

TEAMBLOCKCHAIN STRATEGIC BRIEFING

THE AUTONOMOUS ADVISOR

Navigating 24/7 Asset Rails, Agentic AI, and the Tokenized Wealth Systems of Australia

JONNY FRY

Founder & CEO, TeamBlockchain Ltd

RE-ENGINEERING ADVICE

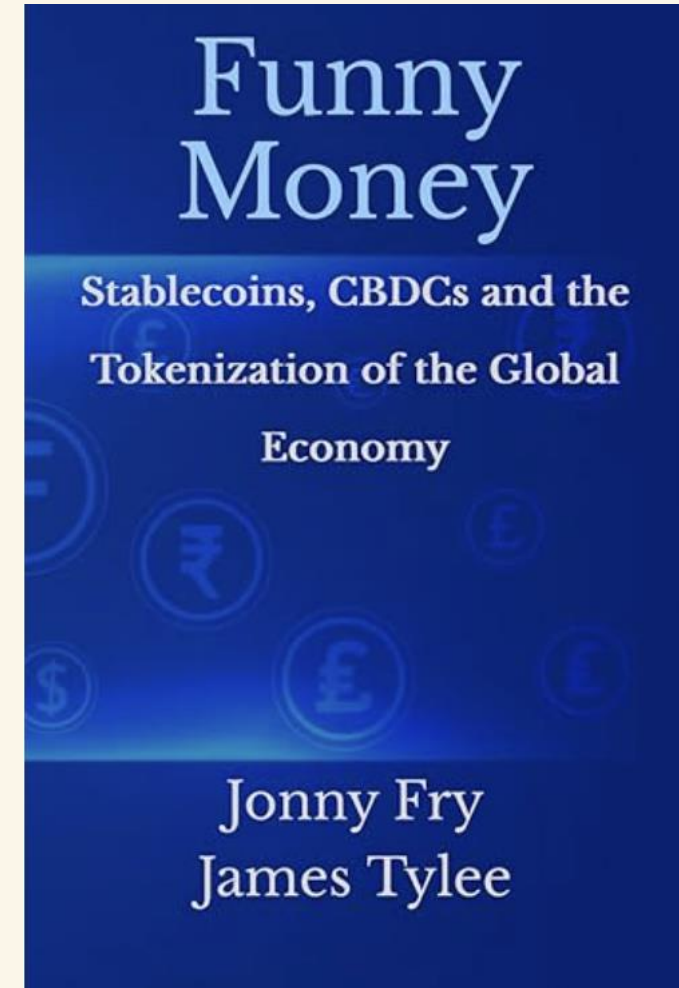
Strategy Series 2026

Expertise: Driving Institutional Change

Jonny Fry

Asset Management Pioneer & Industry Authority

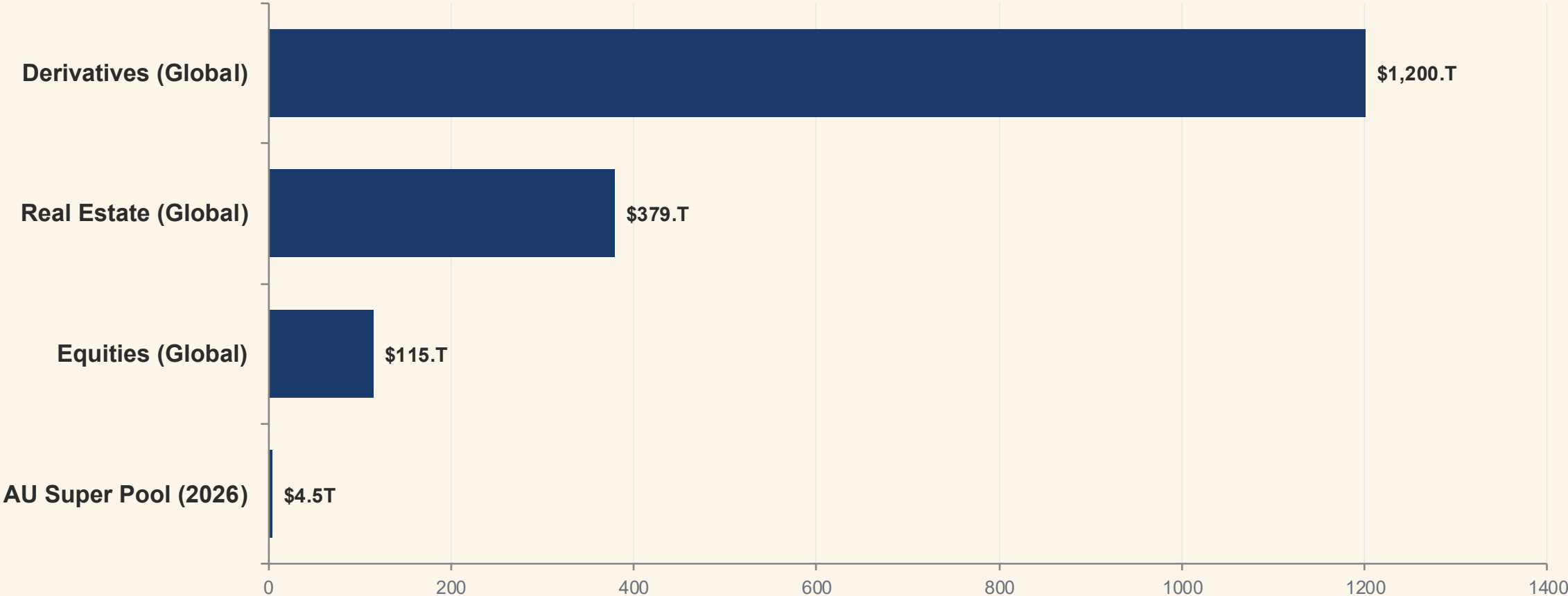
- ✓ **LSE Leadership:** Successfully set up, ran, and floated a major fund management company on the UK Stock Exchange.
- ✓ **Intelligence Lead:** Founder and Editor of Digital Bytes, read in 170+ jurisdictions.
- ✓ **Infrastructure Expert:** Led digital asset strategy at a regulated UK clearing bank.
- ✓ **Author:** Co-author of "Funny Money Stablecoins, CBDS and the Tokenization of the Global Economy"



The Infrastructure Pivot

Why Australia's \$4.5T Wealth Pool is Moving On-Chain

Market Scale: The Digital Conversion



Source: APRA & BIS Strategic Research 2026

Theme 1: The Model Shift



Allocation is Utility

Asset allocation and portfolio construction are being commoditized by AI. Pure product selection is no longer a sustainable fee base.



Systemic Operations

The new value lies in operating the system: Digital Identity, Tokenized Real Estate, and Smart-Contract Yield management.



Human Premium

Behavioural coaching, family dynamics, and complex estate intent remain the human moats in an automated world.

Theme 2: The AI Advice Engine

ASIC Moneysmart Research (2026):

- **1 in 5 Gen Z Australians:** Turning to AI tools for financial guidance today.

64% Trust AI: High confidence in the accuracy of algorithmic money advice.

Shift: Moving from search (Google) to intent (Perplexity/Claude).

Search: SEO to GEO

Opportunity: AI + Human Judgment.

AI does the rebalancing; the human does the coaching.

AI

+ HUMAN JUDGMENT

Rebalancing. Coaching. Trust.

Theme 3: From Alternative to Norm

Institutional Adoption is Complete:

- **Spot ETFs:** BTC & ETH approved and integrated into HNW / SMSF portfolios.
- **Tokenized Fixed Income:** UK Digital Gilt, Dutch Digital Bonds provide the blueprint for AU Treasury bonds.
- **Private Markets:** Fractionalized PE and real estate offer institutional access to retail ticket sizes.

SMSF Mandate

Australia's SMSF trustees are the primary seekers of digital assets, searching for yield outside traditional bank deposits and cash-heavy accounts.

Advisors who ignore this shift may risk losing relevance and access to approximately \$175 billion of modern-day clients each year.

Theme 4: Digital Payments

Programmable Money

Smart contracts that automate compliance, dividends, and estate execution instantly.

COMPLIANCE

Automated KYC, sanctions screening, and reporting baked into the asset itself.

DIVIDENDS

Income flows continuously to wallets — no T+5, no manual reinvestment.

ESTATE

Smart-contract execution of intent: assets transfer on trigger, not on probate.

Theme 5: Treating Customers Fairly

Is it "Fair" to hold client income for 6 months?

Feature	Legacy Managed Fund	Tokenized Digital Fund
Distribution Velocity	Bi-Annual (6 Months)	Weekly / Continuous
Settlement Time	T+2 to T+5 Days	T+0 (Atomic/Instant)
Accessibility	Business Hours Only	24/7/365 Global Rails
Income Reinvestment	Manual / Lagged	Automated / Programmable

Theme 6: Client Expectations

Visibility: Clients want on-demand visibility, not monthly PDF statements.

Custody: SMSF trustees expect advisors to understand on-chain security and "Wallet hygiene."

Speed of execution: High-velocity capital requires instant settlement. The days of "waiting for clearing" are over for HNW clients.

Upskill Now:

Stablecoins • Digital Identity • Agentic AI

Theme 7: Regulatory & Risk

ASIC Focus 2026

ASIC is increasing scrutiny on "un-fiduciary AI." If your AI tools lack an explainable audit trail, your professional indemnity and compliance are at risk.

[Lessons from EU AI Act – Human in the loop](#)

Strategic Expertise

Strong compliance plus technical expertise becomes the new competitive advantage. For HNW advisers, "I don't do crypto" is no longer a defence; it may become a liability.

Theme 8: Commercial Opportunity



3x

FINTECH GROWTH VELOCITY

vs traditional banks

The Differentiation Moat

- **New Revenue:** Fee models for tokenized estate planning and AI-enhanced management.
- **Client Retention:** SMSF Trustees view forward-thinking advisors as partners in the "New Economy."
- **Efficiency:** Reducing back-office costs by 80% via on-chain settlement.

\$750 million p.a. Reverse Mortgage alternative – Tokenised real estate

Actionable Strategic Roadmap

1

Step 1: Re-Education

Audit practice knowledge: Separate "Crypto" from "Tokenized RWA" & stablecoins.

2

Step 2: AI Guardrails

Deploy secure, compliant AI co-pilots to manage 24/7 market monitoring.

3

Step 3: Yield Audit

Fiduciary check: Review platform payout speeds against on-chain benchmarks.

4

Step 4: Launch

Integrate tokenized RWAs as a core differentiation for HNW/SMSF clients.

Future Scenario: Advice 2030

Your AI agents have monitored **1,000 portfolios overnight**, executing **2,000 micro-reallocations** based on global RWA yield shifts. **Digital wallets** have replaced bank accounts for 40% of clients. You spend the day coaching clients through major life transitions.

Admin is Zero. Influence is Maximum.

DIGITAL BYTES



by Jonny Fry

Blockchain · Digital Assets · AI in Finance · Global Payments

[Digitalbytes.substack.com](https://digitalbytes.substack.com)

www.Teamblockchain.net

Surviving
THE
FUTURE

2026 CONFERENCE

MANGROVES MONEY & MANKIND

**DOUG
HUGHES**

COMPREHENSIVE FINANCIAL
CONSULTANTS





Taking Back Control

What to include in your TPA

Please accept this copy, as the original will stay on file at the below address.

