

16 September 2019

**PRIVATE AND CONFIDENTIAL**

Member No:

## **Summary of Important Information and Significant Event Notice**

Diversa Trustees Limited, as Trustee of YellowBrickRoad Super (YellowBrickRoad or Fund), a sub plan of MAP Superannuation Plan, are writing to advise you of some important changes happening within the Fund. As Trustee to the Fund, we act in members' best interest with robust processes and governing rules. We review regularly to look for improved and innovative solutions and opportunities to benefit members.

This notice contains important information about the Trustee's decision to:

- change the asset and investment consultant to the Fund,
- review the Fund's investment options, and
- transition of the investment options and underlying investments.

### **Change of asset and investment consultant**

As part of our ongoing review, and after careful consideration, we have appointed Mercer Investments (Australia) Limited ABN 66 008 612 397 (Mercer) as asset consultant to the Fund. Mercer commenced their asset and investment consultant role to the Fund on 1 July 2018.

Mercer is one of the world's largest asset consultants with an international network of approximately 12,000 experienced investment professionals and have been providing professional investment services to Australian clients for 45 years.

Mercer partners with clients across all aspects of investing, including traditional investment consulting and outsourced investment management. Mercer support super fund trustees in meeting their fiduciary obligations to its members through both local and global research professionals, who cover investment managers, capital markets and strategic opportunities.

Mercers' scale and use of its multi-manager 'building block' investment approach provides the ability to offer tailored strategic investment options, seek enhancements to improve portfolio outcomes and provide a comprehensive suite of investment solutions and tools, tailored to members' objectives and needs.

Diversa Trustees Limited have subsequently agreed to appoint Mercer as Implemented asset consultant to the Fund from completion of the review of the initial transition period.

We continue to hold investment governance, and have an investment sub-committee of the Diversa Trustees Limited Board in place to monitor the asset consultant and investment management of the Fund.

The Administrator and Insurer, who provide services for you, will remain unchanged.

## Review of the pooled investment options

Over the last few months Mercer, the asset and investment consultant, have undertaken a review of the pooled investment options for the Fund to ensure they meet regulatory requirements and meet members best interest. This has included a review of risk profiles, return objectives, strategic asset allocations and the mix of current investment managers.

## Transition of the pooled investment options and underlying investments

The Trustee Board has approved the restructure of the pooled investment options of the Fund. Mercers' investment modelling has determined an optimum number of pooled investment options to achieve the required levels of diversification, liquidity and economies of scale. The portfolio within each pooled investment option will be invested in a selection of Mercer multi-manager funds using Mercers' 'Building Block' approach.

### How does this affect me?

The Trustee is providing 30 days' notice of the transition of the Funds' investments and the restructure of the pooled investment options from the mailing of this letter. The transition of the Funds' investments will commence on or about the 16<sup>th</sup> October 2019.

Each unitised pooled investment option will invest in a mix of Mercer multi-manager funds (MMF's), the smarter money fund, the smarter money long short credit fund and cash on deposit in a bank account on behalf of the Fund Details of the changes affecting the pooled investment options are provided below. For comprehensive details, please refer to:

- Appendix A for a summary of the changes to the pooled investment options.
- Appendix B for details of each new pooled investment option.

**Note:** Details of the existing pooled investment options at this time are available in the Product Disclosure Statement and Additional Information Guide, available at [www.ybr.com.au/superannuation](http://www.ybr.com.au/superannuation)

## Transition of Smart Cash Investment Option to Enhanced Cash Pooled Investment Option

The YellowBrickRoad enhanced cash pooled investment option will invest in a mix of Mercer cash funds, the smarter money fund, and cash on deposit in a bank account. There will as a result be a slight restructure of the strategic asset allocation, and a decrease in the enhanced cash investment fee by -0.16% p.a., with an example shown below.

Table 1 – Transition of Smart Cash Investment Option to Enhanced Cash Pooled Investment Option

Investment fees (p.a.) *			
Current	From 30 days of the mailing of this letter	Change	Impact on balance of \$50,000
0.51% p.a.	0.35% p.a.	-0.16% p.a.	-\$80

\* This investment fee is not directly charged to your account.

