility to participate in some or all of the resolutions. Where this confirmation is sought, we will not pass on your instructions until this has been provided
- neither we nor the administrator accept any liability for acting on your instructions (including where such an instruction may contravene the law or any regulation)
- any instruction to vote must be received at least three business days prior to the registry cut-off time

- a standing instruction for future resolutions cannot be provided – we must receive direction for each voting opportunity as it arises
- as custodian for the service, we generally do not vote on company or scheme resolutions and other corporate actions.

A copy of our voting policy is available free of charge on request.

## Information from underlying investments

The custodian holds the investments in your portfolio and receives all communications from the issuers of those investments. You can request a copy of these communications and, where possible, we will provide them to you directly or to your adviser or make them available through our website, as soon as practicable.

## Use of agents and sub-custodians

If we consider it necessary, we may, at our discretion, appoint and use the services of:

- any other person, whether related to or associated with us or not, as custodian, sub-custodian, nominee, agent, delegate or adviser and/or
- any recognised depository, securities system or clearing system.

We'll be responsible for the acts and omissions of any of our agents as if they were our acts or omissions.

## Your representations and warranties

You represent and warrant to us at all times using the service that:

- you have all the power to enter the service, accept all terms and conditions and perform obligations in the Guide (agreement) and have obtained all necessary consents and corporate authorisations to enable you to do so
- the entry into and performance of the agreement by you does not constitute a breach of a term of a constitution or any obligation or default under any agreement or undertaking that you are bound to
- unless we separately agree with you beforehand, all property transferred or delivered by you to us from time to time to form part of the portfolio will be free from any mortgage, charge, lien, pledge, encumbrance or other security interests.

## Your privacy

We collect personal information from you in the application and any other relevant forms to be able to process your application, administer your portfolio and comply with any relevant laws. If you do not provide us with your relevant personal information, we will not be able to do so. In some circumstances we may disclose your personal information to Perpetual's related entities or service providers that perform a range of services on our behalf and which may be located overseas.

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

- the kinds of personal information we collect and hold
- how we collect and hold personal information

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

Our privacy policy is publicly available at our website or you can obtain a copy free of charge by contacting us.

## Professional indemnity insurance

Perpetual Limited holds a professional indemnity insurance policy, which satisfies the requirements for compensation arrangements under section 912B of the Corporations Act. Subject to its terms and conditions, the policy provides cover for civil liability resulting from third party claims concerning the professional services provided by Perpetual Limited, its subsidiaries and its employees and representatives. This policy covers professional services provided by employees and representatives of Perpetual Limited and its subsidiaries while they are in our employ, even where that employee or representative has subsequently left our employ.

# Tax

The tax consequences of investing, including buying and selling assets and receiving income, are dependent on your circumstances, so we recommend that you see a tax adviser. This information is of a general nature only and cannot be relied on.

You should also be aware that the Australian Taxation Office (ATO) continues to review the taxation treatment of investor directed portfolio services.

## Stamp duty

Stamp duty may be applicable on some investments and the duty implications vary between jurisdictions. However, listed securities are generally exempt. Stamp duty, where payable on in-specie transfers into your portfolio, will be debited from your Perpetual Cash Account at the time of transfer or shortly after. We recommend that you keep sufficient cash in your Perpetual Cash Account to ensure duty can be paid and to avoid delays in in-specie transfers.

## CGT assets

At the current time, it is our understanding that Investment Wrap clients would be considered, for CGT purposes, to be absolutely entitled to the portfolio assets held on their behalf by us and they would also have an absolute, indefeasible entitlement to any income derived from the portfolio assets.

Therefore, any trust relationship between you and us is ignored for CGT purposes. Accordingly, the disposal of CGT assets within your portfolio will trigger taxable CGT events which will be directly attributable to you (that is, as if you had held such assets in your own name) rather than as arising within a trust estate.

The transfer of CGT assets into or out of the Investment Wrap should not give rise to a taxable CGT event where beneficial ownership is retained. However, where beneficial ownership is not retained, such transfers may give rise to taxable CGT events.

## Revenue assets

The disposal of certain assets within a portfolio may give rise to revenue gains or revenue losses. If a net gain results, it will be required to be included in your assessable income for the year in which it relates, as other assessable income. If a net loss results, it is able to be claimed as an allowable deduction against your other assessable income.