Product provider's name	Product name/Cover type	Member number (if known)
	SUPER, INSURANCE	

Client Name	Date of Birth
Address	Current Address: Previous Address: Email:

Access to information

- I authorise you to provide representatives of Kreate Wealth Pty Ltd and FP Assist Pty Ltd (Robyn Arnold, Jenny Compio, Natalie McMahon and Janine Paragsa) with any information and documentation they require regarding my insurance, superannuation, investments or other financial products.
 - I am aware of the provisions of the Privacy Act and release you from those provisions in respect of information provided to Robyn Arnold and representatives above.
 - This authority is to remain in force until revoked by me in writing
- Notice to Platform Management (including Trustee)**
- Please ensure all future correspondence directed to us by Management is shared with our trusted Adviser.
 - We also give written permission to Platform Management that our Adviser should always have access to our information until we otherwise inform you.

Transfer of Servicing Rights

- I authorise the servicing rights of my financial products be transferred to Robyn Arnold AR #1234319 of Kreate Wealth Pty Ltd ABN 32 662 797 097, ACN: 662 797 097.

I understand that the existing adviser will no longer:

- be remunerated for this policy/contract(s) following this decision
- have access to my policy/contract information, and
- will no longer be responsible for reviewing my ongoing needs

I understand that the appointed adviser and their Licensee:

- will have access to my policy/contract information
- will be responsible for providing me with ongoing advice relating to this policy/contract(s), and
- will receive any remuneration currently being paid for this policy following the transfer.

Update Address

- Please update the address on file to my current address listed above.

 CLIENT WET SIGNATURE and DATE:	 ADVISER SIGNATURE and DATE:
--	--

Adviser Name	Robyn Arnold	AFSL	Athena Financial Services Pty Ltd AFSL 569806 ABN: 15686060588
AR #	1234319	Adviser Code/s	
Business	Kreate Wealth Pty Ltd	Contact Details	Phone: 0434 420 048 Email: robyn@kreatewealth.com.au admin@kreatewealth.com.au
Address	PO Box 4243, Robina Town Centre, QLD, 4230		

The TPA Template

Arguably the most important document!

Access
information

Make
enquiries

Manage the
client's
affairs

We need to get it right first go!

Who is completing this and when?

What checks do you have in place?

Are you including information in your fact-find?

Timing	Checks	Usage
<p>Adviser to complete with client either before or at the fact-find meeting as this can hold up advice</p>	<p>Adviser to check document with the client at the fact-find meeting to ensure no holds up if incorrect</p> <p>Admin to check document again before lodging as mistakes can hold up advice</p>	<p>Admin to collect information and input to fact-find for client's signature and consent</p> <p>Ongoing use of gathering information</p>

Update when:

Name change

Licensee change

Expiry, if no authority to remain in force until evoked by client

AUTHORISATION TO COLLECT INFORMATION/ACCESS TO INFORMATION/**TRANSFER OF SERVICING RIGHTS**

Please accept this copy, as the original will stay on file at the below address.

Product provider's name	Product name/Cover type	Member number (if known)
	SUPER, INSURANCE	

Client Name	Date of Birth
Address	Current Address: Previous Address: Email:

- Adding **Transfer of servicing rights**, means one less form
- Adding **Previous address** assists in identification if the fund still has their old address recorded
- Adding **Email** assists in identification and update the fund

Access to information

- ☒ I authorise you to provide representatives of Kreate Wealth Pty Ltd and FP Assist Pty Ltd (Robyn Arnold, Jenny Compio, Natalie McMahon and Janine Paragsa) with any information and documentation they require regarding my insurance, superannuation, investments or other financial products.
- ☒ I am aware of the provisions of the Privacy Act and release you from those provisions in respect of information provided to Robyn Arnold and representatives above.
- ☒ This authority is to remain in force until revoked by me in writing

Notice to Platform Management (including Trustee)

- ☒ Please ensure all future correspondence directed to us by Management is shared with our trusted Adviser.
- ☒ We also give written permission to Platform Management that our Adviser should always have access to our information until we otherwise inform you.

Adding Notice to Platform Management (including Trustee)

puts Management on notice about you the Adviser has the relationship with your client and educates your client on the circumstances going forward if unexpected events occur. It is not left to the Trustee who has a conflict with Management as they are legally and politically linked.

Transfer of Servicing Rights

I authorise the servicing rights of my financial products be transferred to Robyn Arnold AR #1234319 of Kreate Wealth Pty Ltd ABN 32 662 797 097, ACN: 662 797 097.

I understand that the existing adviser will no longer:

- be remunerated for this policy/contract(s) following this decision
- have access to my policy/contract information, and
- will no longer be responsible for reviewing my ongoing needs

I understand that the appointed adviser and their Licensee:

- will have access to my policy/contract information
- will be responsible for providing me with ongoing advice relating to this policy/contract(s), and
- will receive any remuneration currently being paid for this policy following the transfer.

Update Address

Please update the address on file to my current address listed above.

Adding Transfer of Servicing Rights and Update Address

- Everything in the one spot
- Tickbox to update the address (client may need to complete a form)

SIGN
HERE



CLIENT **WET** SIGNATURE and DATE:

ADVISER **SIGNATURE** and DATE:

Adviser Name	Robyn Arnold	AFSL	Athena Financial Services Pty Ltd AFSL 569806 ABN: 15686060588
AR #	1234319	Adviser Code/s	
Business	Kreate Wealth Pty Ltd	Contact Details	Phone: 0434 420 048
Address	PO Box 4243, Robina Town Centre, QLD, 4230		Email: robyn@kreatewealth.com.au admin@kreatewealth.com.au

Adding Wet signature, Adviser signature, code & contact details

- Reminds the client to print and sign (some take digital signatures now)
- Adviser signature can be digital
- Adviser code is handy for transfer of servicing rights
- List all emails involved as platform can't email someone not listed



ATHENA
FINANCIAL SERVICES
WISDOM AND STRATEGY FOR FINANCIAL TRIUMPH

THANK YOU

Intergenerational wealth transfer via life insurance in super

Dr. Jeff™ - Head of Advice Strategy

MetLife Australia

May 2026

This presentation and the associated material (**Material**) has been prepared by **MetLife Insurance Limited (MetLife)** (ABN 75 004 274 882, AFSL No. 238096) and is not intended to constitute financial product advice. It has been prepared without taking into account any person's objectives, financial situation or needs (**Circumstances**). Any general information contained within or given during this presentation (whether orally or in writing) does not consider your Circumstances. Nothing in this Material is intended to be investment, financial advice or a recommendation to invest in a financial product. Before acting on any information obtained from this Material, you should consider its appropriateness, taking into account your Circumstances, and read the applicable Product Disclosure Statement (**PDS**) and Target Market Determination (**TMD**) and obtain professional advice in this regard.

MetLife and its related entities distributing this Material and each of their respective directors, officers and agents believe that the information contained in the Material is correct and that any estimates, opinions, conclusions or recommendations contained therein are reasonably held or made as at the time of completion. However no warranty is made as to the accuracy or reliability of any estimates, opinions, conclusions, recommendations (which may change without notice) or other information contained in the Material and, to the maximum extent permitted by law, **MetLife** disclaims all liability and responsibility from any direct or indirect loss or damage which may be suffered by any recipients through relying on anything contained within or omitted from the Material (orally or in writing).

Superannuation, tax and other relevant information is based on an interpretation of law as at the date of this presentation. The information provided in this Material is not intended to be a comprehensive review of all developments in the law and practice, or to cover all aspects of those referred to. The information contained in this presentation or given during this presentation does not constitute legal or tax advice. You should not rely on the superannuation or tax information in this Material and seek your own expert advice. Readers should take their own specific legal advice before applying it to specific circumstances

Although the statements of fact in this Material are obtained from sources that MetLife considers reliable, no warranty as to the accuracy, reliability or completeness of any such information is provided.

Products are offered by **MetLife**, which is an affiliate of MetLife, Inc. and operates under the "MetLife" brand. None of the obligations of **MetLife** is guaranteed by MetLife, Inc. (Incorporated in the USA) or any other member of the MetLife group.

This Presentation was prepared by and remains the property of MetLife. This is intended for adviser and internal use only and should not be provided to clients or attributed to **MetLife** in any advice provided. Information in this Material can only be shared with any third parties with **MetLife's** prior consent.

May 2026

Introduction

The Facts

- Over 31,000 Australians who die each year are under the age of 65.
- Approximately 15% of all Australians under the age of 65 (1 in 7) have a disability and depending upon their age and gender, 2.7% -10.3% of Australians under the age of 65 have either a severe or profound disability.
- The labour force participation rate for people aged 15-64 years with a disability was 60.5% in 2022, up from 53.4% in 2018.
- The participation rate for people without a disability was 84.9% in 2022, compared with 84.1% in 2018.

Source: Australian Institute of Health and Welfare - Deaths in Australia - 06 Jun 2024; ABS - Disability, Ageing and Carers, Australia: Summary of Findings - Reference period 2022: Released 4/07/2024.

Trustee responsibilities: Permitted types of insurance

SUPERANNUATION INDUSTRY (SUPERVISION) REGULATIONS 1994 - REG 4.07D

Operating standard - permitted types of insurance

- (1) This regulation is made for subsection 31(1) of the Act.
- (2) A trustee of a regulated superannuation fund must not provide an insured benefit in relation to a member of the fund unless the insured event is consistent with a condition of release specified in **item 102, 102A, 103 or 109 of Schedule 1**.
- (3) However, subregulation (2) does not apply to:
 - (a) **the continued provision of benefits to members who joined a fund before 1 July 2014; or**
 - (b) **the provision of benefits under an approval granted before 1 July 2014 under subparagraph 62(1)(b)(v) of the Act.**
- (4) If a trustee is unable to amend the governing rules of a fund, to make the governing rules comply with subregulation (2):
 - (a) the rules that do not comply with subregulation (2) are taken to have been omitted from the governing rules; &
 - (b) the rules omitted under paragraph (a) are taken to have been replaced by rules that allow the provision of benefits that are permitted under subregulation (2).
- (5) **This regulation does not apply until 1 July 2014.**

SUPERANNUATION INDUSTRY (SUPERVISION) REGULATIONS 1994 - SCHEDULE 1 – Conditions of release of benefits

Column 1 Item	Column 2 Conditions of release	Column 3 Cashing restrictions
102	Death	Nil
102A	Terminal medical condition	Nil
103	Permanent incapacity	Nil
109	Temporary incapacity	A non-commutable income stream cashed from the regulated superannuation fund for:
		(a) the purpose of continuing (in whole or part) the gain or reward which the member was receiving before the temporary incapacity; and
		(b) a period not exceeding the period of incapacity from employment of the kind engaged in immediately before the temporary incapacity

Life Insurance Inside Super: Tax Deductions

INCOME TAX ASSESSMENT ACT 1997 - SECT 295.460

Benefits for which deductions are available

Sections 295 - 465 (about deductions for complying funds **for insurance premiums**), 295 - 470 (about deductions for complying funds for **future liability to pay benefits**) and 295 - 475 (about deductions for * RSA providers for insurance premiums) apply to these benefits:

(a) a * superannuation **death benefit**;

(aa) a benefit consisting of an amount payable to an individual because a * **terminal medical condition** exists in relation to the individual;

(b) a * **disability superannuation benefit**;

(c) a benefit consisting of an amount payable to an individual under an income stream because of the individual's **temporary inability to engage in * gainful employment**, that is payable for no longer than:

(i) 2 years; or

(ii) if an approval under section 62 of the Superannuation Industry (Supervision) Act 1993 is in force for benefits of that kind and the approval specifies a longer maximum period--that longer period; or

(iii) if there is no such approval in force--a longer period allowed by the Commissioner.