Please also refer to Appendix B - Summary of new pooled investment options for comprehensive details.

## Transition of Defensive Index Investment Option to Enhanced Cash Pooled Investment Option

The defensive index investment option will transition to the enhanced cash pooled investment option. This will provide efficiencies of scale, and minimise investment fees. There will be a restructure of the strategic asset allocation, and the enhanced cash pooled investment option investment fee will remain 0.35% p.a., with an example shown below.

**Table 2 – Transition of Defensive Index Investment Option to Enhanced Cash Pooled Investment Option**

Investment fees (p.a.) *			
Current	New – On or about 16 October 2019	Change	Impact on balance of \$50,000
0.35% p.a.	0.35% p.a.	0.0% p.a.	\$0

\* This investment fee is not directly charged to your account.

Please also refer to Appendix B - Summary of new pooled investment options for further details.

### **Transition of Balanced Index Investment Option to Passive Balanced Pooled Investment Option**

The balanced index investment option will transition to the passive balanced pooled investment option. This will see the option experience a slight name change and restructuring changes to its strategic asset allocation and investment objectives, the passive balanced pooled investment option investment fee will increase by 0.12%, with an example shown below.

**Table 3 – Transition of Balanced Index Investment Option to Passive Balanced Pooled Investment Option**

Investment fees (p.a.) *				
Investment fees (p.a.) *	Current	New - On or about 16 October 2019	Change	Impact on balance of \$50,000
0.21% p.a.		0.33% p.a.	0.12% p.a.	\$60

\* This investment fee is not directly charged to your account.

Please refer to Appendix B -Summary of new pooled investment options for comprehensive details

### **Restructure of 50/50 Pooled Investment Option**

The 50/50 pooled investment option will see restructuring changes to its strategic asset allocation and investment objectives, and the 50/50 pooled investment option investment fee will remain at 0.51% p.a., with an example shown below.

**Table 4 – 50/50 Pooled Investment Option**

Investment fees (p.a.) *			
Current	New - On or about 16 October 2019	Change	Impact on balance of \$50,000
0.51% p.a.	0.51% p.a.	0.0% p.a.	\$0

\* This investment fee is not directly charged to your account.

Please refer to Appendix B -Summary of new pooled investment options for comprehensive details.

### **Transition of Growth Index Investment Option to Passive High Growth Pooled Investment Option**

The growth index investment option will transition to the passive high growth investment option. This will see restructuring changes to its strategic asset allocation. The passive high growth pooled investment fee will increase by 0.13% p.a., with an example shown below:

Table 5 – Transition of Growth Index Investment Option to Passive High Growth Pooled Investment Option

Investment fees (p.a.) *			
Current	New - On or about 16 October 2019	Change	Impact on balance of \$50,000
0.11% p.a.	0.24% p.a.	0.13% p.a.	\$65

\* This investment fee is not directly charged to your account.

Please refer to Appendix B -Summary of new pooled investment options for comprehensive details

### Transition of Go for Growth Investment Option to High Growth Investment Option

The go for growth investment option will transition to the high growth pooled investment option. This will see a slight restructuring change to its strategic asset allocation. The high growth pooled investment fee will increase by 0.06% p.a., with an example shown below:

Table 6 – Transition of Go for Growth Investment Option to High Growth Investment Option

Investment fees (p.a.) *			
Current	New - On or about 16 October 2019	Change	Impact on balance of \$50,000
0.47% p.a.	0.53% p.a.	0.06% p.a.	\$30

\* This investment fee is not directly charged to your account.

Please refer to Appendix B -Summary of new pooled investment options for comprehensive details

### Business arrangements while the investments are in transition

Business arrangements will continue within normal arrangements as far as possible during the period of the investment transition. There may be slight delays in unit pricing during the period of transition, while the new Mercer investment options are implemented, transactions are placed and existing investments are transitioned to the new Mercer investment options.

The transition process will take place over a short period between 16 October and 5 November 2019 to minimise disruption to Members.

