

Asgard Employee Super Account

Supplementary Product Disclosure Statement (SPDS)

The logo for Asgard, featuring the word "Asgard" in a white serif font inside a large, stylized red letter 'A'.

This SPDS dated 14 March 2010 is the sixth Supplementary Product Disclosure Statement (SPDS) for Asgard Employee Super Account Product Disclosure Statement (PDS) ABN 90 194 410 365, Part 1 of which is dated 1 July 2007. This SPDS is issued by Asgard Capital Management Limited ABN 92 009 279 592, AFSL 240695 (Asgard). It should be read together with the PDS and the SPDSs dated 30 September 2008, 1 February 2009, 30 June 2009, 9 July 2009 and 11 December 2009.

Information in an SPDS can update information in an earlier SPDS. Information in the SPDS dated 9 July 2009 in respect of the Separately Managed Accounts – Funds (SMA – Funds) is updated by information in this SPDS.

Change to the SMA – Funds investment fees

The 'Fees (after fee rebates)' information in the five tables under the heading 'Portfolio characteristics' on pages 5 to 7 of the SPDS dated 9 July 2009 is replaced with the corresponding information below:

Key Statistics		
Fees (after fee rebates)	pa	
SMA – Funds Defensive Portfolio	Investment fee	0.17%
	Estimated performance fees	0.02%
	Total investment fees	0.19%
SMA – Funds Moderate Portfolio	Investment fee	0.32%
	Estimated performance fees	0.03%
	Total investment fees	0.35%
SMA – Funds Balanced Portfolio	Investment fee	0.44%
	Estimated performance fees	0.05%
	Total investment fees	0.49%
SMA – Funds Growth Portfolio	Investment fee	0.53%
	Estimated performance fees	0.05%
	Total investment fees	0.58%
SMA – Funds High Growth Portfolio	Investment fee	0.64%
	Estimated performance fees	0.06%
	Total investment fees	0.70%

The information on page 7 of the SPDS dated 9 July 2009, which updated the fee information in the table on page 47 of the PDS PART 1 under the heading 'Investment fees' and 'SMA – Funds', no longer applies. This fee information is replaced with the following:

Portfolio	Estimated Investment fees % pa (after fee rebate)	Estimated performance fees % pa	Total investment fee % pa
Defensive	0.17	0.02	0.19
Moderate	0.32	0.03	0.35
Balanced	0.44	0.05	0.49
Growth	0.53	0.05	0.58
High Growth	0.64	0.06	0.70

The information on page 8 of the SPDS dated 9 July 2009, which updated the fee examples in Tables 1, 2 and 3 on page 48 of the PDS PART 1, no longer applies. These examples are respectively replaced with the following:

Table 1 - where total value of accounts within employer group is less than \$500,000 – nil administration fee group discount

Example - Balanced portfolio ¹	Balance of \$50,000 with total contributions of \$5,000 during the year ^{2,3}
Contribution fees 0 - 5.125%	For every \$5,000 you put in you'll be charged between \$0 and \$256.25.
PLUS management costs ^{3,4} 2.0737%	And, for the first \$50,000 you have in your account you'll be charged \$1,036.85 each year.
EQUALS cost of account	If you put in \$5,000 during a year and your balance was \$50,000, then for that year you'll be charged fees from \$1,036.85 to \$1,293.10 ⁵ . What it costs you will depend on the portfolio you choose and the fees you negotiate with the financial adviser for your account.

Table 2 - where total value of accounts within employer group is between \$1,000,000 and \$5,000,000 – includes 30% administration fee group discount

Example - Balanced portfolio ¹	Balance of \$50,000 with total contributions of \$5,000 during the year ^{2,3}
Contribution fees 0 - 5.125%	For every \$5,000 you put in you'll be charged between \$0 and \$256.25.
PLUS management costs ^{3,4} 1.7047%	And, for the first \$50,000 you have in your account you'll be charged \$852.35 each year.
EQUALS cost of account	If you put in \$5,000 during a year and your balance was \$50,000, then for that year you'll be charged fees from \$852.35 to \$1,108.60 ⁵ . What it costs you will depend on the portfolio you choose and the fees you negotiate with the financial adviser for your account.

Table 3 - where total value of accounts within employer group is between \$10,000,000 and \$20,000,000 – includes 45% administration fee group discount

Example - Balanced portfolio ¹	Balance of \$50,000 with total contributions of \$5,000 during the year ^{2,3}
Contribution fees 0 - 5.125%	For every \$5,000 you put in you'll be charged between \$0 and \$256.25.
PLUS management costs ^{3,4} 1.5202%	And, for the first \$50,000 you have in your account you'll be charged \$760.10 each year.
EQUALS cost of account	If you put in \$5,000 during a year and your balance was \$50,000, then for that year you'll be charged fees from \$760.10 to \$1,016.35 ⁵ . What it costs you will depend on the portfolio you choose and the fees you negotiate with the financial adviser for your account.

