

# ANNUAL REPORT 2019

## PORTFOLIOCARE®

### eWRAP SUPER/eWRAP PENSION SUPER SERVICE/PENSION SERVICE ELEMENTS SUPER/ELEMENTS PENSION

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PortfolioCare is part of the Wealth Personal Superannuation and Pension Fund (the fund) ABN 92 381 911 958. The trustee of the fund  
and issuer of this annual report is N.M. Superannuation Proprietary Limited ABN 31 008 428 322 AFSL No. 234654 (N.M. Super).  
Administrator: Asgard Capital Management Limited ABN 92 009 279 592 AFS Licence No. 240695.

# WELCOME FROM THE CHAIRMAN



I'm pleased to present N.M. Superannuation Proprietary Limited's annual report for the year ended 30 June 2019.

I joined the board of N.M. Superannuation Proprietary Limited (Trustee Board) in September 2018 and stepped into the role of Chairman in May 2019.

I accepted the role because I believe that we have an important role to play in the financial wellbeing of our members. I acknowledge that it has been a challenging year with significant public and regulatory scrutiny, but I want to assure you the Trustee Board is focused on meeting the expectations you had when you joined the fund.

## **Our renewed approach**

The Trustee Board, along with AMP, are focusing on changing and improving through a number of areas, including:

- maintaining an autonomous and effective trustee
- producing sustainable outcomes for members
- delivering competitive investment returns
- developing successful and appropriate strategic partnerships.

We've recently appointed two highly accomplished directors Catherine McDowell and Stephen Roberts and intend to expand the Board from four to seven people.

And I extend my personal thanks to the retiring directors Louise Dudley, Cathy Doyle, and in particular the previous Chair Rick Allert, for their commitment and service.

## **Your feedback is welcome**

Thank you for choosing AMP to help you achieve your financial goals. Keep reading to find more information on the fund and it's management plus recent superannuation and industry developments.

If you have any questions about your super account please contact us on 1800 646 234.

## **Tony Brain**

Interim Chair, N.M. Superannuation Proprietary Limited

## IMPORTANT INFORMATION

### In this annual report unless specified otherwise:

- 'AMP Capital' means AMP Capital Investors Limited (ABN 59 001 777 591, AFSL No. 232497)
- 'AMP Life' means AMP Life Limited (ABN 84 079 300 379, AFSL No. 233671)
- 'AMPCFM' means AMP Capital Funds Management Limited (ABN 15 159 557 721, AFSL No. 426455)
- 'ipac' means ipac asset management limited (ABN 22 003 257 225, AFSL No. 234655)
- 'NMFM' means National Mutual Funds Limited (ABN 32 006 787 720, AFSL No. 234652)
- 'NMMT' means NMMT Limited (ABN 42 058 835 573, AFSL No. 234653)
- 'N.M. Super' means N.M. Superannuation Proprietary Limited (ABN 31 008 428 322 AFSL, No 234654)
- 'administrator' or 'custodian' means Asgard Capital Management Limited (Asgard) (ABN 92 009 279 592, AFSL No. 240695), a subsidiary of Westpac Banking Corporation (Westpac) (ABN 33 007 457 141, AFSL No. 233714)
- 'we', 'us', 'our' and 'the trustee' mean N.M. Superannuation Pty Limited (N.M. Super)
- 'you', 'your' refers to the holder of the account
- 'fund' means the Wealth Personal Superannuation and Pension Fund.

## SUPER FUND INFORMATION

### THE TRUSTEE

The trustee of the fund is N.M. Super, which is a wholly owned subsidiary of AMP Life<sup>1</sup>. N.M. Super has been granted a licence by the Australian Prudential Regulation Authority (APRA) to act as trustee.

The trustee:

- is responsible for all aspects of the operation of the fund
- is responsible for ensuring that the fund is properly administered in accordance with the trust deed and policy documents, and
- ensures that the fund complies with relevant legislation, that all members' benefits are calculated correctly and that members are kept informed of the operations of the fund.

The trustee may amend the trust deed of the fund following changes to the law or to introduce new features. The trustee can only amend the trust deed of the fund with the consent of AMP Life. For a copy of the trust deed of the fund please contact us, or download from [amp.com.au/trustee-information](http://amp.com.au/trustee-information).

### THE BOARD OF DIRECTORS

The directors of N.M. Super are also directors of AMP Superannuation Limited, which is another superannuation trustee and also part of the AMP group. The boards of each trustee maintain a framework for the management of conflicts of interest and conflicts of duties, which is documented in the **Conflicts Management Policy**. The framework provides for the identification, recording, management and monitoring of conflicts in accordance with applicable laws and regulations. The directors during the fund's financial year were:

**Rick Allert (AO), Independent Non-Executive Chairman**  
FCA

**Louise Dudley, Independent Non-Executive Director**  
BCom, CA, GAICD

**Darryl Mackay, Non-Executive Director** BSc, FIAA,  
MAICD

**Tony Brain, Interim Chairman** B Com, CAANZ, ASFA  
Certificate IV Superannuation, GAICD, FAIST

**Cathy Doyle, Independent Non-Executive Director** B  
SocSc, Grad Dip Psy, Grad Dip VET, MBA, GAICD, GAIST,  
Cert Governance.