This will ensure the smooth and prompt transfer of the investment options and underlying investment assets and records to Mercer, and where necessary enable an efficient timeframe for the sell down and repurchase of affected investment assets which will no longer be held as part of the new Mercer investment options.

This will also enable the transfer of investment assets, and where necessary enable an efficient timeframe for the sell down and repurchase of affected investment assets where applicable.

### Transaction costs associated with the transition of investments

While investments are being transitioned as existing holdings as far as possible, the estimated investment transaction costs for sale and repurchase to align with the new Mercer investments equal 0.088% of the total assets. The investment transaction fee will be deducted from the Fund and will be reflected in the unit price of the particular pooled investment options unit price.

As an example, on a balance of \$50,000, this will result in a \$44.00 impact to your Member account.

## Where can I get further information

For further details about your existing membership or if you require information or have any questions about the investment transition, the new investment options, or Mercer as asset consultant, please do not hesitate to contact your adviser.

**Visit:** [ybr.com.au/superannuation](http://ybr.com.au/superannuation)

**Write:** PO Box 1282, Albury NSW 2640

Thank you for taking the time to read this important notice.

For and on behalf of

### **Diversa Trustees Limited**

### **Trustee of YellowBrickRoad Super and YellowBrickRoad Pension**

YellowBrickRoad Super and YellowBrickRoad Pension are superannuation products within MAP Superannuation Plan ABN 71 603 157 863 RSE R10001587 (the Fund). Which is Division II of The MAP Master Superannuation Plan. Diversa Trustees Limited ABN 49 006421 638, AFSL 235153. RSE Licence L0000635 (Trustee) is the Trustee of the Fund and the product issuer. The information in this document has been prepared by OneVue Super Services Pty Ltd ABN 74 006 877 872, AFSL 246883 as the Fund Administrator. It is intended to provide you with general information only and does not take into account your personal objectives, financial situation or needs. Before making any financial decisions about YellowBrickRoad Super and YellowBrickRoad Pension, it is important that you read the current product disclosure statement (PDS) relevant to your membership and consider your particular circumstances and whether the particular financial product is right for you. The current PDS for each product is available on [ybr.com.au/superannuation](http://ybr.com.au/superannuation). You should consult a financial adviser if you require personal advice.

## APPENDIX A

### Summary of changes to specific investment pools

A simplified approach, and economies of scale to achieve improved Member outcomes

Table 7 – YellowBrickRoad Super and YellowBrickRoad Pension Summary of Changes

#### Accumulation and Pension

Current	Change	New
Smart Cash	<ul style="list-style-type: none"> <li>• Change of name</li> <li>• Strategic asset allocation change</li> <li>• Investment objective change</li> <li>• Fee decrease</li> </ul>	Enhanced Cash
Defensive Index	<ul style="list-style-type: none"> <li>• Name change</li> <li>• Strategic asset allocation change</li> <li>• Fee increase</li> </ul>	Enhanced Cash
Balanced Index	<ul style="list-style-type: none"> <li>• Name change</li> <li>• Strategic asset allocation change</li> <li>• Minor investment objective change</li> <li>• Fee increase</li> </ul>	Passive Balanced
50/50	<ul style="list-style-type: none"> <li>• Strategic asset allocation change</li> <li>• Minor investment objective change</li> <li>• Slight fee decrease</li> </ul>	50/50
Growth Index	<ul style="list-style-type: none"> <li>• Name Change</li> <li>• Strategic asset allocation change</li> <li>• Fee increase</li> </ul>	Passive High Growth
Go for Growth	<ul style="list-style-type: none"> <li>• Strategic asset allocation change</li> <li>• Slight fee increase</li> </ul>	High Growth

## APPENDIX B

### Summary of new investment options

Table 8 – Summary of Strategic Asset Allocations, risk and return objectives

#### Accumulation and Pension

Summary of the Enhanced Cash Investment Option		
Who is this investment option for?	Members who prefer low risk and a high level of security on their account balance.	
Investment return objective	RBA Cash Rate	
Minimum suggested time frame	1 years	
Standard risk measure	Very low	
Indirect cost ratio	0.35% p. a.	
Asset classes	Strategic asset allocation	Asset allocation range
Defensive Assets	<b>100.0%</b>	
Cash	70.0%	60.0-80.0%
Short Duration Fixed Interest	30.0%	20.0-40.0%
Global Fixed Income	0.0%	0.0%
Growth Assets	<b>0.0%</b>	
Australian Equities	0.0%	0.0%
International Equities	0.0%	0.0%
Global Listed Property & Infrastructure	0.0%	0.0%

