

Updating information

Asgard Employee Super Account Changes to fees and costs effective 1 July 2020

Product Update: 1 July 2020



Updating the information in the Asgard Employee Super Account Product Disclosure Statement

This update, dated 1 July 2020, updates information contained in the 'Fees and other costs' section of the Additional Information Booklet Part 1 – General dated 20 May 2020. This update is issued by BT Funds Management Limited ABN 63 002 916 458 AFSL No. 233724, the trustee and issuer of Asgard Employee Super Account, and should be read together with the Product Disclosure Statement (PDS) and guides.

This information in this update does not take into account your personal objectives, financial situation or needs and so you should consider its appropriateness having regard to these factors before acting on it.

The changes in this update will impact some members more than others. Please take the time to review the information carefully to ensure you're aware of the changes and how they may affect you.

Reduction in Regulatory Change Expense Recovery

Effective from 1 July 2020 the Regulatory Change Expense Recovery will decrease as follows:

- Asgard MySuper investment option cap reduced from 0.05% to 0.01%

Over recent years, the Australian government has implemented a number of reforms affecting super funds, including the Future of Financial Advice (FOFA), Stronger Super and the Operational Risk Financial Requirement (ORFR). ORFR requires us to maintain sufficient capital to cover operational risks such as a computer system failure, human error in administration processes, or the risk of external events, such as fraud. If an operational risk event occurs, this capital can be used to compensate members for losses. We incur expenses to maintain the capital held for the ORFR.

Asgard MySuper Lifestage Investment Options – Changes to the estimated performance-related fees and the other indirect costs

The standard investment manager fee for the Asgard MySuper Lifestage Investment Options is 0.50% pa, as shown in the Indirect cost ratio section of the 'Fees and other costs' table in the PDS.

A higher indirect cost ratio may apply if one or more of the Asgard MySuper Lifestage Investment Option's underlying investment managers achieves a specific investment performance target, for example if they achieve a specified rate of return above an applicable benchmark index return, and are paid a performance-related fee.

Effective from 1 July 2020, the below table replaces the table on page 24 of the AIB. **Please note that there are no changes to the investment manager fee or the estimated buy-sell spread.**

Estimated indirect costs¹				
Asgard MySuper Lifestage Investment Option	Investment manager fee (%)²	Estimated performance-related fee (% pa)	Other indirect costs (% pa)	Estimated buy-sell spread (%)
1940's	0.50	0.02	0.09	0.36
1950's	0.50	0.01	0.10	0.36
1960's	0.50	0.01	0.12	0.36
1970's	0.50	0.00	0.14	0.36
1980's	0.50	0.00	0.14	0.36
1990's	0.50	0.00	0.14	0.36
2000's	0.50	0.00	0.14	0.36

¹ Indirect costs are estimates based on the indirect costs that are expected to be incurred in respect of this option during the 12 month period up to 30 June 2020. Performance-related fees are not a representation of likely future performance. The actual performance-related fees will depend on the performance of the relevant investment managers, so are likely to vary from this estimate.

² For a temporary period from 1 April to 30 September 2020 the investment manager fee for members in the Asgard Lifestage investment option will be 0.40% pa.

Transactional and operational costs

Transactional and operational costs are incurred when assets are bought and sold. These costs include brokerage, clearing and settlement costs, applicable stamp duty and the difference between the price paid for acquiring and disposing of an asset and its actual value at that time. Part of these costs are recouped through the buy-sell spread. Please refer to the 'Buy-sell spread' section in 'Additional explanation of fees and costs' in the PDS for more information on buy-sell spreads applicable to managed investments available through Asgard Employee Super.

Where transactional and operational costs arise from trading activity to execute the investment strategy for an underlying managed investment, and are not the result of buying or selling units in the managed investment, these costs are not recouped by the relevant investment manager (e.g, by the buy-sell spread in the case of a managed investment). They are an additional cost to you at the time of the managed investment directly or indirectly undertaking the trading activity, and are included in the managed investment's unit price.

An estimate of the buy-sell spreads and the transactional and operational costs (transaction costs) for the Asgard MySuper Lifestage Investment Options for the 12 months to 30 June 2020 are set out in the table below.

Effective from 1 July 2020, the below table replaces the table on page 25 of the AIB.


Asgard MySuper Lifestage Investment Option	(A) Total transaction costs (%)	(B) Costs recouped from the buy-sell spread (%)	(C) = (A) - (B) Net transaction costs¹ (%)	(D) Transaction costs disclosed in indirect costs (%)	(E) = (C) - (D) Transaction costs not disclosed in indirect costs (%)
1940's	0.25	0.09	0.15	0.00	0.15
1950's	0.25	0.08	0.17	0.00	0.17
1960's	0.25	0.07	0.18	0.00	0.18
1970's	0.24	0.08	0.16	0.00	0.16
1980's	0.24	0.08	0.16	0.00	0.16
1990's	0.27	0.11	0.16	0.00	0.16
2000's	0.52	0.38	0.13	0.00	0.13

¹ These are the estimated net transaction costs that reduced the performance of the relevant investment option(s) for the 12 months ended 30 June 2020.

Information is current as at 1 July 2020. BT Funds Management Limited (ABN 63 002 916 458, AFSL 233724 ('Trustee') is the trustee and issuer of eWRAP Super/Pension, Infinity eWRAP Super/Pension, Elements Super Pension, Asgard Employee Super Account and Managed Profiles and Separately Managed Accounts Super/Pension (Super/Pension), a part of Asgard Independence Plan – Division 2 ABN 90 194 410 365 (the Fund) and the issuer of this notice. Asgard Capital Management ABN 92 009 279 592 AFSL 240695 (ACML) ('Administrator') administers Super/Pension. A Product Disclosure Statement (PDS) is available for Super/Pension and can be obtained from your financial adviser. You should obtain and carefully consider the PDS and other related disclosure documents before deciding whether to acquire, continue to hold or dispose of interests in Super/Pension. The information in this notice also does not take into account your personal objectives, financial situation or needs. You should consider the appropriateness of the information having regard to these factors and, where appropriate, consult your adviser or obtain other independent professional advice before acting on this information. The Trustee and Administrator is part of Westpac Banking Corporation ABN 33 007 457 141 (Westpac). Apart from any interest investors may have in underlying bank accounts held at Westpac through a Super/Pension Transaction Account or Westpac securities acquired through Super/Pension, an investment in, or acquired using, Super/Pension is not an investment in, deposit with or any other liability of Westpac or any other company in the Westpac Group. These investments are subject to investment risk, including possible delays in repayment of withdrawal proceeds and loss of income and principal invested. Westpac and its related entities do not stand behind or otherwise guarantee the capital value or investment performance of any investments in, or acquired through, Super/Pension.

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