Note 1: The fund can deduct amounts in relation to these benefits under either section 295 - 465 or 295 - 470, but not both.

Note 2: The taxable component of the superannuation lump sums will contain an element untaxed in the fund: see section 307 - 290.

Life Insurance Inside Super: Premiums

INCOME TAX ASSESSMENT ACT 1997 - SECT 295.465

Complying funds-deductions for insurance premiums

(1) A * complying superannuation fund can deduct the proportions specified in this table of premiums it pays for insurance policies that are (wholly or partly) for current or contingent liabilities of the fund to provide benefits referred to in section 295 - 460 for its members. It can deduct the amounts for the income year in which the premiums are paid.

- The part of a premium that is specified in the policy as being wholly for the liability to provide certain benefits, if those benefits are benefits referred to in section 295 - 460
- So much of other insurance policy premiums as are attributable to the liability to provide benefits referred to in section 295 - 460

Choice not to deduct amounts under this section

- (4) The trustee may **choose not to deduct amounts under this section** for an income year and to deduct instead (under section 295 - 470) amounts based on the fund's future liability to pay the benefits.
- (5) The choice **applies also to future income years** unless the Commissioner decides that it should not.

Life Insurance Inside Super: Future Liability to Pay Benefits

INCOME TAX ASSESSMENT ACT 1997 - SECT 295.470

Complying funds-deductions for future liability to pay benefits

(1) A * complying superannuation fund can deduct an amount under this section for an income year if:

- a. the trustee of the **fund makes a choice** under subsection 295 - 465(4) and the choice applies to the income year; and
- b. the trustee pays:
 - i. benefit referred to in paragraph 295 - 460(a), (aa) or (b) for the income year in consequence of the termination of a member's employment; or
 - ii. a benefit referred to in paragraph 295 - 460(c).

INCOME TAX ASSESSMENT ACT 1997 - SECT 295.470

Complying funds-deductions for future liability to pay benefits

(2) The amount the fund can deduct is: **Benefit amount x (Future service days / Total service days)** where:

- “benefit amount” is:
 - a. for a benefit that is a * superannuation lump sum--the amount of the lump sum; or
 - b. for a benefit that is a * superannuation income stream--the * value of the * superannuation interest supporting the income stream; or
 - c. for a benefit referred to in paragraph 295 - 460(c)--the total of the amounts paid during the income year.
- “future service days” is the number of days in the period starting when:
 - a. **the termination happened**; or
 - b. for a benefit referred to in paragraph 295 - 460(c)--the member became **unable to engage in * gainful employment**;
 - and ending on the member’s * last retirement day.
- “total service days” is the sum of future service days and the number of days in:
 - a. for a benefit that is a * superannuation lump sum--the * service period for the superannuation lump sum; or
 - b. for another benefit--the period ending on the first day of the period to which the first payment of the benefit relates and starting on the earliest of:
 - i. the day on which the member joined the relevant * superannuation fund; and
 - ii. the first day of the period of employment to which the benefit relates (including a qualifying period before the member could join the fund and any period when the member was not a member of the fund); and
 - iii. the day applicable under subsection (3).

INCOME TAX ASSESSMENT ACT 1997 - SECT 295.470

Complying funds-deductions for future liability to pay benefits

(3) The applicable day is the first day of the * service period for a * superannuation lump sum that is a * roll – over superannuation benefit if all or part of the * value of the other benefit is attributable to the roll - over superannuation benefit.

INCOME TAX ASSESSMENT ACT 1997 - SECT 995.1

“gainfully employed” means employed or self - employed for gain or reward in any business, trade, profession, vocation, calling, occupation or employment.

THE MANDATORY COMPONENTS:

Complying funds-deductions for future liability to pay benefits

1. Member is under age 65.
2. Member (or beneficiary) received a benefit in consequence of the termination of employment due to death, terminal illness, or permanent incapacity; OR the member is suffering a temporary incapacity.
3. The superannuation trustee has paid a life insurance premium on behalf of the member in this financial year.
4. The superannuation trustee has paid a benefit to the member (or beneficiary) in this financial year.
5. The superannuation trustee has made an election to the ATO (Commissioner of Taxation) to claim a deduction for future liability to pay benefits.
6. This results in the superannuation trustee being unable to claim a tax deduction for life insurance premium payments in future financial years, for ANY member of the superannuation fund.

Case Studies

EXAMPLE 1: Fred (49 years) & Jenny (47 years)

Complying funds-deductions for future liability to pay benefits

- Husband and wife, Fred & Jenny, are the only two members of their SMSF (Big Surf SMSF).
- They have two children, Brett (25 years) and Kristy (23 years) who are not currently members of the SMSF.
- Fred has been a member of Big Surf SMSF since its inception in 2021, when Fred was 44 years old. Fred is an accountant and has a life insurance policy owned by the trustee of the SMSF for death (including terminal illness), TPD, and income protection.
- Big Surf SMSF pays the following premiums each year for life insurance cover on Fred's life:
 - Death Cover - \$1 million – Annual premium of \$933
 - TPD Cover - \$1 million – Annual premium of \$2,357
 - Income Cover - \$20,000/month benefit– Annual premium of \$5,578.

Option #1

- **\$9,266** Total Policy Premium (including stamp duty).
- Big Surf SMSF may claim this amount as a tax deduction (s295-460 ITAA1997).

EXAMPLE 1A: Fred (49 years) & Jenny (47 years)

Complying funds-deductions for future liability to pay benefits

Option #2

Alternatively, if Fred ceases employment due to death, terminal medical condition, or permanent incapacity, then the trustee of Big Surf SMSF may elect to claim a deduction for future liability to pay benefits.

Death

- The death benefit under SMSF policy on Fred's life = \$1 million.
 - **This amount must be paid from the fund to the beneficiary**
- Fred's total service days will be from age 44 to age 65 = 365 days x 21 years = 7,665
- Fred's future service days will be from age 49 to age 65 = 365 days x 16 years = 5,840
- Tax deduction for future liability = \$1 million x (5,840 / 7,665) = **\$761,904**

EXAMPLE 1A: Options for the SMSF Trustees

Complying funds-deductions for future liability to pay benefits

This tax deduction creates multiple options for Fred's family:

1. Big Surf SMSF would not pay tax on Jenny's \$30,000 concessional contributions in the 2025-2026 financial year.
2. Big Surf SMSF would be able to carry forward the \$731,904 into future financial years (\$761,904 - \$30,000).
3. If both Brett and Kristy joined Jenny in Big Surf SMSF in the 2025-2026 financial year, they too could make concessional contributions to the SMSF of up to \$30,000 each, and no tax would be paid (assuming they made no concessional contributions to any other superannuation fund).
4. If Jenny, Brett and Kristy all made concessional contributions to Big Surf SMSF in the 2025-2026 financial year, up to their respective concessional contribution caps of \$30,000, then Big Surf SMSF would carry forward the \$671,904 to the 2026-2027 financial year (\$761,904 – (3 x \$30,000)).
5. This amount could also offset other taxable income within the Big Surf SMSF.

EXAMPLE 1B: Fred (49 years) & Jenny (47 years)

Complying funds-deductions for future liability to pay benefits

Alternatively, if Fred ceases employment due to death, terminal medical condition, or permanent incapacity, then the trustee of Big Surf SMSF may elect to claim a deduction for future liability to pay benefits.

Death

- Fred's account balance in the SMSF immediately prior to his death = \$700,000.
- The death benefit under SMSF policy on Fred's life = \$1 million.
- Total amount available to Fred's beneficiary = \$1.7 million (\$1 million + \$700,000).
 - **This amount must be paid from the SMSF to the beneficiary**
- Fred's total service days will be from age 44 to age 65 = 365 days x 21 years = 7,665
- Fred's future service days will be from age 49 to age 65 = 365 days x 16 years = 5,840
- Tax deduction for future liability = \$1.7 million x (5,840 / 7,665) = **\$1,295,298**

Summary

Summary

- Tax deductions are available to trustees of superannuation funds for 4 types of life insurance:
 1. Death cover (death)
 2. Terminal Illness cover (terminal medical condition)
 3. TPD cover (permanent incapacity)
 4. Income protection cover (temporary incapacity)
- Trustees may claim deductions for life insurance premiums paid.
- Alternatively, trustees may elect in a financial year (and all future financial years), to claim a deduction for future liability to pay benefits.

Thank You!

Intergenerational wealth transfer via life insurance in super

Dr. Jeff™ - Head of Advice Strategy

MetLife Australia

May 2026





Private Portfolio Managers

A distinctive approach

28/05/2026

Hugh MacNally

Founder & Chief
Investment Officer



PPM's Investment Process GARP in a Time of Volatility



GARP: COMMON SENSE IN DIFFICULT TIMES

Growth At A Reasonable Price — *it's nothing more than common sense.*

THE IDEA

Buy strong, growing companies at a reasonable price.

What could be simpler?

But discipline is long-term vital. You need a framework — guard rails — to stop yourself from doing stupid things.

THE CHALLENGE

The market is full of compelling stories.

An Elon Musk. A WeWork. A Lex Greensill.

The narrative is compelling. The rising share price confirms it. Everyone is making money — so why aren't you in this stock?

Staying disciplined isn't easy.

VOLATILITY IS NOTHING NEW

Today's headlines feel unique. They never are.

GEOPOLITICS

Trump tariffs.
Middle East tensions.
Iran.

INFLATION & RATES

Oil prices.
Stubborn inflation.
Uncertain rate path.

CONCENTRATION

AI mania.
Index top-heavy.
Valuations stretched.

This is no different from so many other times in the last 30 years.

Volatility emerges from left field. Nobody picks the top of the market — if they did, wouldn't it have been obvious?

Process beats prediction. We don't make macro calls — we follow a consistent, rules-based framework.