Summary of the Passive Balanced Investment Option		
Who is this investment option for?	Members who seek exposure to a combination of growth and defensive assets and can tolerate a medium to high level of risk over four years. This option invests predominantly in a mixture of growth and defensive assets across most asset classes.	
Investment return objective	CPI + 1.5%	
Minimum suggested time frame	4 years	
Standard risk measure	Medium to High	
Indirect Cost Ratio	0.33% p.a.	
Asset classes	Strategic asset allocation	Asset allocation range
Defensive Assets	<b>50.0%</b>	
Cash	12.5%	5.0%-20.0%
Australian Fixed Income	16.5%	10.0%-25.0%
Global Fixed Income	21.0%	15.0%-35.0%
Growth Assets	<b>50.0%</b>	
Australian Equities	21.0%	10.0%-30.0%
International Equities	23.5%	10.0%-35.0%
Global Listed Property & Infrastructure	5.5%	0.0%-15.0%

## Summary of the 50/50 Investment Option

Who is this investment option for?	Members who seek exposure to a combination of growth and defensive assets and can tolerate a medium to high level of risk over four years. This option invests predominantly in a mixture of growth and defensive assets across most asset classes.	
Investment return objective	CPI + 1.5%	
Minimum suggested time frame	4 years	
Standard risk measure	Medium to High	
Indirect cost ratio	0.51% p.a.	
Asset classes	<b>Strategic asset allocation</b>	<b>Asset allocation range</b>
Defensive Assets	<b>50.0%</b>	
Cash	11.0%	5.0%-20.0%
Diversified fixed interest	39.0%	30.0%-50.0%
Alternatives	0.0%	0.0%
Growth Assets	<b>50.0%</b>	
Australian equities	21.5%	10.0%-30.0%
International equities	24.5%	10.0%-35.0%
Global listed property	4.0%	0.0%-15.0%

## Summary of the Passive High Growth Investment Option

Who is this investment option for?	Members who seek exposure to mainly high growth assets and can tolerate a high level of risk over seven years. This option invests mainly in growth assets across most asset classes.	
Investment return objective	CPI + 3.5%	
Minimum suggested time frame	7 years	
Standard risk measure	High	
Indirect cost ratio	0.24% p.a.	
Asset classes	<b>Strategic asset allocation</b>	<b>Asset allocation range</b>
Defensive Assets	<b>15.0%</b>	
Cash	4.0%	0.0%-10.0%
Australian Fixed Income	5.0%	0.0%-20.0%
Global Fixed Income	6.0%	0.0%-25.0%
Growth Assets	<b>85.0%</b>	
Australian Equities	36.0%	25.0%-50.0%
International Equities	45.5%	30.0%-50.0%
Global Listed Property & Infrastructure	3.5%	0.0%-15.0%



## Summary of the High Growth Investment Option

Who is this investment option for?	Members who seek exposure to mainly growth assets and can tolerate a high level of risk over five years. This option invests mainly in growth assets across most asset classes.	
Investment return objective	CPI + 3.5%	
Minimum suggested time frame	7 years	
Standard risk measure	High	
Indirect cost ratio	0.53% p.a.	
Asset classes	<b>Strategic asset allocation</b>	<b>Asset allocation range</b>
Defensive Assets	<b>15.0%</b>	
Cash	5.0%	0.0%-10.0%
Diversified fixed interest	10.0%	0.0%-20.0%
Alternatives	0.0%	8.0%-25.0%
Growth Assets	<b>85.0%</b>	
Australian Equities	38.0%	25.0%-50.0%
International Equities	44.0%	30.0%-50.0%
Global Listed Property & Infrastructure	3.0%	0.0%-15.0%

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