<sup>1</sup> In July 2019, the ownership of N.M. Super changed to AMP Wealth Management Holdings Pty Ltd, which is a member of the AMP group.

N.M. Superannuation Pty Ltd - Board meeting attendance  
12 months to 30 June 2019

	Held while member	Attended while member
Rick Allert (retired 09/05/2019)	20	20
Louise Dudley (retired 14/06/2019)	24	23
Darryl Mackay	25	25
Tony Brain	21	21
Cathy Doyle	20	20

More information on the trustee, including profiles of the directors and governing policies, is available at [amp.com.au/trusteedetails](http://amp.com.au/trusteedetails).

## THE FUND

*PortfolioCare* is part of the Wealth Personal Superannuation and Pension Fund which includes:

- MyNorth Superannuation
- MyNorth Pension
- North Personal Superannuation\*
- North Personal Pension\*
- Summit Personal Superannuation
- Summit Personal Pension
- Generations Personal Superannuation
- Generations Personal Pension
- iAccess Personal Superannuation
- iAccess Allocated Pension
- *PortfolioCare* Super Service
- *PortfolioCare* Pension Service
- *PortfolioCare* Elements – Super\*
- *PortfolioCare* Elements – Pension\*
- *PortfolioCare* eWRAP – Super
- *PortfolioCare* eWRAP – Pension
- Wealthview eWrap Super\*
- Wealthview eWrap Pension\*

\*These products are closed to new members.

The fund was established in September 2007.

Wealth Personal Superannuation and Pension Fund (ABN 92 381 911 598) (the fund) is registered with APRA and is a resident regulated superannuation fund within the meaning of the Superannuation Industry (Supervision) (SIS) Act. The fund is a complying superannuation fund for the purposes of the Income Tax Assessment Act, constituted under a deed.

The fund can accept transfers and rollovers as permitted by the trust deed and rules of the Wealth Personal Superannuation and Pension Fund. Upon receipt of any transfers and rollovers, we will maintain and preserve the benefits in the fund to the extent required by the SIS Act and Regulations.

The trust deed of the Wealth Personal Superannuation and Pension Fund complies with the preservation and portability standards imposed on complying superannuation funds under the SIS Act and Regulations.

The trustee also maintains indemnity insurance for protection against losses that may occur as a result of a claim against it for breach of professional duty.

## RELATIONSHIP BETWEEN THE TRUSTEE AND OTHER SERVICE PROVIDERS

The trustee invests in a wide range of investment options. AMP Capital, AMPCFM, ipac and NMFm are members of the AMP group and are also the responsible entities for a number of these investment options.

AMPCFM, ipac and NMFm are responsible for the selection and ongoing monitoring of fund managers for investments operated by them, and are entitled to change fund managers or asset allocations at any time without notice to members invested in the portfolios. For a full list of these investment options, refer to the *PortfolioCare* eWRAP, *PortfolioCare* Elements and *PortfolioCare* Service Investment Options document available on [amp.com.au/portfoliocare](http://amp.com.au/portfoliocare).

Where the trustee invests money of the fund, it must deal with the other party to the transaction at arm's length or on arm's length terms.

The trustee has appointed NMMT as agent for the provision of services to the fund. This includes selecting the range of investment options made available, and appointing the custodian to hold all assets in the fund. The trustee reserves the right to change the custodian without prior notice to members. AMPCFM, ipac, NMFm, AMP Life and NMMT may receive a fee for the services they provide.

# FINANCIAL INFORMATION

Superannuation legislation allows us to provide you with abridged financial statements relating to the accounts in this annual report. The following statements have been extracted from the audited accounts of the fund.

A copy of the complete financial statements and auditor's report may be obtained by contacting the Customer Relations Team on 1800 646 234.

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	2019 \$'000	2018 \$'000
<b>Assets</b>		
<b>Investments</b>		
Investments in equities	2,943,488	2,767,226
Term deposits	1,174,126	1,118,170
Investments in managed schemes	38,691,454	35,774,958
Other investments	338	338
<b>Total investments</b>	<b>42,809,406</b>	<b>39,660,692</b>
<b>Other assets</b>		
Cash and cash equivalents	2,501,979	2,416,869
Receivables	6,272	128,662
Guarantee income receivable	8	1
Other financial assets	108,176	76,166
<b>Total other assets</b>	<b>2,616,435</b>	<b>2,621,698</b>
<b>Total assets</b>	<b>45,425,841</b>	<b>42,282,390</b>
<b>Liabilities</b>		
<b>Tax liabilities</b>		
Current tax liability	51,180	20,964
Deferred tax liability	152,628	125,580
<b>Total tax liabilities</b>	<b>203,808</b>	<b>146,544</b>
Accounts payable	57,126	50,748
<b>Total liabilities excluding member benefits</b>	<b>260,934</b>	<b>197,292</b>
<b>Net assets available for member benefits</b>	<b>45,164,907</b>	<b>42,085,098</b>
<b>Member benefits</b>		
Allocated to members	45,164,907	42,085,098
<b>Total member liabilities</b>	<b>45,164,907</b>	<b>42,085,098</b>
<b>Total net assets</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>-</b>	<b>-</b>

## INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$'000	2018 \$'000
<b>Superannuation activities</b>		
Dividends	119,830	77,670
Interest	65,558	61,130
Distributions from managed investment schemes	1,968,279	2,086,824
Changes in asset measured at fair value	913,717	414,430
Guarantee income	655	110
Net gains on other financial assets	32,010	744
Other income	6,469	3,303
<b>Total superannuation activities income</b>	<b>3,106,518</b>	<b>2,644,211</b>
<b>General administration expenses</b>		
Operating expenses	(421,970)	(361,819)
Guarantee expenses	(25,524)	(26,667)
<b>Total expenses</b>	<b>(447,494)</b>	<b>(388,486)</b>
<b>Net result from superannuation activities</b>	<b>2,659,024</b>	<b>2,255,725</b>
<b>Profit from operating activities</b>	<b>2,659,024</b>	<b>2,255,725</b>
Less: Net benefits allocated to members' accounts	(2,682,357)	(2,300,007)
<b>Loss before income tax</b>	<b>(23,333)</b>	<b>(44,282)</b>
Income tax benefit	23,333	44,282
<b>Net profit / (loss)</b>	<b>-</b>	<b>-</b>

## STATEMENT OF CHANGES IN MEMBER BENEFITS FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$'000	2018 \$'000
<b>Opening balance of member benefits</b>	<b>42,085,098</b>	<b>34,740,452</b>
Employer contributions	639,356	572,104
Member contributions	1,193,858	1,138,502
Transfers from other superannuation plans	4,345,717	7,536,354 <sup>(i)</sup>
Income tax on contributions	(104,467)	(87,886)
Superannuation contributions surcharge	-	(1)
<b>Net after tax contributions</b>	<b>6,074,464</b>	<b>9,159,073</b>
Benefits to members / beneficiaries	(2,793,755)	(2,359,744)
Transfers to other superannuation plans	(2,778,299)	(1,642,133)
Insurance proceeds received from insurer	42,430	30,746
Insurance premiums charged to members' accounts	(147,388)	(143,303)
<b>Net benefits allocated to members' accounts, comprising:</b>		
Net investment income	3,106,518	2,644,211
Administration fees	(424,161)	(344,204)
<b>Closing balance of member benefits</b>	<b>45,164,907</b>	<b>42,085,098</b>

(i) The transfers included *PortfolioCare* and *WealthView* Superannuation and Pension successor fund transferred from The Retirement Plan into Wealth Personal Superannuation and Pension Fund amounting to \$2,918,343,176.

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$'000	2018 \$'000
<b>Cash flows from operating activities</b>		
Dividends and distributions from managed investment schemes received	2,079,602	1,963,378
Interest received	63,492	(61,577)
Guarantee income received	648	116
Operating expenses paid	(413,431)	(358,012)
Guarantee expenses paid	(25,651)	(26,644)
Other income received	6,483	2,823
Income tax refund	73,256	98,134
<b>Net cash inflows from operating activities</b>	<b>1,784,399</b>	<b>1,618,218</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of investments	9,245,935	6,916,257
Payments for purchase of investments	(11,305,078)	(13,440,309)
<b>Net cash outflows from investing activities</b>	<b>(2,059,143)</b>	<b>(6,524,052)</b>
<b>Cash flows from financing activities</b>		
Employer contributions received	639,356	572,104
Member contributions received	1,113,050	1,072,914
Transfer from other superannuation plans received	4,284,680	7,427,925 <sup>(i)</sup>
Benefits paid to members / Transfers to other superannuation plans	(5,475,730)	(3,887,918)
Superannuation contributions surcharge paid	-	(1)
Income tax paid on contributions received	(96,508)	(81,614)
Insurance premiums paid	(147,424)	(140,436)
Insurance proceeds received	42,430	30,746
<b>Net cash inflows from financing activities</b>	<b>359,854</b>	<b>4,993,720</b>
<b>Net increase in cash held</b>	<b>85,110</b>	<b>87,886</b>
<b>Cash and cash equivalents at the beginning of period</b>	<b>2,416,869</b>	<b>2,328,983</b>
<b>Cash and cash equivalents at the end of period</b>	<b>2,501,979</b>	<b>2,416,869</b>

(i) The transfers included *PortfolioCare* and *WealthView* Superannuation and Pension successor fund transferred from The Retirement Plan and Wealth Personal Superannuation and Pension Fund amounting to \$2,918,343,176.

# SUPER NEWS

## UPDATE ON GOVERNMENT LEGISLATION

Please be advised that while the following updates are as a result of changes to superannuation and taxation law, not all are available or applicable to all products. For more information, please contact your financial adviser or the Customer Relations Team on 1800 646 234.

### CHANGES TO PERSONAL INCOME TAX RATES

The government previously announced and legislated tax cuts in the 2018 budget. In the 2019 budget, the Government proposed a combination of changes to tax offsets, marginal rates and income tax brackets, which have become law.

For the 2018/19 to 2021/22 financial years (inclusive), tax payable by low to middle income earners will reduce by up to \$1,080 (up from the \$530 in the 2018 federal budget), when compared to the 2017/18 financial year.

Further changes have been legislated to reduce tax payable by individuals from 1 July 2022 as outlined in the table below.

