



## Changes to Xplore Wrap

Date: 30 May 2022

Product website: [xplorewealth.com.au](http://xplorewealth.com.au)

**This material event notice (“notice”) dated 30 May 2022 provides important information about the upcoming changes to Xplore Wrap.**

**The changes outlined in this notice will take effect on or after 1 July 2022.**

If you have any questions about these changes or would like further information, please contact your financial adviser. You can also contact the Client Services team by emailing [XPL-support@hub24.com.au](mailto:XPL-support@hub24.com.au) or calling **1300 669 891**.

This notice is issued by The Trust Company (RE Services) Limited ABN 45 003 278 831, AFSL 235150 (“Perpetual”, “Responsible Entity”, “we”, “our”, “us”), the Responsible Entity of the registered IDPS-like managed investment scheme known as Xplore Wrap ARSN 163 784 432 (“Scheme”).

This notice relates to the following documents issued by the Responsible Entity:

- Xplore Wrap Product Disclosure Statement (PDS) Part 1 dated 28 June 2019
- Xplore Wrap Supplementary Product Disclosure Statement (SPDS) dated 5 August 2020
- Xplore Wrap Additional Information Booklet dated 28 June 2019
- Xplore Wrap Investment Guide dated 30 October 2019.

It’s important that you read and understand this notice, which you should read together with the documents listed above. These are available free of charge at [xplorewealth.com.au](http://xplorewealth.com.au) or from your financial adviser.

## Summary of changes

See below for more information	
<b>Reduced Input Tax Credits on fees</b>	The fees you pay will be applied inclusive of Goods and Services Tax (GST) and net of Reduced Input Tax Credits (RITC). This means you'll effectively receive the benefit of any RITC on these fees.
<b>Product fees and charges</b>	There will be changes to how the following fees are calculated: <ul style="list-style-type: none"> <li>▪ Transaction fees</li> <li>▪ Administration fees</li> <li>▪ Expense recovery fees</li> <li>▪ In-specie transfer fees.</li> </ul> Administration fee discounts for family groups will also be structured differently.
<b>Investment and cash minimums</b>	There will be changes to: <ul style="list-style-type: none"> <li>▪ Minimum amounts for withdrawals</li> <li>▪ Minimum transaction amounts</li> <li>▪ Minimum cash balances.</li> </ul>
<b>Online experience</b>	Xplore Wrap will move from the Xplore Wealth platform to the HUB24 platform. This will give you: <ul style="list-style-type: none"> <li>▪ Access via a new online portal and mobile app</li> <li>▪ Enhanced reporting and online functionality.</li> </ul>
<b>Temporary transaction freeze</b>	A temporary freeze on transactions will apply during the two weeks prior to these changes.

## Reduced Input Tax Credits on fees

The benefit of any Reduced Input Tax Credits (RITC) claimed on fees including administration fees, investment fees and adviser fees is currently retained by Xplore Wealth. From or after 1 July 2022, these fees will be charged to you inclusive of GST and net of RITC. Any RITC benefits will be applied at the time the fee is deducted from your account.

Unless otherwise stated in this notice, there will be no increase to the fees you pay. However, this change means you'll only be charged administration fees, adviser fees and investment management fees inclusive of GST and net of RITC. That is, your fees will be adjusted so you'll receive the benefit of RITCs upfront at the time when they are deducted from your account.

For example, if you pay an adviser service fee of 1.10% p.a. (inclusive of GST), your adviser will continue to receive the full fee of 1.10% p.a. (inclusive of GST). However, you'll only be charged a fee of 1.025% p.a. (inclusive of GST and net of RITC) from your account. This represents a 75% reduction on the GST payable on the fee charged to your portfolio, by reducing the amount deducted to allow for the RITC benefit. So on a \$50,000 investment, the adviser service fees you pay will reduce by \$37.50 p.a. While most fees attract a 75% discount on the GST payable, others attract a 55% discount instead.

## Product fees and charges

This table explains the fees you currently pay and how these fees will change.

	Current rate (fees are inclusive of GST)	New rate (fees are inclusive of GST and net of RITC)
Transaction fees (for ASX-listed securities)	<ul style="list-style-type: none"> <li>Within a managed portfolio: 0.11% of the transaction value subject to a minimum fee of \$3.30</li> <li>Outside a managed portfolio: 0.11% of the transaction value subject to a minimum fee of \$22</li> </ul>	<ul style="list-style-type: none"> <li>Within a managed portfolio: 0.11% of the transaction value (no minimum fee)</li> <li>Outside a managed portfolio: 0.11% of the transaction value, subject to a minimum fee of \$11 when aggregated with other trades on the day or a minimum fee of \$22 for direct market trades</li> </ul>
Transaction fees (for international listed securities)	<ul style="list-style-type: none"> <li>Within a managed portfolio: 0.22% of the transaction value, subject to a minimum fee of \$5.50</li> <li>Outside a managed portfolio: 0.22% of the transaction value, subject to a minimum fee of \$35 and expense recovery of up to \$44 per exchange</li> </ul>	<ul style="list-style-type: none"> <li>Within a managed portfolio: 0.22% of the transaction value (no minimum fee)</li> <li>Outside a managed portfolio: 0.22% of the transaction value, subject to a minimum fee of \$33</li> </ul>
Transaction fees (for managed funds)	<ul style="list-style-type: none"> <li>Within a managed portfolio: \$5.50 per transaction</li> <li>Outside a managed portfolio: \$27.50 per transaction</li> </ul>	<ul style="list-style-type: none"> <li>Within a managed portfolio: 0.11% of the transaction value subject to a maximum of \$22</li> <li>Outside a managed portfolio: \$22 per transaction</li> </ul>
Administration fees	<ul style="list-style-type: none"> <li>\$0 to \$250,000 = 0.30%</li> <li>\$250,001 to \$500,000 = 0.20%</li> <li>\$500,001 to \$1m = 0.15%</li> <li>\$1m to \$2m = 0.07%</li> <li>\$2m and above = Nil</li> </ul> <p>plus 0.105% for international securities</p>	<ul style="list-style-type: none"> <li>\$0 to \$250,000 = 0.29%</li> <li>\$250,001 to \$500,000 = 0.19%</li> <li>\$500,001 to \$1m = 0.14%</li> <li>Above \$1m = 0.07%</li> </ul> <p>Maximum fee: \$2,600 p.a.</p>
Family discounting for administration fees	The account balances of up to 4 family members' accounts can be aggregated when calculating the tiered fee	The account balances of up to 6 family members' accounts can be aggregated when calculating the tiered fee