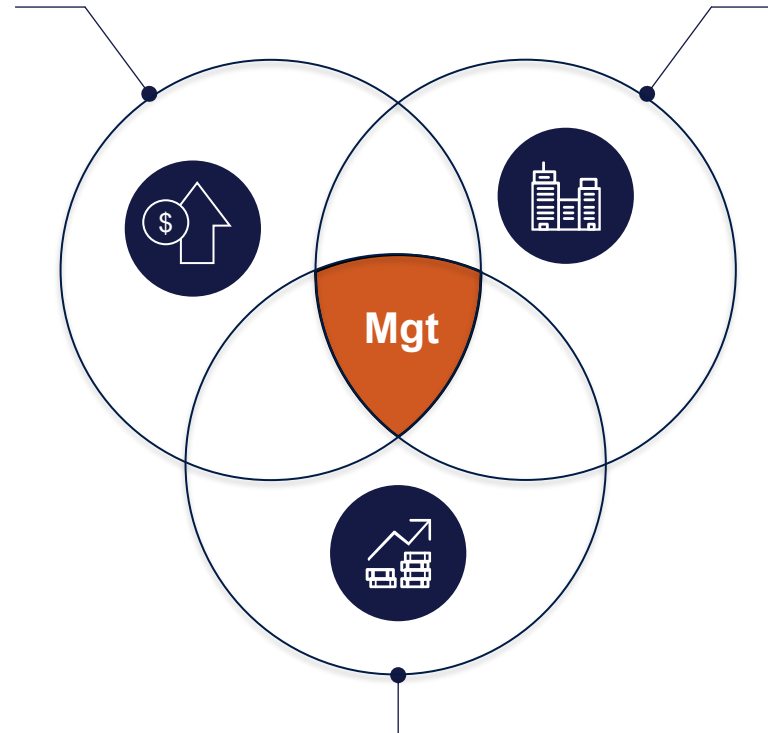
THE THREE TENETS FRAMEWORK

Strong financial structure

Low Debt

The company is financially strong; strong balance sheet with low or no debt.

A weak financial structure can lead to financial collapse or restructuring during difficult economic times.



Attractive Industry Structure

Customers/Suppliers

Competitors barriers to entry/exit

The company has a strong position in an attractively structured industry.

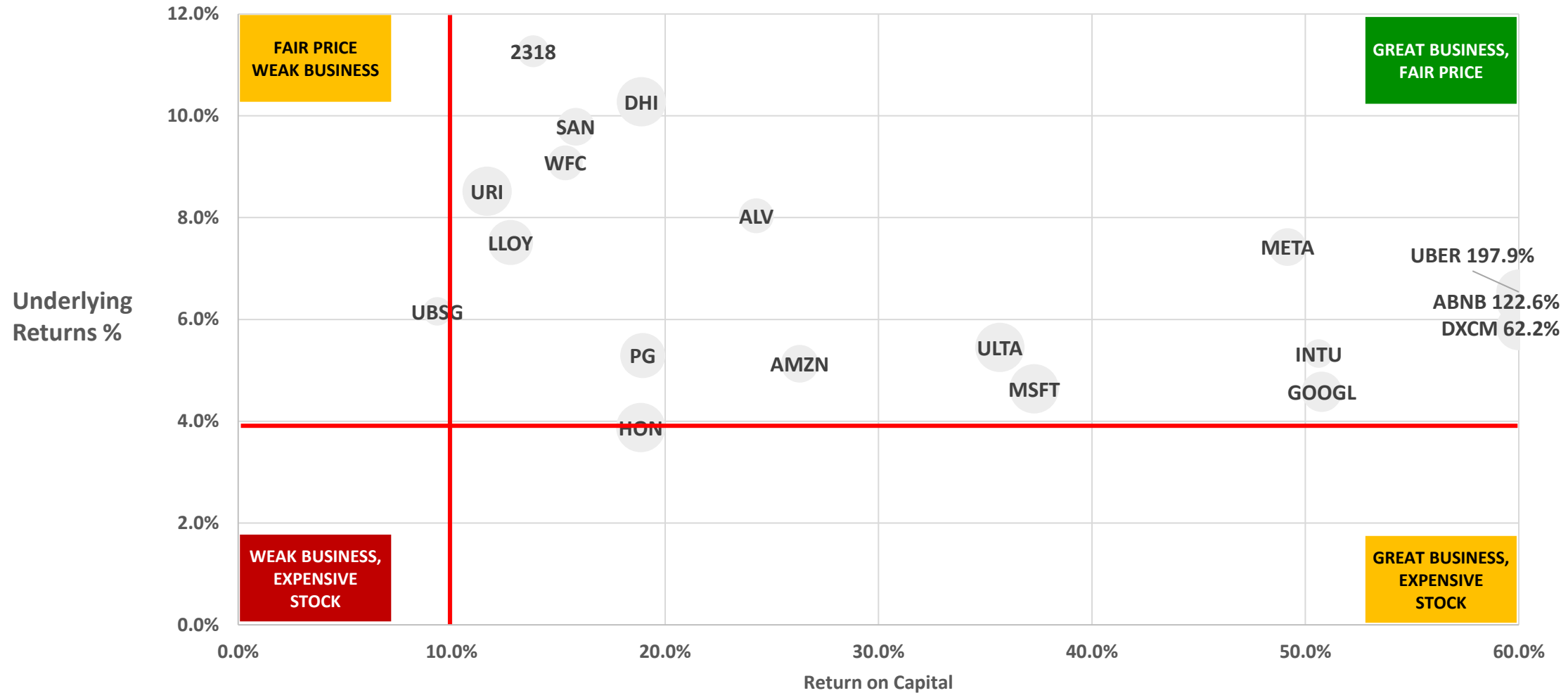
A weak strategic position results in unattractively low returns or loss of market position.

Price VS Return – ROE/ROIC

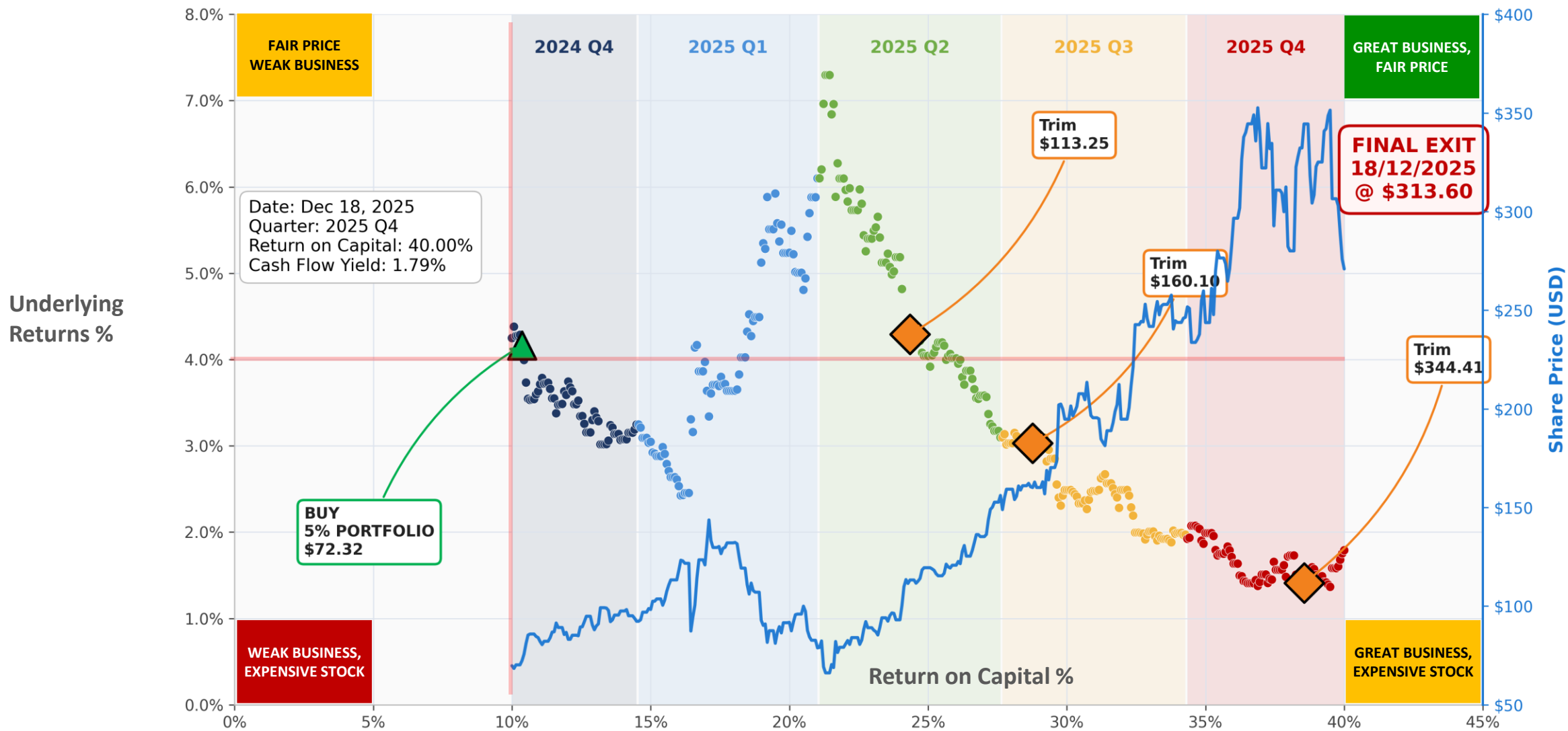
The market valuation is attractive relative to the earnings potential the company may achieve.

Excessive valuation leads to low long-term returns as valuation parameters revert to more normal levels.

PRICE VS RETURN – GLOBAL EQUITIES GROWTH STRATEGY



CELESTICA INC. (CLS) – PRICE VS RETURNS



OUR RECORD

DATA AS AT 30 APRIL 2026	Global Equities Growth Portfolios	MSCI World Developed	Value Added
1 Year %	21.34%	14.95%	+6.39%
3 Year % p.a.	21.85%	16.38%	+5.47%
5 Year % p.a.	19.46%	12.90%	+6.56%
10 Year % p.a.	14.97%	13.33%	+1.64%
15 Year % p.a.	14.15%	13.51%	+0.64%
Since Inception	12.55%	8.58%	+3.97%

Returns are before fees and taxes. Aggregate of IMA portfolios pre-SMA inception, and the Global Equities Growth SMA thereafter.

TEST 1 | THE GFC

Financial strength kept us out.

No investment banks. No highly-gearred industrials, property or infrastructure.

TEST 2 | THE 2021 TECH COLLAPSE

Valuation discipline kept us out.

Excessive prices were the warning — high CROC didn't matter once the yield disappeared.

Leverage and valuation. The two most frequent causes of distress. Avoid them.



Thank you.

Hugh MacNally

Founder & Chief
Investment Officer



Questions, discussion — or a deeper conversation





Trilogy Funds

Part 2 Trilogy Funds Overview

Nicole Ott

National Manager – Dealer Groups & Platforms

AIOFP Conference

May 2026

Disclaimer



This presentation has been prepared by Trilogy Funds Management Limited (ACN 080 383 679 AFSL 261425) the responsible entity of several registered managed investment schemes. While every care has been taken in the preparation of this information Trilogy Funds Management Limited does not make any representation or warranty as to the accuracy or completeness of any statement in it including without limitation, any forecasts. This content has been prepared for the purpose of providing general information only, without taking account of any particular investor's objectives, financial situation or needs. Investors should, before making any investment decisions, consider the appropriateness of the information on this website, and seek professional advice, having regard to their objectives, financial situation and needs.