Marginal tax rate (%) <sup>(i)</sup>	Thresholds - income range from 1 July 2018 (\$)	Thresholds - income range from 1 July 2022 (\$)
0	0-18,200	0-18,200
19	18,201-37,000	18,201-45,000
32.5	37,001-90,000	45,001-120,000
37	90,001-180,000	120,001-180,000
45	>180,000	>180,000
Low and middle income tax offset	Up to 1,080	n/a
Low income tax offset	Up to 445	Up to 700

(i) Excluding 2% Medicare Levy

Additional changes to tax rates have been legislated from 1 July 2024 onwards. For further information see [ato.gov.au](http://ato.gov.au).

### SUPERANNUATION GUARANTEE (SG) RATE – NO CHANGE

The SG rate will remain at 9.5% until 30 June 2021, and will then increase by 0.5% each year until it reaches 12% from 1 July 2025.

## SUPER THRESHOLDS FOR THE 2019/20 FINANCIAL YEAR

The following super and taxation threshold amounts apply during the 2019/20 financial year. Please refer to your relevant product disclosure statement (PDS) and additional information booklets for an explanation of each of these threshold.

Threshold	From 1 July 2019
<b>Standard concessional contributions cap</b> (per annum)	\$25,000
<b>Non-concessional contributions cap:</b>	
– Standard (per annum) <sup>(i)</sup>	\$100,000
– Bring forward (over 3 years) before age 65 <sup>(ii)</sup>	\$300,000
<b>SG maximum contribution base (per quarter)</b>	\$55,270
<b>Government co-contributions <sup>(iii)</sup> (per annum)</b>	
– Lower income threshold	\$38,564
– Higher income threshold	\$53,564
<b>Tax free part of genuine redundancy and approved early retirement scheme payments (per payment)</b>	
– Base limit	\$10,638
– Plus for each completed year of service	\$5,320
<b>Low rate cap amount (lifetime limit)</b> (previously known as post June 1983 low tax threshold) Applies to the taxable component of taxed super fund benefits for members aged preservation age to age 59	\$210,000
<b>Untaxed plan cap amount</b> Applies to the taxable component of untaxed super fund benefits	\$1,515,000
<b>Employment termination payment cap (ETP)</b> (per annum)	\$210,000
<b>Capital gains tax (CGT) cap amount</b> (lifetime limit)	\$1,515,000
<b>Transfer balance cap</b>	\$1,600,000
<b>Defined Benefit income stream cap</b>	\$100,000
<b>Maximum adjusted taxable income for the full government low income super tax offset (LISTO)</b>	\$37,000

(i) The cap is nil for members with a total superannuation balance of over \$1.6 million (at 30 June of the year prior to making the contribution).

(ii) There are restrictions on the ability to trigger bring forward rules from 1 July 2017 for certain people with total superannuation balances of more than \$1.4 million (at 30 June of the year prior to making the contribution).

(iii) The maximum entitlement remains at \$500 and applies where at least \$1,000 non-concessional contributions have been made in the financial year and the person does not exceed the lower income threshold.



## CONTRIBUTING TO SUPER AFTER YOU'RE 65

To contribute to super between the ages of 65 and 74 you must generally meet gainful employment requirements (more commonly known as the work test) or you qualify for the work test exemption (which applies from 1 July 2019).

You are gainfully employed if, at the time of the contribution, you have worked for gain or reward for at least 40 hours within a period of 30 consecutive days in that financial year.

You meet the requirements of the work test exemption if you satisfy the following conditions:

- You aren't gainfully employed in the financial year you make the contribution, and
- You were gainfully employed in the previous financial year, and
- Your total super balance was below \$300,000 on 30 June of the previous financial year, and
- You have not previously made contributions to super under the work test exemption.

## UNUSED CONCESSIONAL CONTRIBUTIONS CARRY FORWARD

2019/20 is the first year you can carry forward unused concessional contributions accrued from the 2018/19 financial year if you have a total superannuation balance of less than \$500,000 on 30 June 2019.

If your superannuation fund(s) received less than \$25,000 in concessional contributions in 2018/19, you can effectively carry forward the difference to increase your concessional contributions cap in 2019/20, providing your total superannuation balance on 30 June 2019 was below \$500,000.

## CAPPED FEES FOR LOW BALANCE ACCOUNTS EFFECTIVE FROM 2019/2020 FINANCIAL YEAR

If your super account balance is less than \$6,000 at the end of the fund's income year (30 June), the total combined amount of administration fees, investment fees and indirect costs charged to you is capped at 3%. A pro rata fee cap will also apply if your account balance is less than \$6,000 immediately before you exit the fund. Amounts charged in excess of the cap will be refunded.

## TRANSFERRING LOW BALANCE ACCOUNTS TO THE ATO

From 30 June 2019, we will generally be required to transfer all or part of an account to the ATO if the balance is less than \$6,000, the account has no insurance and there have been no contributions or rollovers for a period of 16 continuous months. Some exceptions apply. If your account is transferred, you will be able to reclaim this from the ATO. The ATO will proactively seek to transfer monies to an active super account held by you. For further details about transferring inactive low balance super accounts to the ATO visit [ato.gov.au](http://ato.gov.au).

## INSURANCE CANCELLATION

From 1 July 2019, we are required by law to cease providing the insurance benefit in your super account if no contributions or rollovers have been received into your account for a continuous period of 16 months, unless you have told us in writing that you want to keep your insurance. If you would like to make an election to keep your insurance please contact the Customer Relations Team on 1800 646 234.