## Capital gains calculations

Where you have purchased/sold an investment holding on different dates, you are deemed to have purchased/sold this asset in 'parcels'. There are three methods available to calculate capital gains or losses on these 'parcels'. These methods are:

- **first in first out (FIFO)** – under this method, the first parcel purchased will be deemed to be the first parcel sold
- **minimum gain (or maximum loss)** – under this method, disposals will be allocated against the open parcel that will generate the lowest gain (or highest loss) taking into account a 50% discount on the gains where applicable or
- **specific parcel selection** – under this method, advisers or other Perpetual representatives have the ability to select, on your behalf, specific parcels relating to securities that have been sold during the current financial year in order to calculate your CGT position. Parcel selection will not be available in relation to certain security types (eg instalment warrants) or under certain circumstances (eg some corporate actions).

Portfolios will initially be noted as FIFO but will be changed to minimum gain (or maximum loss) at the end of the tax year, unless informed otherwise, to help you manage your CGT position for that and future years.

## Deductibility of fees and charges

The administration and transaction fees you pay for your Investment Wrap portfolio, and ongoing fees paid to your adviser, may be tax deductible. For specific information on what is and is not tax deductible please contact your adviser.

## Goods and services tax (GST)

GST generally applies to the fees and costs, including management costs and other fees payable to us.

Where able we will claim a reduced input tax credit (RITC), which represents a portion of the GST applicable to some or part of the management costs and other fees.

The administration costs and other fees specified in the Schedule of Fees and Costs show the approximate net cost of these amounts payable to us, on the basis that we are entitled to claim RITCs for the GST on some or part of these amounts. This means that Investment Wrap clients are not entitled to claim RITCs for any GST included in the administration costs and other fees paid relating to the Investment Wrap, which may include the fees you have negotiated with your adviser.

## Tax file number (TFN)/Australian business number (ABN)

Providing your TFN isn't compulsory but without it or the appropriate exemption information we have to withhold tax from income credited to your portfolio at the highest marginal tax rate (plus Medicare levy and/or other levies applicable at the time) until your TFN or exemption is provided.

You may prefer to provide an ABN as an alternative to your TFN if your participation in the service is as part of an enterprise.

We are authorised under tax laws to collect TFNs and ABNs in connection with your participation in the Investment Wrap.

## Non-resident investors for tax purposes

If you are not an Australian resident for tax purposes, non-resident withholding tax may be withheld from applicable Australian sourced taxable income.

Non-resident investors may also be subject to tax in the country they reside in, but may be entitled to a credit for some or all of the tax deducted in Australia.

In limited circumstances, non-resident investors may be required to lodge an Australian income tax return.

### **Investments that derive income that is taxable outside of Australia**

Some dual-listed investments available through the Investment Wrap may have tax withheld in an overseas jurisdiction. Investors who choose to invest in these securities may be required to complete additional forms as required by the laws of the foreign jurisdiction, and may be subject to additional tax being levied on income derived from these investments.

## Reporting

We are required to report to the ATO certain information relating to your investments via the Investment Wrap, including transactions and the income distributed/attributed to you.

### **Tax residents of other countries**

We must obtain details about any other countries where you are a resident for tax purposes (including your taxpayer identification number) as we may be required to report information about your investment (including investment balances and any payments made) to the ATO each year for provision to the relevant overseas tax authority under rules designed to combat tax evasion in that country. We will determine whether we are required to report your details to the ATO for this purpose based on our assessment of the relevant information received.



# General terms and conditions

The Investment Wrap, including the associated custody service, is provided to you on the following general terms and conditions and the information set out in this Guide.

The agreement between you and us is subject to the laws of New South Wales (NSW) and you and we agree to submit to the jurisdiction of the courts of NSW.

## 1. This agreement

1. The Investment Wrap is only made available to persons who are accepted by us as clients of the Investment Wrap. We will only consider applications from persons who satisfy the criteria for opening an Investment Wrap portfolio, as described in this Guide.
2. To be a client and use the Investment Wrap you must:
  1. open a Perpetual Cash Account as the cash account for your portfolio and
  2. use an adviser.
3. By completing the application form, you agree to comply with the terms of this agreement. You will be notified that you have been accepted as a client and a portfolio will be opened for you as provided for in this Guide.
4. You warrant that if you are entering into this agreement as a trustee of a trust, then:
  1. the trust is valid and enforceable and you are the validly appointed trustee
  2. you have the power under the trust to enter into and perform the obligations under this agreement
  3. you also enter into this agreement in your personal capacity and
  4. our rights under this agreement have priority over the interest of beneficiaries of the trust.

## 2. Responsibility and liability

We are responsible to you for the provision of Investment Wrap services and will, at all times, exercise our duties under this agreement honestly and with reasonable care and diligence. We are not liable to you for anything that is not our fault or is beyond our control.

