

27 September 2007

Asgard lowers the fees for eWRAP Investment from 1 October

Asgard Wealth Solutions – St.George’s funds administration and financial advice arm, has today announced that it will be introducing a reduction to the administration fees charged on managed funds within eWRAP Investment (eWRAP).

General Manager Product – St.George Wealth Dean Thomas said the fee reduction comes after Asgard received a Private GST Ruling from the ATO that eWRAP Investment is an ‘entity’ under GST law.

“From 1 October, eWRAP investors with managed funds in eWRAP Investment will see a reduction to the net administration fees charged on their accounts of up to 7.5%,” Mr Thomas said.

Asgard has registered eWRAP for GST purposes which will allow it to claim a Reduced Input Tax Credit (RITC) on the administration fees charged on the value of managed investments (only) in eWRAP Investment accounts.

“70% of the money within eWRAP Investment is held in managed funds. This means that the fee reduction will apply to 70% of eWRAP Investment’s total FUA,” Mr Thomas said.

“This is a big win for over 90% of our current eWRAP Investment clients who will receive some form of fee reduction off their administration fees should they hold managed funds in their account and great news for investors who are looking for a competitive wrap offering.”

Mr Thomas said as a result of the fee reduction, from 1 October an investor with a \$400,000 eWRAP Account consisting of only managed funds will save on average over \$160 per annum. A client with a \$1,000,000 balance will save almost \$260 per annum.

The fee reduction does not apply to share holdings because an RITC cannot be claimed on administration fees paid on share holdings since they are not held in Custody by Asgard and don’t form a part of the GST entity. However, clients who are registered for GST purposes will still be able to claim an RITC (directly from the ATO) on share holdings and adviser fees, where applicable.

eWRAP Investment is an electronic wrap account which allows access to managed investments, shares and a competitive cash offering through the one centralised contact point.

<Ends>

For more information contact

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Notes

New eWRAP Fee scale

Fee	Share Holdings	Managed Fund Holdings																								
Administration fee	<table border="0"> <tr> <td>Account balance</td> <td>Fee pa</td> </tr> <tr> <td>First \$100,000#</td> <td>0.88%</td> </tr> <tr> <td>Next \$150,000</td> <td>0.66%</td> </tr> <tr> <td>Next \$500,000</td> <td>0.33%</td> </tr> <tr> <td>Next \$2,250,000</td> <td>0.11%</td> </tr> <tr> <td>Over \$3m</td> <td>NIL</td> </tr> </table> <p># For account balances less than \$100,000 the minimum daily administration fee is \$2.41.</p>	Account balance	Fee pa	First \$100,000#	0.88%	Next \$150,000	0.66%	Next \$500,000	0.33%	Next \$2,250,000	0.11%	Over \$3m	NIL	<table border="0"> <tr> <td>Account balance</td> <td>Fee pa</td> </tr> <tr> <td>First \$100,000#</td> <td>0.82%</td> </tr> <tr> <td>Next \$150,000</td> <td>0.615%</td> </tr> <tr> <td>Next \$500,000</td> <td>0.3075%</td> </tr> <tr> <td>Next \$2,250,000</td> <td>0.1025%</td> </tr> <tr> <td>Over \$3m</td> <td>NIL</td> </tr> </table> <p># For account balances less than \$100,000 the minimum daily administration fee is \$2.25.</p>	Account balance	Fee pa	First \$100,000#	0.82%	Next \$150,000	0.615%	Next \$500,000	0.3075%	Next \$2,250,000	0.1025%	Over \$3m	NIL
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RITC Benefit Table

Account Balance	Admin Fee Calculation (Full GST)	Admin Fee Calculation (With RITC)	Admin fee reduction
\$ 100,000.00	\$ 880.00	\$ 820.00	\$ 60.00
\$ 200,000.00	\$ 1,540.00	\$ 1,435.00	\$ 105.00
\$ 300,000.00	\$ 2,035.00	\$ 1,896.25	\$ 138.75
\$ 400,000.00	\$ 2,365.00	\$ 2,203.75	\$ 161.25
\$ 500,000.00	\$ 2,695.00	\$ 2,511.25	\$ 183.75
\$ 600,000.00	\$ 3,025.00	\$ 2,818.75	\$ 206.25
\$ 700,000.00	\$ 3,355.00	\$ 3,126.25	\$ 228.75
\$ 800,000.00	\$ 3,575.00	\$ 3,331.25	\$ 243.75
\$ 900,000.00	\$ 3,685.00	\$ 3,433.75	\$ 251.25
\$ 1,000,000.00	\$ 3,795.00	\$ 3,536.25	\$ 258.75
\$ 1,100,000.00	\$ 3,905.00	\$ 3,638.75	\$ 266.25
\$ 1,200,000.00	\$ 4,015.00	\$ 3,741.25	\$ 273.75
\$ 1,300,000.00	\$ 4,125.00	\$ 3,843.75	\$ 281.25
\$ 1,400,000.00	\$ 4,235.00	\$ 3,946.25	\$ 288.75
\$ 1,500,000.00	\$ 4,345.00	\$ 4,048.75	\$ 296.25
\$ 1,600,000.00	\$ 4,455.00	\$ 4,151.25	\$ 303.75
\$ 1,700,000.00	\$ 4,565.00	\$ 4,253.75	\$ 311.25
\$ 1,800,000.00	\$ 4,675.00	\$ 4,356.25	\$ 318.75
\$ 1,900,000.00	\$ 4,785.00	\$ 4,458.75	\$ 326.25
\$ 2,000,000.00	\$ 4,895.00	\$ 4,561.25	\$ 333.75
\$ 2,100,000.00	\$ 5,005.00	\$ 4,663.75	\$ 341.25
\$ 2,200,000.00	\$ 5,115.00	\$ 4,766.25	\$ 348.75
\$ 2,300,000.00	\$ 5,225.00	\$ 4,868.75	\$ 356.25
\$ 2,400,000.00	\$ 5,335.00	\$ 4,971.25	\$ 363.75
\$ 2,500,000.00	\$ 5,445.00	\$ 5,073.75	\$ 371.25
\$ 2,600,000.00	\$ 5,555.00	\$ 5,176.25	\$ 378.75
\$ 2,700,000.00	\$ 5,665.00	\$ 5,278.75	\$ 386.25
\$ 2,800,000.00	\$ 5,775.00	\$ 5,381.25	\$ 393.75
\$ 2,900,000.00	\$ 5,885.00	\$ 5,483.75	\$ 401.25