Additional changes mean that from 1 April 2020, we may also be required to cease providing the insurance benefit in your super account if the account balance is below \$6,000, unless you tell us in writing that you want to keep your insurance.

Before cancelling your insurance we will send you a notice including details of how you can elect to keep your cover.



## PRODUCT NEWS

### CHANGES TO ADVISER FEES AND INSURANCE PREMIUMS UPON DEATH

From 1 May 2019, once we are notified of a member's death, all insurance premiums and adviser service fee deductions will cease and will be reversed back to the date of the member's death.

Product administration fees and investment management costs will continue while a member's account remains open and are charged in accordance with the relevant PDS.

### ANNUAL UPDATE TO THE UNDERLYING COSTS OF INVESTMENT OPTIONS

Underlying fund managers have updated underlying investment option management costs, transactional and operational costs, and borrowing costs based on estimates of actual costs incurred for the last financial year of the fund. Estimates of costs that were previously disclosed may have either increased or decreased.

Underlying fund managers also regularly review buy/sell spreads for each fund based on the expected transaction costs of the fund. Depending on the investment option(s) you hold, underlying investment option buy/sell costs may have changed.

Investor Reports and the Investment Options documents has been updated to reflect the updates to fund manager fees and costs.

For more detailed information about fees and costs of a particular investment option, refer to that investment option's PDS or contact your financial adviser.

### FAST-TRACKED RESIDUAL BALANCE PAYMENTS

Residual balances occur when income distributions, investment manager rebates or tax credits are deposited into an account after it's closed. For clients who've closed their super account and rolled it into another super account, their residual balance will now be transferred electronically.

This faster process will speed up the funds transfer from several weeks to less than 24 hours and means that funds can be invested sooner in the new account.

### CONSOLIDATION OF MULTIPLE ACCOUNTS

Each year the trustee will identify and review members who have multiple accounts within the fund. Where the trustee reasonably determines that it is in the best interest of the member, the member's accounts will be consolidated and the member will receive an exit statement. Members may be given the opportunity to choose not to consolidate their accounts.

## CHANGES TO INSURANCE

### CHANGES TO THE INSURANCECARE TERMS AND CONDITIONS

Effective 28 July 2019 the period in which we need to notify members of any changes to premium rates and charges changed from **90 days** prior to **30 days** prior.

### CHANGES TO THE COST OF INSURANCECARE INSURANCE POLICIES

Effective 1 September 2019, the insurer of the InsuranceCare policies Westpac Life Insurance Services Limited (WLISL) determined that the insurance premiums in InsuranceCare will increase.

This was due to a number of factors such as the recent changes in government legislation around insurance in super and an increase in the number of insurance claims payments.

Premiums for **InsuranceCare (Employee Super Account)** increased by:

- 50% for Life Protection insurance
- 50% for Life Protection & Total and Permanent Disablement (TPD) insurance
- 50% for Salary Continuance Insurance (SCI) (Benefit Period 'to age 65')
- 20% for Salary Continuance Insurance (SCI) (Benefit Period for 2 years).

Premiums for **InsuranceCare (Personal)** will increase by:

- 29% for Life Protection insurance
- 29% for Life Protection & Total and Permanent Disablement (TPD) insurance
- 29% for Total and Permanent Disablement (TPD) insurance
- 35% for Salary Continuance Insurance (SCI) (Benefit Period 'to age 65')
- 10% for Salary Continuance Insurance (SCI) (Benefit Period for 2 years).

If you have an InsuranceCare policy, you can access and review your insurance details through Investor Online (via [investoronline.info](http://investoronline.info)), by clicking on Account > Insurance details or contact the Customer Relations Team on 1800 646 234.

# UNDERSTANDING YOUR INVESTMENT

## TRUSTEE'S INVESTMENT OBJECTIVES AND STRATEGY

One of the main investment objectives is to achieve investment returns which meet or exceed stated targets for each specific investment option relating to a member's interest in the fund. The SIS Act requires the trustee to have an investment strategy in place in order to meet the investment objectives that takes into account issues such as investment risk and liquidity. Importantly, the trustee must be able to demonstrate that the strategy is being followed.

The investment strategy for the fund is to offer a range of discretionary investments that members can select from in line with their attitudes towards risk. The discretionary investments are made up of pooled managed funds and listed securities. An investment committee reviews and approves all investment options offered through the fund.

The trustee does not invest directly in derivatives for the fund. However, underlying fund managers may do so. Derivatives are securities that derive their value from other assets or indices. Most derivatives are characterised by high leverage, which means large profits and losses can occur due to movements in the underlying asset's price or index value. Examples of derivatives include futures, options and swaps.

Members are required to direct the trustee to invest their total assets into the pooled managed funds and/or listed securities they select from either the *PortfolioCare* eWRAP Super/Pension, *PortfolioCare* Elements Super/Pension and *PortfolioCare* Service Super/Pension Investment Options document available from [amp.com.au/portfoliocare](http://amp.com.au/portfoliocare).

The specific investment objectives and strategies for each investment option offered by the fund is documented in the underlying fund manager's PDS for managed investment options or in the direct security company disclosure document for each direct security.