Expense recovery fees <sup>1</sup>	n/a	0.01%, capped at \$100
In-specie transfer fees	<ul style="list-style-type: none"> <li>▪ Transfer in: \$11 per security</li> <li>▪ Transfer out: \$33 per security</li> </ul>	<ul style="list-style-type: none"> <li>▪ Transfer in: \$0</li> <li>▪ Transfer out: \$27.50 per listed security, \$38.50 per managed fund</li> </ul>

## Investment and cash minimums

This table explains the minimum amounts that currently apply to your account and how these minimums will change.

	Current amount/date	New amount/date
Minimum contribution and withdrawal amounts and key dates	<ul style="list-style-type: none"> <li>▪ Minimum contribution amount: \$100 per transaction, debited on the 15th of each month or the next business day</li> <li>▪ Minimum withdrawal amount: no minimum, paid on the 15th of each month or the next business day</li> </ul>	<ul style="list-style-type: none"> <li>▪ Minimum contribution amount: no change to minimum, debited on the 20th of each month or the next business day</li> <li>▪ Minimum withdrawal amount: \$100 per transaction, paid on the 10th of each month or the next business day</li> </ul>
Minimum transaction amounts	n/a	<ul style="list-style-type: none"> <li>▪ ASX-listed securities: \$100</li> <li>▪ Managed funds: \$250</li> <li>▪ International listed securities: \$500</li> </ul>
Minimum cash balance	2% of the account's total value	<ul style="list-style-type: none"> <li>▪ 0.75% of the account's total value</li> </ul>

## Online experience

### New investor portal

On or after 1 July 2022, your investments within Xplore Wrap will be accessible online via a new investor portal. You'll receive a welcome email with details of how to log in to your account via the new portal. In the meantime, you can continue using the old Xplore portal to view your investments.

You won't be able to view your transaction history in the new portal immediately from that time, but this will be available as soon as possible. Until then, you'll still be able to view your transaction history in the old Xplore portal.

### New mobile app

On or after 1 July 2022, you'll also be able to access your account via a mobile app called MyHUB. Your welcome email will provide details on how to download and log into the app.

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<sup>1</sup> Under its Constitution, the Responsible Entity has a general right to be reimbursed for all costs incurred in the course of its administration of Xplore Wrap, which it can allocate proportionately across all accounts based on the value of assets in each account. Expense recoveries are expenses generally incurred in the day-to-day operation of Xplore Wrap and include, but are not limited to, legal, compliance and related administration functions, accounting, printing, and audit fees.



You can use MyHUB on your mobile device to:

- access a snapshot of your account
- check portfolio performance and asset valuations
- download your statements
- stay up to date with important notifications.

## Reporting for family groups

Accounts that are grouped for family fee discounting are also grouped for reporting. This means each group member can view the account details and balances of other members within the group.

## Temporary transaction freeze

There will be a temporary transaction freeze during the two-week period before these changes take effect. Access to your account will be available once all assets have settled, at which time you'll receive a welcome email with details of how to log in to your account.

Transactions impacted by the temporary transaction freeze include:

- Withdrawals from your account
- Sell or buy of investments
- Account closures.

What this means for you:

- Any withdrawal or account closure requests or buy or sell instructions we receive during the freeze period will be processed after the freeze period ends.
- Any at limit trades not fulfilled by the start of the freeze period will be cancelled.
- You can still make contributions to your account during the freeze period, but the monies will not be invested until after the freeze period ends and all assets have been received and settled.

## Important information

This information has been prepared by The Trust Company (RE Services) Limited ABN 45 003 278 831, AFSL 235150 ("Perpetual"). It is general information only and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. The product disclosure statement (PDS) for the Xplore Wrap, issued by Perpetual, should be considered before deciding whether to acquire or hold units in the fund. The PDS and Target Market Determination can be obtained by calling 1300 669 891 or visiting the website [www.xplorewealth.com.au](http://www.xplorewealth.com.au). To view the Perpetual Group's Financial Services Guide, visit [www.perpetual.com.au](http://www.perpetual.com.au).