PDS' for Trilogy products are available at www.trilogyfunds.com.au. Each PDS contains full details of the terms and conditions of the relevant financial product and you should read it and consider it before making any decision about whether to acquire the financial product or make any further investments. You should particularly consider the risks section of the PDS, for example, investments can go up and down and investors risk losing some or all of their principal investment.

Additionally, past performance is not a reliable indicator of future performance so any information about returns should be considered only as part of a balanced review of all the features, benefits and risks associated with the product by reading the PDS. Investments in Trilogy's products are not bank deposits and are not government guaranteed. All figures are in Australian dollars unless otherwise indicated.

Performance results for certain charts and graphs may be limited by date ranges specified on those charts and graphs; different time periods may produce different results. Forecasts, estimates, and certain information contained herein are based upon proprietary research and should not be interpreted as investment advice, as an offer or solicitation, nor as the purchase or sale of any financial instrument. Forecasts and estimates have certain inherent limitations, and unlike an actual performance record, do not reflect actual trading, liquidity constraints, fees, and/or other costs. In addition, references to future results should not be construed as an estimate or promise of results that a client portfolio may achieve.

^{^1}. The information contained in the Foresight Analytics report and encapsulated in the investment rating is of a general nature only. The report and rating reflect the opinion of Foresight Analytics and Ratings Pty Limited (AFSL 494552). It does not take into account an individual's objectives, financial situation, or needs. Professional advice should be sought before making an investment decision. A fee has been paid by the fund manager for the production of the report and investment rating.

^{^2}. The rating contained in this document is issued by SQM Research Pty Ltd ABN 93 122 592 036 AFSL 421913. SQM Research is an investment research firm that undertakes research on investment products exclusively for its wholesale clients, utilising a proprietary review and star rating system. The SQM Research star rating system is of a general nature and does not take into account the particular circumstances or needs of any specific person. The rating may be subject to change at any time. Only licensed financial advisers may use the SQM Research star rating system in determining whether an investment is appropriate to a person's particular circumstances or needs. You should read the product disclosure statement and consult a licensed financial adviser before making an investment decision in relation to this investment product. SQM Research receives a fee from the Fund Manager for the research and rating of the managed investment scheme.



Agenda

- Who is Trilogy Funds?
- Our Funds & Our Performance
 - Trilogy Monthly Income Trust
 - Trilogy Industrial Property Trust
 - Trilogy Enhanced Income Fund



One of Australia's leading fund managers & private credit financiers of property based investments

We've been building wealth together with Australian investors, advisers, developers & brokers for over 26 years

Who is Trilogy Funds?



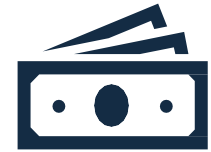
>\$1.8 BILLION

FUM



5,300+

ACTIVE INVESTORS



\$3.41 BILLION

WORTH OF PROJECTS
FINANCED OVER LAST 5 YEARS



OVER 4,800 DWELLINGS & LOTS

FINANCED OVER THE LAST 5 YEARS

Retail Investment Returns

Trilogy Monthly
Income Trust

7.50% p.a.¹

The **Trilogy Monthly Income Trust** returned an annualised net distribution rate of 7.50% p.a.¹ for the month ending 30 April 2026.

Trilogy Enhanced
Income Fund

5.60% p.a.¹

The **Trilogy Enhanced Income Fund** returned an annualised net distribution rate of 5.60% p.a.¹ for the month ending 30 April 2026.

Trilogy Industrial
Property Trust

7.50 CPU p.a.²

The **Trilogy Industrial Property Trust** paid investors an annualised net distribution of 7.50 CPU p.a.² for the month ending 30 April 2026.

1. Net distribution rate annualised for the month ended 30 April 2026. Net distributions are variable each month and are quoted net of management fees, costs and assume no reinvestment. Distributions are calculated daily and paid monthly in arrears. Please note, past performance is not a reliable indicator of future performance.

2. Net distribution annualised for the month ended 30 April 2026. Distributions are variable each month, net of management fees, costs and assume no reinvestment. Distributions are paid monthly in arrears. Please note, past performance is not a reliable indicator of future performance

Trilogy Monthly Income Trust

INVESTMENT FEATURES

- Competitive monthly income
- Diversified portfolio of loans secured by registered first mortgages
- Proactive risk management through disciplined lending criteria





Trilogy Monthly Income Trust

3. The unit price is fixed, however, capital losses can occur in circumstances where the Trust incurs a capital loss.

4. See PDS & TMD for details.

FUND INFORMATION

Inception	February 2007
Unit price³	\$1.00
Minimum initial investment	\$10,000
Distribution frequency	Monthly
Management fee	0.96%
Minimum initial holding period⁴	
Ordinary units	2 months
Platform units	N/A
Withdrawal notice period⁴	
Ordinary units	4 months
Platform units	Monthly. Requests must be received at least 7 business days prior to the last calendar day of the month.

Key Metrics

As at 31 March 2026

2. Based on unaudited figures as at 31 March 2026 and may be subject to change. Loan to valuation ratio (LVR) is based on valuations (for development and construction loans, the “as-if complete” valuation) inclusive of GST. Current liquidity represents proportion of the portfolio currently held in cash and investments considered to be liquid. Some figures have been rounded to the nearest percent.

\$1.06b

Funds under management

137

Number of loans

6.56 months

Weighted average expiry

13.54%

Current liquidity

100%

Senior secured loans

\$9.33m

Average loan value

64.77%

Weighted average LVR

Distribution Rates

As at 30 April 2026

RETAIL DISTRIBUTION RATE¹

7.50% p.a.

Distributions are variable. Past performance is not a reliable indicator of future performance

PLATFORM & ADVISER ASSISTED RATE¹

8.00% p.a.

Distributions are variable. Past performance is not a reliable indicator of future performance

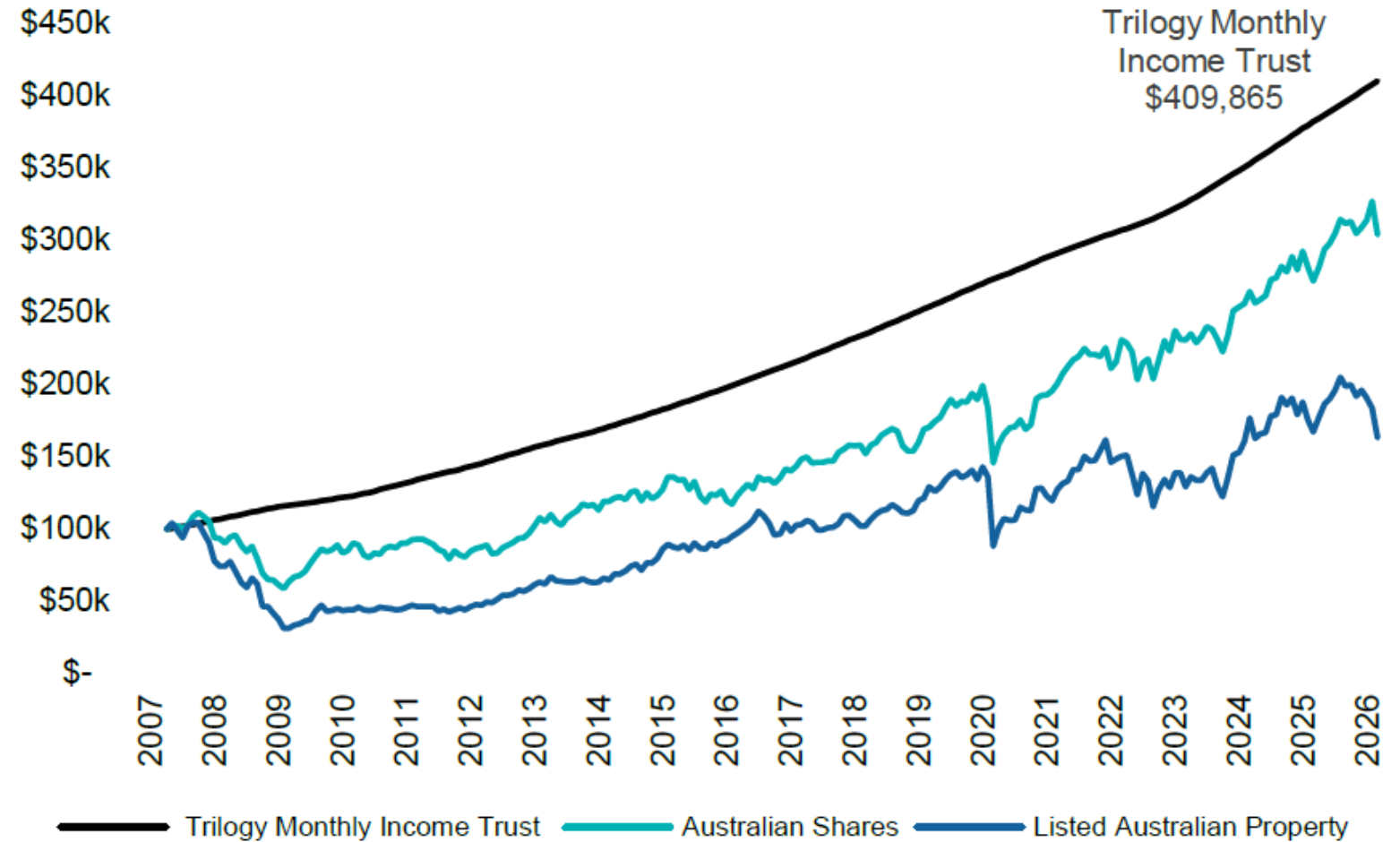
¹. Equivalent net distribution rate annualised paid to investors for the month ended 30 April 2026. All distribution rates quoted are variable, net of fees, costs and taxes and assume no distribution reinvestment. Past performance is not a reliable indicator of future performance.

Key Metrics

As at 31 March 2026

12. The chart assumes that the \$100,000 is fully invested in the relevant fund or asset class and that all income is reinvested. Australian Shares and Listed Australian Property are represented by accumulation indices, which already assume reinvestment of income. The investments do not take into account any tax liabilities. Australian Shares: S&P/ASX 200 Accumulation Index. Listed Australian Property: S&P/ASX 200 Accumulation Index.