## INVESTMENT MANAGERS

The fund offers a wide range of investment options for *PortfolioCare*, managed by the following investment managers:

Aberdeen Asset Management Limited  
Acorn Capital Limited  
Advance Asset Management Limited  
Allan Gray Australia Proprietary Limited  
AllianceBernstein Australia Limited  
Alphinity Investment Management Proprietary Limited  
American Century Investment Management  
AMP Capital Investors Limited  
AMP Life Limited  
Antares Capital Partners Limited

Antipodes Partners Limited  
APN Funds Management Limited  
Apostle Asset Management Limited  
Ardea Investment Management  
Armytage Private Propriety Limited  
Arnhem Investment Management Proprietary Limited  
Arrowstreet Capital Limited Partnership  
Aspen Funds Management Limited  
Aubrey Capital Management Limited  
Aurora Funds Management Limited  
Ausbil Investment Management Limited  
Australian Unity Funds Management Limited  
Bennelong Funds Management Limited  
Bentham Asset Management Proprietary Limited  
Blackrock Investment Management (Australia) Limited  
CBRE Clarion Securities LLC  
Celeste Funds Management Limited  
Challenger Retirement & Investment Services Limited  
Charter Hall Holdings Proprietary Limited  
Colchester Global Investors Limited  
Colonial First State Investments Limited  
Cromwell Property Securities Limited  
Denning Pryce Proprietary Limited  
Deutsche Australia Limited  
Dimensional Fund Advisor Australia Limited  
Epoch Investment Partners Incorporated  
FIL Investment Management (Australia) Limited  
Franklin Templeton Investments Australia Limited  
Generation Investment Management LLP  
Global Thematic Partners LLC  
GMO Australia Limited  
Goldman Sachs Asset Management Australia Proprietary Limited  
Greencape Capital Proprietary Limited  
Heathley Asset Management Limited  
Henderson Global Investors (Australia) Funds Management Limited  
Hunter Hall Investment Management Limited  
Hyperion Asset Management Limited  
Independent Franchise Partners LLP  
Integrity Investment Management Australia Limited  
Invesco Asset Management Australia Limited  
Ironbark Asset Management (Fund Services) Limited  
JPMorgan Asset Management (AUS) Limited

Kapstream Capital Proprietary Limited  
 Karara Capital Proprietary Limited  
 Kardinia Capital Pty Limited  
 K2 Asset Management Limited  
 Lazard Asset Management Pacific Co.  
 Legg Mason Asset Management Australia Limited  
 Lennox Capital Partners Proprietary Limited  
 Lighthouse Investment Partners, LLC  
 Macquarie Investment Management Limited  
 Magellan Asset Management Limited  
 Man Investments Australia Limited  
 Maple-Brown Abbott Limited  
 MCG Wealth Management  
 Merlon Capital Partners Proprietary Limited  
 Metisq Capital Proprietary Limited  
 MFS Investment Management  
 MLC Investments Limited  
 Nikko Asset Management Australia Limited  
 Nova Port Capital Proprietary Limited  
 OC Funds Management Limited  
 Onepath Funds Management Limited  
 Partners Group (Guernsey) Limited  
 Pandal Group Investment Management  
 Pengana Capital Limited  
 Perpetual Investment Management Limited  
 Perennial Investment Partners Limited  
 Phoenix Portfolios Proprietary Limited  
 PIMCO Australia Proprietary Limited  
 Platinum Asset Management  
 Plato Investment Management  
 PM Capital Limited  
 RARE Infrastructure Limited  
 Resolution Capital Limited  
 Schroder Investment Management (Australia) Limited  
 SG Hiscock & Company Limited  
 Solaris Investment Management Limited  
 St George Bank – Treasury Department  
 State Street Global Advisors Australia Limited  
 T. Rowe Price International Limited  
 Threadneedle Asset Management Limited  
 UBS Asset Management Limited  
 Value Partners Limited  
 Vanguard Investments Australia Limited  
 Walter Scott & Partners Limited  
 WaveStone Capital Proprietary Limited  
 Wellington Management Company LLP

Winton Capital Management Limited  
 Zurich Investment Management Limited.

## INVESTMENT OPTIONS

Our investment menus continue to provide a diverse range of investment possibilities, and we have expanded the range of investment options available to members during 2018/19.

As part of our commitment to keeping you informed, we communicate material changes as we receive them on any of the underlying investments.

For more information, please refer to the relevant product Investment Options document.

