

29 June 2011

Flat fee WRAP service launch

simpleWRAP today launched a full service administration wrap offering a simple and fully transparent pricing model – a flat fee irrespective of account balances – that it believes is the first in Australia for both superannuation funds and investors.

Krystyna Weston, Director of simpleWRAP, said: “simpleWRAP introduces a revolutionary approach to fees where investors pay one flat administration fee irrespective of the size of their investment, offering the potential for significant savings for those with larger account balances both inside and outside super.

“There will be no percentage or asset based fees for the administration service and investors will pay an agreed and set fee for the services that they use. We believe that this is a more equitable approach and, although it sounds like simple common sense, we are unaware of any full service wraps applying this principle.”

Ms Weston added that she believes the current model of charging clients for administration based on a funds under advice model is an outdated model and simpleWRAP is the forerunner of a flat fee approach that is necessary in the current investment and regulatory environment.

“Given the direction of government reforms and the recent announcements from various industry bodies, we believe it’s timely for the industry to rethink fees at every level, including wraps. We expect that simpleWRAP will be an integral component for those planners joining the move to true fee for service.

“Unlike mainstream wrap providers, simpleWRAP offers greater alignment to the true cost of delivering the admin service leaving their advisers to focus on the part of the value chain that offers the greatest value from their advice!

“In conjunction with Equity Trustees Superannuation, which will provide administration support, we are able to deliver a service to clients that is transparent, ethical, free of conflicts as well as being simply and fairly priced.

“simpleWRAP provides financial planners and their clients with a vehicle to assist in truly meeting the fiduciary responsibilities that are embedded in the planner/client relationship,” she said.

Adrian Young, head of Equity Trustees Superannuation, said that the service that will be provided to simpleWRAP is an example of Equity Trustees’ ability to provide outsourced services to other financial services organisations in different industry sectors, and to leverage its existing resources and capabilities.

“As a business we are committed to acting in the best interest of clients and to helping facilitate high-quality solutions.

EQT RELEASE

"We already provide an outsourced administration-only service in superannuation and this is an important step in the development and further expansion of our superannuation and investment platform business, supporting the sort of changes investors are expecting from the industry," he said.

SimpleWRAP

- simpleWRAP was conceived by Krystyna Weston and Paul Robson (Founding Directors) in November 2008. Between them they have over 45 years experience in the wealth management/financial services industry. Krystyna and Paul are passionate about making a positive impact upon the financial services industry and supporting financial planners with a foundation upon which to better service and administer client portfolios.
- simpleWRAP's vision is to provide **simplicity, clarity and transparency** in the investment and superannuation portfolio administration (wrap) industry.
- Through its partnership with Equity Trustees simpleWRAP boasts an experienced and stable administration capability supported by market leading platform technology.
- simpleWRAP will be administered by Equity Trustees, which will provide full administration and platform services.

Equity Trustees Group

Equity Trustees Superannuation (ETS) offers a range of flexible superannuation services that provide pension and retirement planning alternatives for both companies and individuals.

ETS operates primarily through superannuation master trusts: Equity Super; Freedom of Choice Superannuation Masterfund; and the recently acquired OAMPS Super Fund (which has now been integrated with Equity Super and renamed Apex Super). In total, ETS has approximately \$950 million of funds under management and in its master trusts and administration-only service currently manages 55,000 member accounts.

For more information please contact:

Krystyna Weston

Phone: 9880 7121

Email: krystyna@simpleinvest.com.au

This media release was prepared by Equity Trustees Limited and is only provided for information purposes. It does not contain investment recommendations nor provide investment advice.