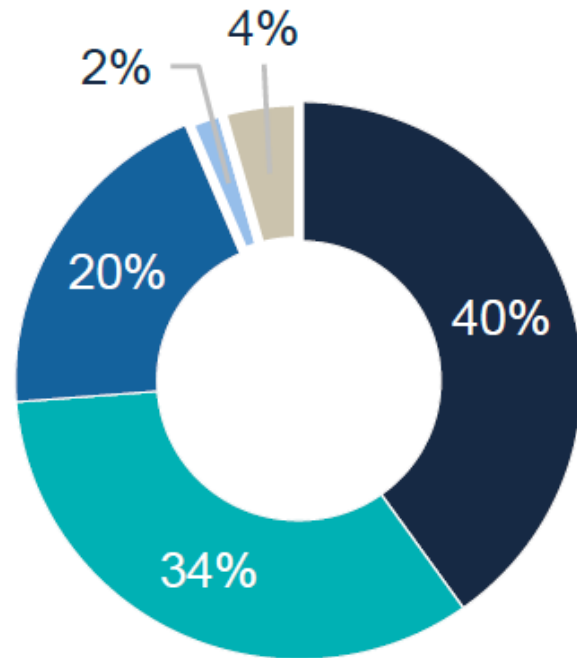
GROWTH OF \$100,000 (SINCE INCEPTION)¹²



Key Metrics – Loan Book

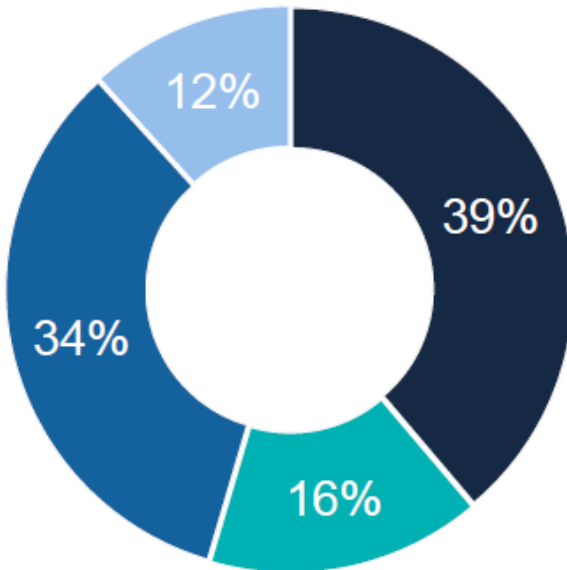
As at 31 March 2026

11. Graph figures may not sum to 100% due to rounding.



Geographic Spread

- NSW
- QLD
- VIC
- SA
- TAS / ACT



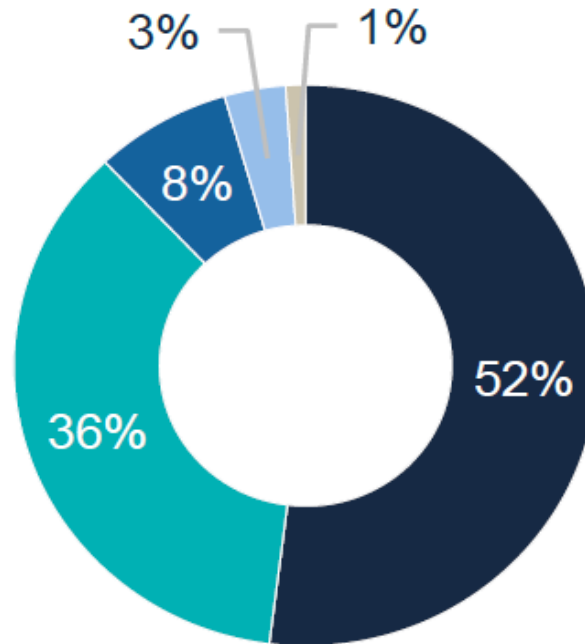
Loan Maturity

- < 3 months
- 3 to 6 months
- 6 to 12 months
- > 12 months

Key Metrics - Loan Book

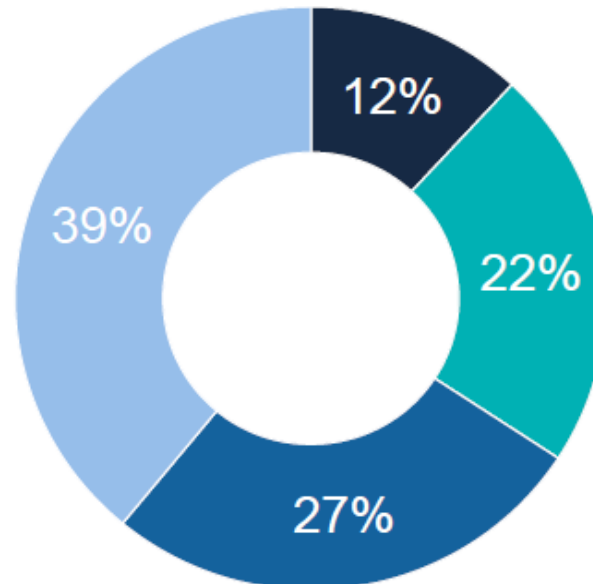
As at 31 March 2026

.11. Graph figures may not sum to 100% due to rounding.



Loan Purpose

- Development
- Land subdivision
- Completed stock
- Specialty
- Englobo land



Loan Size

- <\$5m
- \$5m - \$10m
- \$10m - \$20m
- >\$20m

Examples of Recent Loans



POINT ARKWRIGHT, QLD

Construction loan to support the delivery of a luxury, five-level low-rise apartment development in Point Arkwright on Queensland's Sunshine Coast.

Loan Amount	\$10.214 million
Loan Term	18 months
Loan Type	Construction
Loan-To-Valuation Ratio	61.90% (ex GST)



LOGAN VILAGE, QLD

Financing solution for the construction of an industrial facility in Logan Village. 'Synergy Park' will comprise 13 units ranging in gross floor area of 121 - 315 sqm.

Loan Amount	\$6.576 million
Loan Term	15 months
Loan Type	Construction
Loan-To-Valuation Ratio	64.07% (ex GST)

Platforms & Research

Platform Availability

Australian Money Market
CFS Edge
Dash
Hub24
Mason Stevens

North
Netwealth
Praemium
Powerwrap

Research Ratings



8. The rating contained in this document is issued by SQM Research Pty Ltd ABN 93 122 592 036 AFSL 421913. SQM Research is an investment research firm that undertakes research on investment products exclusively for its wholesale clients, utilising a proprietary review and star rating system.

The SQM Research star rating system is of a general nature and does not take into account the specific person. The rating may be subject to change at any time. Only licensed financial advisers may use the SQM Research star rating system in determining whether an investment is appropriate to a person's particular circumstances or needs of any specific person. You should read the product disclosure statement and consult a licensed financial adviser before making an investment decision in relation to this investment product. SQM Research receives a fee from the Fund Manager for the research and rating of the managed investment scheme.

Trilogy Industrial Property Trust

INVESTMENT FEATURES

- stable & regular income and the opportunity for long-term capital growth
- strong, diversified tenant base including leading international and Australian companies



Trilogy Industrial Property Trust

4. Data updated as at 31 March 2026

7. WALE is defined as weighted average lease expiry.

Calculated based on income of the properties as at 31 March 2026.

FUND INFORMATION

Inception	January 2018
Unit price⁴	\$1.1253
Minimum initial investment	\$20,000
Minimum additional investment	\$5,000
Distribution frequency	Monthly
Withdrawal offer	
Target offer date	April 2026
Interim withdrawal offers	
Target offer date	Annually commencing 1 Feb and closing 28 Feb. See PDS
Management fee⁷	0.50%

Trilogy Industrial Property Trust

As at 31 March 2026

1. Monthly distribution annualised. Distributions are variable, net of fees, costs and taxes and assume no distribution reinvestment.

2. Based on 31 March 2026 unit price. Past performance is not a reliable indicator of future performance.

3. 3-year, 5-year and inception data are reported on a per annum basis.

MONTHLY DISTRIBUTION¹

7.50 CPU p.a.

CURRENT YIELD²

6.66% p.a.

Distributions are variable. Past performance is not a reliable indicator of future performance. Monthly distribution yield, annualised. Based on 31 March 2026 unit price.

HISTORICAL PERFORMANCE^{2,3}

	1 MONTH	3 MONTH	6 MONTH	1 YEAR	3 YEAR p.a.	5 YEAR p.a.	INCEPTION p.a.
Income	0.56%	1.68%	3.40%	6.99%	7.13%	7.12%	7.50%
Growth	0.38%	0.53%	5.63%	3.53%	0.17%	2.11%	1.53%
Total	0.94%	2.21%	9.03%	10.52%	7.30%	9.23%	9.03%

Distributions are variable. Past performance is not a reliable indicator of future performance

Key Metrics

As at 31 March 2026

5. LVR is defined as loan to valuation ratio.

7. WALE is defined as weighted average lease expiry.

10. Total return comprises of income and capital growth. The chart assumes that the \$100,000 is fully invested in the relevant fund or asset class since inception.

\$321m

Gross asset value ⁴

100%

Occupancy rate

44.7%

Trust LVR ⁵

4.35 years

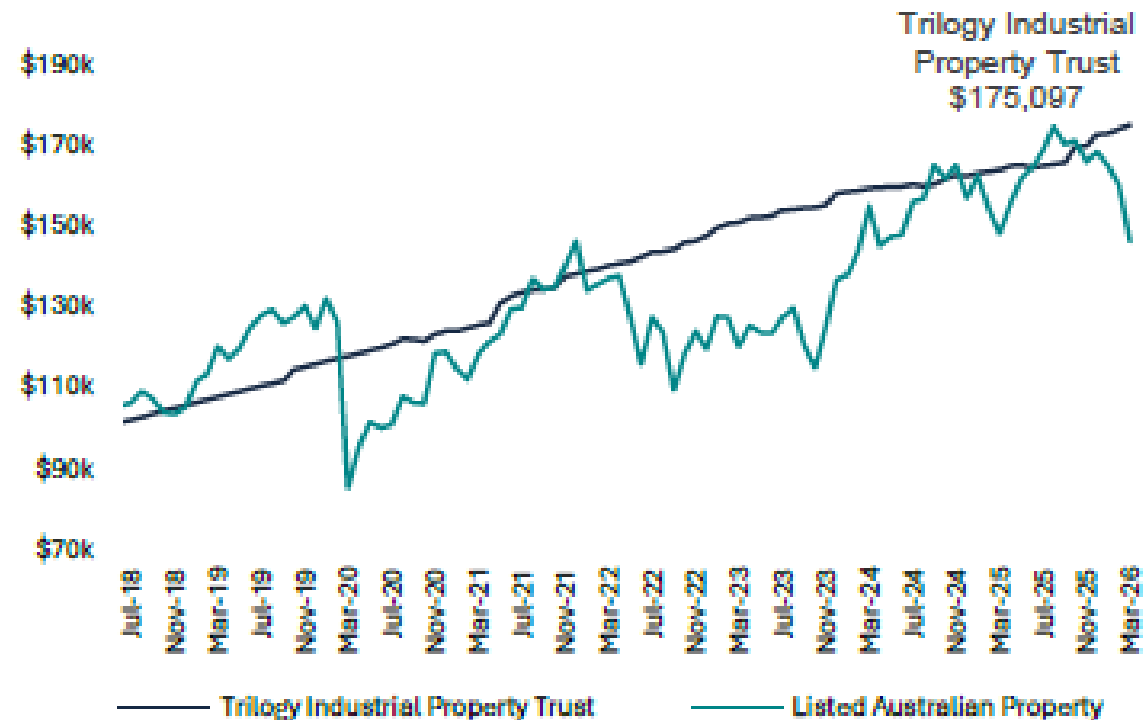
WALE ⁷
by income

16

Number of properties

49%

% of inflation linked income



TOTAL
RETURN OF
\$100,000
(SINCE
INCEPTION)¹⁰

Snapshot of Property Portfolio

As at 31 March 2026

5. LVR is defined as loan to valuation ratio.

7. WALE is defined as weighted average lease expiry.



2 Pak Street, Berrimah NT 0828

SITE AREA: 6,612 sqm
GROSS FLOOR AREA (GFA): 3,192 sqm (approx.)
TENANT: Tyremax



16 Galleghan Street, Hexham NSW 2322

SITE AREA: 29,800sqm
GROSS LETTABLE AREA (GLA): 15,100 sqm (approx.)
TENANTS: Bega Cheese Limited |
Downer EDI Engineering Power Pty Ltd