### **The following investments were terminated in the financial year 2018/19 effective:**

- 18 July 2018, Pandal Balanced Equity Income Fund (BTA0428AU)
- 8 October 2018, BlackRock Australian Equity Opportunities Fund (MAL0072AU)
- 8 October 2018, BlackRock International Gold Fund – Class D (MAL0016AU)
- 8 October 2018, BlackRock Australian Equity Absolute Return (MAL0079AU)
- 14 December 2019, Ibbotson International Shares High Opportunities Fund (Unhedged) (INT0069AU)
- 24 May 2019, Plato Australian Shares Income Fund (Managed Risk) (WHT0055AU)
- 28 February 2019, Macquarie Master Cash Fund (MAQ0060AU)
- 28 February 2019, Advance International Sharemarket Fund (ADV0047AU)
- 28 February 2019, Advance International Fixed Interest Multi Blend Fund (ADV0067AU)
- 28 February 2019, Pengana Australian Equities Income Fund (HHA0001AU)
- 28 February 2019, Invesco Wholesale Diversified Growth Fund – Class A (CNA0806AU)
- 28 February 2019, OnePath (W) Balanced Trust (AJF0802AU)
- 28 February 2019, OnePath (W) Managed Growth (MMF0115AU)
- 28 February 2019, OnePath (W) Annuity & Pension Stable Fund (MMF0018AU)
- 28 February 2019, OnePath (W) Capital Stable Trust (MMF0114AU)
- 28 February 2019, OnePath (W) Super Balanced Fund (MMF0113AU)
- 28 February 2019, OnePath (W) Super Capital Stable (MMF0028AU)
- 28 February 2019, OnePath (W) Super Managed Growth (MMF0027AU).

**The following investments were suspended/closed to new investors in the financial year 2018/19 effective:**

- 25 February 2019, UBS HALO Australian Share Fund (UBS0024AU)
- 10 June 2019, UBS Small Companies Fund (UBS0004AU)
- 10 June 2019, AMP Capital Equity Fund - Wholesale (AMP0445AU).

## ASSET HOLDING GREATER THAN 5%

At 30 June 2019, the following investment was greater than 5% of the funds assets:

- Cash Account 5.46%.

## NET EARNINGS—RATE OF RETURN

Earnings on investments are reflected by a change in capital value plus any distributions, dividends and interest. Income distributions are generally paid into the cash account.

The wide choice of individual investments available to *PortfolioCare* members means that earnings and performance vary from member to member. Please refer to your annual investor report for information about the earnings on your particular investments.

Your annual investor report contains details about the performance of your super investments. For further information please contact your financial adviser.

## LIQUIDITY RISK

Liquidity risk is the risk that your investment cannot be bought, sold, cashed, transferred or rolled over as quickly as you might wish. Different investments have different transaction processing times, and therefore different levels of liquidity risk.

Investment transactions, withdrawals, rollovers and transfers from your superannuation account are normally processed within 30 days of us receiving all the necessary information. Some investments, referred to as 'illiquid assets', require a longer period to be redeemed. This longer redemption period is imposed by the underlying investment manager because some or all of the assets within the investment are illiquid. Account fees will continue to be charged while invested in illiquid investment options.

Illiquid investment options are identified in the *PortfolioCare* Investment Options document, available from [amp.com.au/portfoliocare](http://amp.com.au/portfoliocare).

For more information, you should read the PDS for your chosen investment options.

## VOTING

### Voting policy - wrap platform products

The AMP Proxy Voting Policy sets out the principles that NMMT, as appointed agent of N.M. Super, applies when exercising its voting entitlements on behalf of super and pension members. NMMT recognises that voting is a valuable right which should be actively managed and exercised in the best interests of all members.

A copy of the AMP proxy voting policy is available to members at [amp.com.au/trusteedetails](http://amp.com.au/trusteedetails).

### Why does NMMT vote on behalf of members?

From time to time, NMMT (as agent of the trustee) may vote on behalf of super and pension members in respect of corporate actions (for shares in companies) and scheme resolutions (for managed investment schemes) where these investments are held directly on behalf of registrable superannuation entity (RSE) members through a custodian.

### How does NMMT vote on behalf of super and pension members?

In accordance with NMMT and N.M. Super's proxy voting policy, NMMT generally votes on behalf of N.M. Super if the outcome is assessed to have a material impact on the value of the underlying investments.

A summary of resolutions NMMT voted on for members is available at [amp.com.au/trusteedetails](http://amp.com.au/trusteedetails).

## OTHER INFORMATION

### UNCLAIMED SUPER MONEY

If an amount is payable to you or your dependant(s) and we are unable to ensure that you or your dependant(s) will receive it, we may be obliged to transfer the amount to the ATO.

We may also be required to transfer your account balance to the ATO if you become a 'lost member', or an 'inactive low-balance member'.

If your superannuation is transferred to the ATO, you, or your dependant(s) where relevant, will be able to reclaim it from the ATO. The ATO may also transfer money it holds into your 'active' superannuation accounts.

For more information on unclaimed super money, including lost members and inactive low balance members please refer to [ato.gov.au](http://ato.gov.au) or speak with your financial adviser.

### TEMPORARY RESIDENTS

The following does not apply to Australian citizens, Australian residents or New Zealand residents and is limited to eligible visa holders. If you have entered Australia on an eligible temporary resident visa, you may claim your super benefits once you have permanently departed Australia.

Under super legislation if you do not claim your benefit within six months of departing Australia, your benefit may be paid as unclaimed super to the ATO.

You will not receive notification or an exit statement from your super fund. If this has occurred, you can claim your super money from the ATO. For more information visit [ato.gov.au](http://ato.gov.au).

### COMPENSATION

There may be circumstances in which the trustee needs to pay compensation to members. There are four key principles that guide the trustee's payment of compensation to current and former members:

- the trustee should not benefit
- other members do not bear the cost of compensation
- compensation is paid to members in a manner that minimises the cost and inconvenience to those members receiving the compensation, and
- communication should be provided to affected members in all circumstances where the member would reasonably expect to be notified.