1. You are responsible for:
  1. keeping your security, access or online login codes and any other passwords or personal means of access (codes) confidential and secure and
  2. the payment of fees and costs for the maintenance of your portfolio and your transactions made through the Investment Wrap.
2. You acknowledge that:
  1. all actions taken using your codes will be taken to be authorised by you
  2. where the value of your assets held through the Investment Wrap is not sufficient to satisfy your liability to us, you will pay promptly all fees and charges in relation to your portfolio. Your liability to us is not limited to the value of your portfolio and

3. we may record all of our telephone conversations with you relating to your portfolio. By signing the application form, you consent to the recording of our telephone conversations with you.

## 3. Your adviser and third parties

1. The arrangements between you and your adviser and you and any third parties are separate from your arrangements with us under this agreement.
2. Other than where we expressly indicate the contrary, your adviser or third party is acting as your agent and not as our agent.
3. The responsibilities of your adviser in relation to your use of the Investment Wrap are set out elsewhere in this Guide. For the responsibilities of any other third party you should carefully consider the agreements you have with them.

## 4. Your instructions

1. Notwithstanding any other provision in this agreement:
  1. where an investment held on your behalf is subsequently excluded from the investment menu, you authorise us to realise the investment and deposit the proceeds into your Perpetual Cash Account, unless we cannot do so in which case we may transfer the assets and
  2. where we offset instructions from some clients to buy investments against instructions to sell investments (netting-off), you authorise us and/or the administrator to keep any savings in transaction costs that result from netting-off and
  3. where we hold or receive an investment which relates to, or is to be divided between, you and one or more investors and we reasonably believe that the investment is not divisible, you authorise us to hold your interest in the investment as tenants in common with other investors, in such shares or proportions as are reflected in our records.
2. You or your authorised representative give us instructions through your nominated adviser. Your adviser will ask you to complete a transaction authorisation and will then electronically instruct us to carry out your authorised investment instructions. In carrying out this activity your adviser will be acting as your agent.

## 5. Indemnities

1. You release, discharge and agree to indemnify us and our agents from and against all losses, liabilities, actions, proceedings, accounts, claims and demands arising from instructions we receive from your adviser on your behalf.
2. Where we or our agents or representatives are appointed as your authorised representative or adviser, you agree that we will only be liable to you to the extent that any loss or liability directly results from a fraud, wilful default, dishonesty or negligence of us or our agents or representatives.

## **6. Termination of agreement**

1. This agreement will terminate automatically upon closure of your portfolio.
2. This agreement may be terminated by either party giving the other party 30 days' written notice.
3. We may terminate this agreement at any time without notice:
  1. if you're in breach of your obligations to us and you haven't fixed that breach within 30 days of us giving you written notice
  2. if you die or become bankrupt or
  3. without limiting our rights under any power of attorney we may hold, if you suffer loss of capacity through unsoundness of mind.
4. If possible, we'll follow instructions on the transfer of your portfolio assets. If we don't receive instructions about transferring your portfolio assets, then you instruct us to:
  1. transfer securities to you or, in the case of listed securities, make sponsorship arrangements under CHESS with another sponsor, including an issuer sponsor or
  2. sell the securities and pay the proceeds to your nominated account or
  3. in the case of portfolio assets, which can't be transferred under law or the terms of their issue or for any other reason, realise those assets (unless funds have been frozen or redemptions otherwise restricted) and pay the proceeds to your order.
5. You acknowledge that in some cases it may take longer than 30 days for us to finalise arrangements with product providers.

## Contact details

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

### **Website**

[www.perpetual.com.au/login](http://www.perpetual.com.au/login)  
(for existing investors – login required)

### **Email**

[wrap@perpetual.com.au](mailto:wrap@perpetual.com.au)

### **Phone**

During business hours (Sydney time)

Investors	1800 099 265
Advisers	1800 099 652
From overseas	+612 8245 4411

### **Postal address**

Perpetual Private Investment Wrap  
GPO Box 5230  
Sydney NSW 2001

---

### **Australian Capital Territory**

Nishi Building  
Level 9  
2 Phillip Law Street  
Canberra ACT 2601

### **New South Wales**

Angel Place  
Level 18  
123 Pitt Street  
Sydney NSW 2000

### **Queensland**

Central Plaza 1  
Level 15  
345 Queen Street  
Brisbane QLD 4000

### **South Australia**

Level 11  
101 Grenfell Street  
Adelaide SA 5000

### **Victoria**

Rialto South Tower  
Level 29  
525 Collins Street  
Melbourne VIC 3000

### **Western Australia**

Exchange Tower  
Level 29  
2 The Esplanade  
Perth WA 6000

[www.perpetual.com.au](http://www.perpetual.com.au)

Trust is earned.

Perpetual 