45-53 South Pine Road, Brendale, QLD 4500

SITE AREA: 26,910 sqm
GROSS FLOOR AREA (GFA): 18,255 sqm (approx.)
TENANT: Modern Star Pty Ltd



75-95 & 105 Corio Quay Road, Geelong VIC 3220

SITE AREA: 37,630 sqm
GROSS FLOOR AREA (GFA): 21,302 sqm (approx.)
TENANT: Quiksilver Australia Pty Ltd



15 & 17 Dacmar Road, Coolum Beach QLD 4573

SITE AREA: 21,330 sqm
GROSS LETTABLE AREA (GLA): 7,351 sqm (approx.)
TENANT: Weir Minerals Australia Limited



660 Stuart Highway, Berrimah NT 0828

SITE AREA: 19,390 sqm
GROSS LETTABLE AREA (GLA): 9,448sqm (approx.)
TENANTS: Amart Furniture Pty Ltd (Amart) |
Reece Australia Pty Ltd (Reece) |
Bowtime Pty Ltd (Barbeques Galore) |
Lesandu Berrimah JM Pty Ltd (Joyce Mavne)

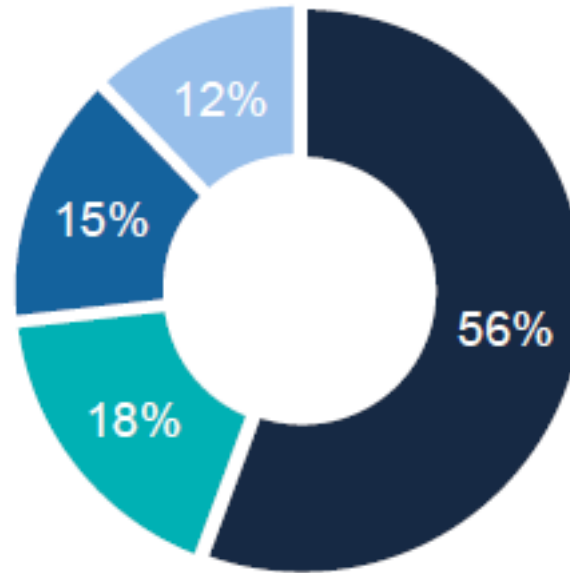
Fund Snapshot

As at 31 March 2026

4. Data updated as at 31 March 2026.

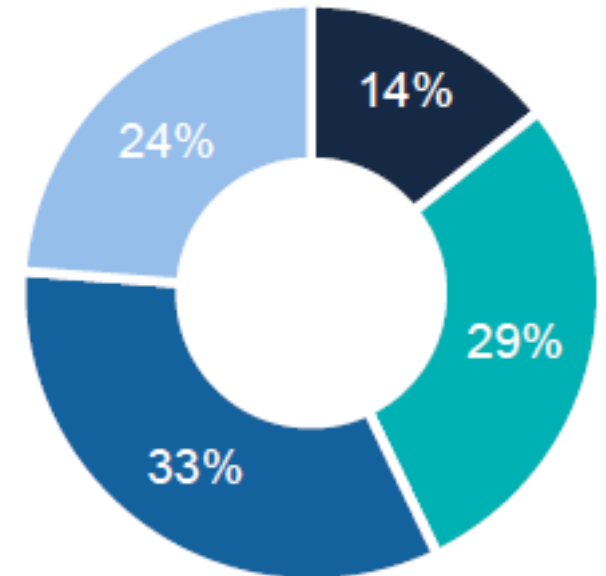
9. Graph figures may not sum to 100% due to rounding.

Geographic spread



- QLD
- NSW
- VIC
- NT

Lease expiry

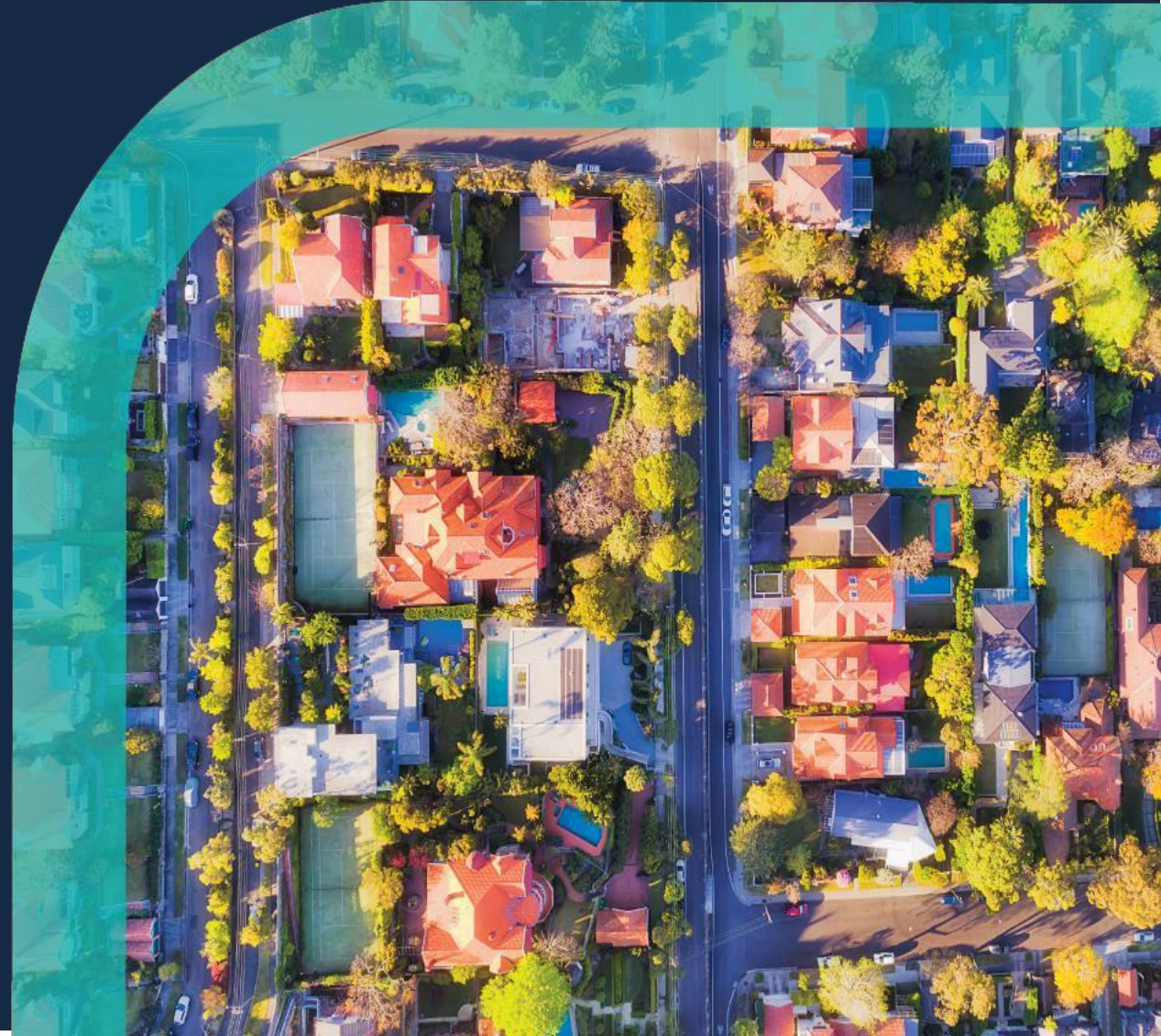


- 0 - 2 years
- 2 - 4 years
- 4 - 6 years
- 6+ years

Trilogy Enhanced Income Fund

INVESTMENT FEATURES

- Competitive monthly income with access to distribution reinvestment
- Diversified underlying portfolio



Trilogy Enhanced Income Fund

As at 30 April 2026

1. Monthly distribution annualised. Distributions are variable, net of fees, costs and taxes and assume no distribution reinvestment.

RETAIL DISTRIBUTION RATE¹

5.60% p.a.

Distributions are variable. Past performance is not a reliable indicator of future performance

PLATFORM & ADVISER ASSISTED RATE¹

5.70% p.a.

Distributions are variable. Past performance is not a reliable indicator of future performance

Trilogy Enhanced Income Fund

4. The unit price is fixed, however, capital losses can occur in circumstances where the Fund incurs a capital loss.

5. See PDS & TMD for details.

10. 0.35% p.a. of the gross asset value of the Fund.

FUND INFORMATION

Funds under management	\$77.35m
Inception	May 2017
Unit price⁴	\$1.00
Minimum initial investment	\$5,000
Distribution frequency	Monthly
Withdrawal notice period⁵	30 days
Management fee¹⁰	0.35%

Platforms & Research

Platform Availability

Australian Money Market
Dash
Hub24

Mason Stevens
Netwealth

Research Ratings



8. The rating contained in this document is issued by SQM Research Pty Ltd ABN 93 122 592 036 AFSL 421913. SQM Research is an investment research firm that undertakes research on investment products exclusively for its wholesale clients, utilising a proprietary review and star rating system.

The SQM Research star rating system is of a general nature and does not take into account the specific person. The rating may be subject to change at any time. Only licensed financial advisers may use the SQM Research star rating system in determining whether an investment is appropriate to a person's particular circumstances or needs of any specific person. You should read the product disclosure statement and consult a licensed financial adviser before making an investment decision in relation to this investment product. SQM Research receives a fee from the Fund Manager for the research and rating of the managed investment scheme.

Trilogy Funds Distribution Team



WYATT LEONARD

Head of Distribution

M 0401 047 494

E w.leonard@trilogyfunds.com.au



NICOLE OTT

National Manager

– Dealer Groups & Platforms

M 0432 105 114

E n.ott@trilogyfunds.com.au



WALTER RASPOPIN

Distribution Manager

QLD, SA, TAS

M 0427 355 909

E w.raspopin@trilogyfunds.com.au



MATTHEW FELSMAN

Distribution Manager

NSW

M 0434 552 298

E m.felsman@trilogyfunds.com.au



JOHN LAW

Distribution Manager

NSW, ACT

M 0403 711 524

E j.law@trilogyfunds.com.au



DENNIS CARGILL

Distribution Manager

WA

M 0468 631 010

E d.cargill@trilogyfunds.com.au



DANNY PUPOVAC

Distribution Manager

VIC

M 0466 868 667

E d.pupovac@trilogyfunds.com.au



ARTHUR TSIMBOURIS

Distribution Manager

VIC

M 0434 083 304

E a.tsimbouris@trilogyfunds.com.au

Building trust through design

AIOFP Conference

30 May 2026



The better the question. The better the answer. The better the world works.



Hi! I'm Grace.

I'm a UX and UI Designer.

Solving the right problem, for the right audience.