The trustee may decide not to pay compensation to current or former members where it considers the individual compensation amounts small.

### SIGNIFICANT EVENT NOTICE REGISTER AVAILABLE

This register provides a summary of significant event and material change notifications issued to members of the Wealth Personal Superannuation and Pension Fund on behalf of N.M. Super for the last two years. The register is provided for information purposes, as required by legislation. All affected members are contacted directly within the timeframe prescribed by legislation and provided with additional information, as appropriate.

You can view this online at [amp.com.au/trustee-information](http://amp.com.au/trustee-information).

### ELIGIBLE ROLLOVER FUND (ERF)—SUPER ACCOUNTS ONLY

An ERF is a special type of super fund that is able to accept benefits transferred from another super fund without a member's consent. Typically, an ERF has a conservative investment strategy, and the administration fees charged by the fund can't exceed the fund's earnings.

There are a number of circumstances in which your benefit in your super account might be transferred to an ERF. One situation is if your account balance falls below the minimum account balance required. We will issue you with an exit statement, and the ERF will write advising you that it has received your benefit and the options available to you.

We may also pay your benefit to an ERF if we lose contact with you and, after a reasonable time, are unable to locate you.

The trustee has selected the following ERF:

AMP Eligible Rollover Fund

**Contact details for AMP Eligible Rollover Fund are:**

AMP Customer Service  
PO Box 300  
PARRAMATTA NSW 2124  
Phone: 131 267  
Fax: 1300 301 267

### POLICY COMMITTEES FOR SUPER SERVICE EMPLOYEE ACCOUNTS ONLY

Employers with 50 or more employees in the same corporate superannuation fund have a legal obligation to establish a policy committee. Employers with fewer employees may establish a committee but are not obliged to do so.

The role of the committee is to allow employees the opportunity to enquire about investments and performance within their fund. While there is an obligation to establish the committee, if the committee decides that it serves no purpose, then it may resolve to dissolve itself at its convenience. It may be re-established in the future if requested by at least five employees.



If you're unaware of the existence of your policy committee, you should ask your employer for details. Your employer should be able to advise you of the committee members and how each member was appointed. If you are concerned that a committee does not exist, or you are unable to locate your committee, you may contact your employer or financial adviser for assistance.

## ENQUIRIES AND COMPLAINTS PROCESS

If you need any additional information about the operation or management of your account, or if you have a concern or complaint, then please:

- contact your financial adviser
- call us on 1800 646 234
- email us at  
portfoliocare.client.services@asgard.com.au, or
- write to us at:

*PortfolioCare*  
PO Box 7229  
PERTH CLOISTERS SQUARE WA 6000

Our customer service officers are available to answer your enquiries and respond to your complaints. We will try to resolve your enquiry or complaint as quickly as possible. To help us do this, please give us as much information as possible about your enquiry or complaint.

We have established procedures to deal with any complaints. If you make a complaint, we will:

- acknowledge its receipt and ensure an appropriate person properly considers the complaint, and
- respond to you as soon as we can.

If your complaint cannot be resolved at first contact, then we will keep you advised at regular intervals of the status of your complaint.

If we cannot resolve your complaint to your satisfaction or you have not had a response from us within 90 days, then you may have the right to lodge a complaint with the Australian Financial Complaints Authority (AFCA).

The AFCA scheme has replaced the Superannuation Complaints Tribunal (SCT), Financial Ombudsman Service (FOS) and Credit and Investments Ombudsman (CIO). AFCA will provide fair and independent financial services complaint resolution that is free to consumers.

AFCA is an independent tribunal set up by the Australian government to resolve most complaints that members, former members, or beneficiaries in relation to death benefits, have with their superannuation funds.

AFCA reviews the decisions of superannuation trustees as they affect an individual member. It is independent from us. Even so, please try to resolve your complaint directly with us before contacting AFCA.

Contact details for AFCA are:

Web: [afca.org.au](http://afca.org.au)

Email: [info@afca.org.au](mailto:info@afca.org.au)

Telephone: 1800 931 678 (free call)

Mail: GPO Box 3, Melbourne VIC 3001

### Time limits on making complaints to AFCA

Time limits apply to certain complaints to AFCA. If you have a complaint, you should contact AFCA immediately to find out if a time limit applies.

### AFCA legacy complaints

From 1 July 2019 until 30 June 2020, AFCA will have jurisdiction to consider eligible complaints dating back to 1 January 2008. This is subject to conditions such as: that the complaint must not have been previously settled between the parties or previously been decided by court, tribunal, AFCA or a predecessor scheme; the financial firm must be a member of AFCA and the complaint not relate to the Privacy Act or a super death benefit.

## CONTACT US

phone 1800 646 234  
web [amp.com.au/portfoliocare](http://amp.com.au/portfoliocare)  
email [portfoliocare.client.services@asgard.com.au](mailto:portfoliocare.client.services@asgard.com.au)  
mail PO Box 7229  
PERTH CLOISTERS SQUARE WA 6000

**Trustee:** N.M. Superannuation Proprietary Limited ABN 31 008 428 322 AFS Licence No. 234654

**Administrator:** Asgard Capital Management Limited ABN 92 009 279 592 AFS Licence No. 240695