¹ This is the SMA – Funds Balanced portfolio

² The contribution of \$5,000 is assumed to be deposited to your account at the end of the year.

³ Note that as your account balance increases, the total management costs you pay as a percentage of your account balance will decrease due to the tiered administration fee structure as shown in the administration fee scale in the table on page 45 of the PDS PART 1.

⁴ Management costs include administration fee, expense recovery, trustee fee and investment fees. Performance fees may apply. Investment fees include an estimate of the cost of any applicable performance fee.

⁵ Additional fees may apply.

Change to auto-rebalancing date

The first paragraph and subsequent three bullet points under the sub-heading ‘Auto-rebalancing’ on page 20 of the PDS PART 1 are replaced with the following:

If you choose to use the auto-rebalancing facility, your investment percentages will be rebalanced automatically to your investment profile either:

- quarterly (between 15 and 24 February, May, August and November)
- half-yearly (between 15 and 24 February and August)
- annually (between 15 and 24 August).

Changes to your required cash balance

The first two paragraphs and table under the heading ‘Your cash balance’ on page 29 of the PDS PART 1 are replaced with the following:

Your cash balance will be held in an interest bearing bank account with St. George and/or Westpac and the default amount will be a percentage of your total account value (as shown in the table below).

If your account value is this much	Your default cash balance will be this percentage of your account value
Less than \$100,000	4.0%
\$100,000 - \$250,000	3.0%
Over \$250,000	2.0%

You may instruct us to hold a higher cash balance in your account either as a dollar or a percentage value. This instruction must be submitted to us by the financial adviser for your account using AdviserNET.

All deposits into your account are automatically credited to your cash balance. After deducting any contribution fees and retaining the required cash balance*, the remainder will be invested in accordance with either your investment instructions or the default age based portfolio, unless you have instructed us not to do this, in which

case no cash will be invested until you give us new investment instructions. All fees, government charges, insurance premiums and taxes are paid from your cash balance.

Generally, we place transaction instructions with investment managers on the business day after we receive a deposit.

*Where you have instructed us to invest the amount of a deposit directly into specific managed investment(s), no amount will be deducted on account of the required cash balance.

The section entitled ‘When your cash balance is higher than the required percentage’ on page 30 of the PDS PART 1 is replaced with the following:

When your cash balance is higher than the required amount

We check your cash balance regularly. When it’s \$1,000 or more than the required amount described above, the excess cash is used to buy managed investments. This is the default, however you may:

- instruct us not to invest excess cash, or
- nominate a minimum amount higher than \$1,000 to invest.

This instruction must be submitted by the financial adviser for your account using AdviserNET.

Please note however that, if you instruct us not to invest excess cash, auto-rebalancing and profile modelling instructions will still result in your cash balance being returned to the required amount.

The first paragraph and bullets under the heading ‘Earnings’ on page 31 of the PDS PART 1 are replaced with the following:

Earnings from your investments will be in the form of capital growth, dividends (if you have shares) and/or income distributions.

- Dividends and income distributions are credited to your cash balance and are by default, invested according to your investment profile when you exceed your required cash balance. Unrealised capital gains (and losses) are shown in your account as changes in the value of your investments.

The first two paragraphs under the sub-heading ‘Managed Profiles’ on page 3 of the PDS PART 2 are replaced with the following:

To choose (or change) your investment profile: In section 3, indicate the percentage you would like to allocate to each managed investment. Your investment profile must add up to 100%. We will maintain up to 4% of your funds in the cash balance, but you may nominate a higher percentage or amount to be held in your cash balance. An instruction to maintain a higher percentage or amount can be submitted to us by the financial adviser for your account through AdviserNET. Please do not include your cash balance when selecting your managed investments as we automatically calculate it.

Funds deposited into your account are automatically credited to your cash balance and will be invested across your current investment profile (when you have exceeded your required cash balance requirement by \$1,000 or by the minimum amount nominated), unless you have instructed us not to invest excess cash, in which case no cash will be invested until you give us new investment instructions. An instruction not to invest excess cash can be submitted to us by the financial adviser for your account through AdviserNET.

The second bullet under ‘Note:’ on page 15 of the PDS PART 2.

- A switch to the cash balance may cause excess cash to be reinvested across your existing profile including the ‘Switch from’ managed investment unless you have instructed us not to invest excess cash*, in which case no cash will be invested until you provide us with new investment instructions. An instruction not to invest excess cash can be submitted to us by the financial adviser for your account through AdviserNET.

*Please note however that, if you instruct us not to invest excess cash, this will be overridden by an instruction to auto-rebalance your account and other processes such as profile modelling.

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