St John's Primary School

490 Whitehorse Road Mitcham

With Faith and Love

**Book a School Tour 9874
1575**

Open Days

4 March

19 March

22 April

Prep Information Evening

29 April



**This
is a unique
school**

- .State of the art Learning Facilities
- .STEM program
- .Visual and Performing Arts Specialist Teachers
- .Strong Social Justice Program

Join our vibrant community

Source: With permission for St John's Primary School Mitcham



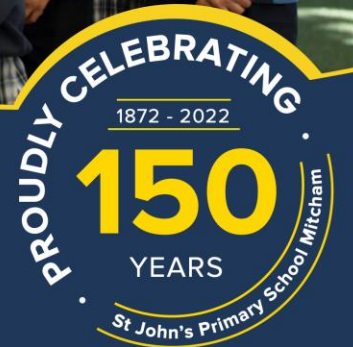
St John's Primary School Mitcham

Leading the future of learning



**Book a tour to visit our
state of the art facilities and
explore the future of learning**

490 Whitehorse Road, Mitcham VIC 3132
P: 03 9874 1575 E: principal@sjmitcham.catholic.edu.au
www.sjmitcham.catholic.edu.au



Source: With permission for St John's Primary School Mitcham

St John's Primary School

490 Whitehorse Road Mitcham

With Faith and Love

**Book a School Tour 9874
1575**

Open Days

4 March

19 March

22 April

Prep Information Evening

29 April



**This
is a unique
school**

- . State of the art Learning Facilities
- . STEM program
- . Visual and Performing Arts Specialist Teachers
- . Strong Social Justice Program

Join our vibrant community



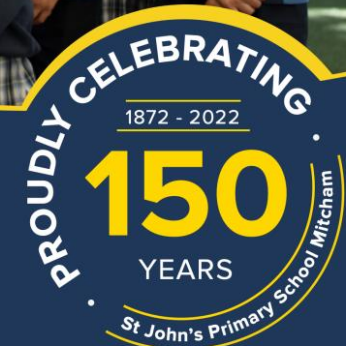
**St John's Primary School
Mitcham**

Leading the future of learning



**Book a tour to visit our
state of the art facilities and
explore the future of learning**

490 Whitehorse Road, Mitcham VIC 3132
P: 03 9874 1575 E: principal@sjmitcham.catholic.edu.au
www.sjmitcham.catholic.edu.au



Source: With permission for St John's Primary School Mitcham

75% of users admit to judging a business's credibility based on their website.

How can we build a better hearing aid?



How can we improve hearing quality within the facility?



48%

of customers say that if a website or app isn't mobile-optimized, it's a clear indication the business doesn't care.

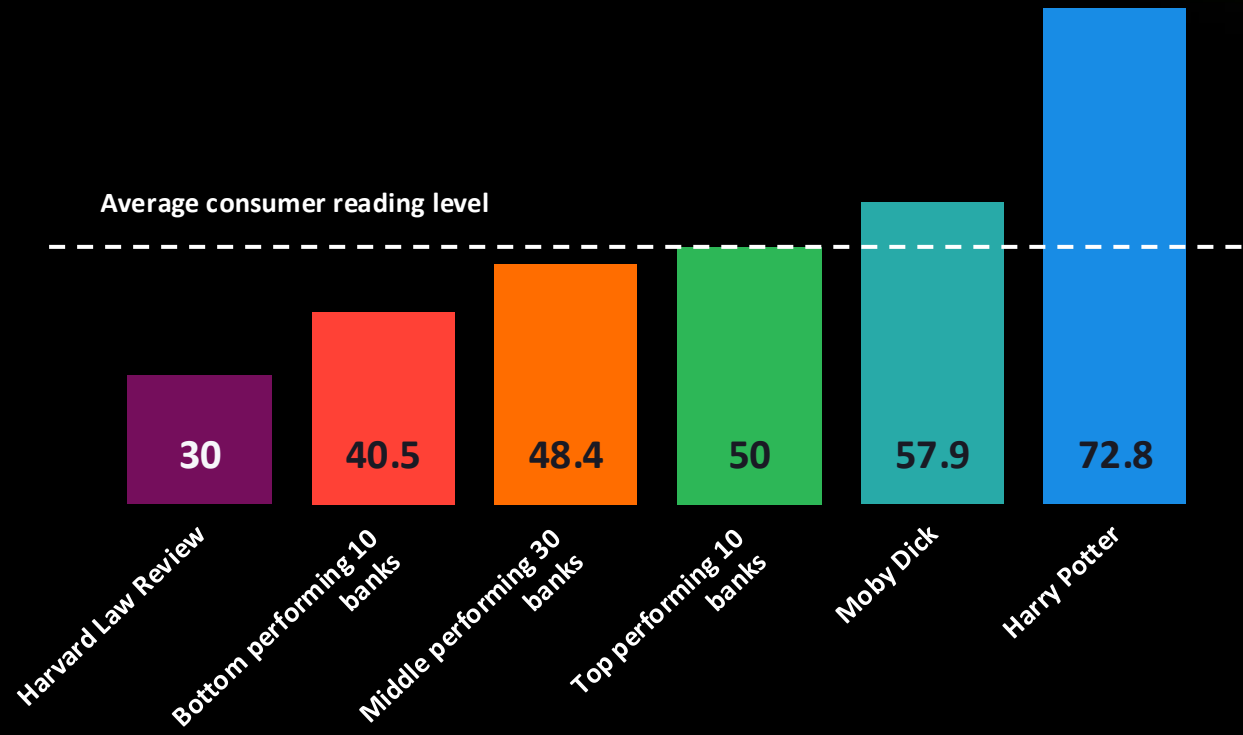
Can you read this?

How about this?

Save

Upload

Share



A seamless user experience has
been proven to increase
conversion rates by up to

400%

**Potential
Client**

**New
Client**

**Established
Client**

Advisor

**Business
Owner**



Solving the right problem, for the right audience.

25% of staff report considering leaving their jobs
due to poor software.

- 1.** Test your website on a **MOBILE**
- 2.** Check if it is readable to **YEAR 8** student
- 3.** Ask your users **HOW** and **WHY**

Trust is built not by flashy technology,
but by thoughtful design that puts people first.

EY | Building a better working world

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets.

Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.

EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multidisciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories.

All in to shape the future with confidence.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

In Consulting, we are building a better working world by transforming businesses through the power of people, technology and innovation. It's our ambition to become the world's leading transformation consultants.

The diversity and skills of 70,000+ people will help clients realize transformation by putting humans at the center, delivering technology at speed and leveraging innovation at scale.

These core drivers of "Transformation Realized" will create long-term value for people, clients and society.

For more information about our Consulting organization, please visit ey.com/consulting.

© 2026 Ernst & Young, Australia.
All Rights Reserved.

SCORE No: 111896-26-AUNZ
ED none

This communication provides general information which is current at the time of production. The information contained in this communication does not constitute advice and should not be relied on as such. Professional advice should be sought prior to any action being taken in reliance on any of the information. Ernst & Young disclaims all responsibility and liability (including, without limitation, for any direct or indirect or consequential costs, loss or damage or loss of profits) arising from anything done or omitted to be done by any party in reliance, whether wholly or partially, on any of the information. Any party that relies on the information does so at its own risk. Liability limited by a scheme approved under Professional Standards Legislation.

ey.com

The Sacred Duty of a Trustee

From the Crusades to the Corporations Act

Dominus vobiscum

Magna Carta- 15 June 1215

- The thought of a “Guardian” or “Custodian“ of assets dates back to the time of the First Crusade; 1096 to 1099.
- Concept of “**trustee**” first introduced in the Magna Carta of 1215.
- The word “trustee” not used; however, sentiments of such found in Chapters 4 and 5.
- The idea was that a person of trust was given a duty to preserve the property of another, in the absence of that person.
- This role emerged as landowners went to fight wars for the King.
- Guardians had a duty to manage assets and to be accountable.

Magna Carta - Development of Trust Law.

- **Protection of Inheritance-** Clauses 4 and 5; Magna Carta. The Guardians or Custodians to manage and maintain the assets and return them in good condition.
- **Preventing waste.** In the event of “destruction or waste” the Guardian would lose “wardship” which would then be transferred to “two lawful and discreet men”.
- **Accountability.** The Charter *demand*ed that Guardians (acting in similar capacity as a Trustee) act solely for the protection of the inheritance or assets and take only “reasonable profits”.
- ***This led to the evolution of the modern fiduciary duties of Trustees.***

What and who is a **Fiduciary**?

- A person, or organization, who is ethically and legally obliged to act in the best interests of another.
- They must place the interests of the beneficiary above their own.
- Act with loyalty, care, and honesty.
- Trust and Confidence; reliance on the expertise of the fiduciary.
- No conflicts of interests; avoidance of personal interests/conflicts.
- Duty of loyalty; must act for the sole benefit of the beneficiary.
- **Fiduciary duty is the highest level of duty known to the law.**

What and who is a Trustee.

- A Trustee is a specific type of fiduciary who generally holds legal title.
- Trustees hold and administer assets for a trust's beneficiaries.
- Usually acting under a specific Trust Deed to manage or administer assets.
- Trustees hold legal title to assets within a trust on behalf of beneficiaries.
- Fiduciaries do not hold title but may manage assets.
- Both hold the highest duty of care and loyalty
- **All Trustees are fiduciaries, but not all fiduciaries are Trustees.**

Presumption at Law.

- Presumed fiduciary relationships are formally recognized by law due to their occupation or professional status.
- This relationship exists when the law automatically assumes a relationship of trust, loyalty and confidence exists between the parties.
- No requirement of proof of facts.
- The presumed fiduciary relationships are recognized as inherently fiduciary due to their status.
- The Courts have accepted the concept of a “Presumed Fiduciary Relationship”.

Categories of Presumed Fiduciary Relationships.

- Trustee and Beneficiary.
- Guardian and Ward.
- Agent and Principal.
- Solicitor and Client.
- Doctor and Patient.
- Clergy and Parishioner.
- **Accountants and Financial Advisers are not “presumed fiduciaries”.**

Replacement of role of Trustee and Manager.

- The Managed Investments Act (Cth) 1998, significantly replaced the role of a Trustee and Manager with a single role, the Single Responsible Entity (SRE)- *more commonly known as the RE.*
- This Act was incorporated into Chapter 5C of the Corporations Act 2001 (Cth).
- Managed Investment Schemes (MIS) exist to provide for investors to purchase an interest in a fund to produce a return to investors.
- Introduced by the Howard Coalition Government in 1997 and updated again in 2001 by the same Government.
- The Investment and Financial Services Association (IFSA) the forerunner to the current Financial Services Council (FSC), lobbied heavily that benefits would be savings in management and administration costs.
- Critics argued consumer protections would be diluted.

ASIC v Equity Trustees (Shield Master Fund).

- Failed to exercise care, skill and diligence under s52(2)(b) of SIS.
- Failed to exercise trustee powers for beneficiaries, s529(2) SIS.
- Failed in due diligence and reviewing regularly each investment offered; s52(6) (b) SIS.
- Failed to promote the financial interests of beneficiaries; s52(12) SIS.
- Failed to comply with APRA prudential standards required; s 34C SIS.
- Failed APRA Superannuation Prudential Standards SPS 530 and 31, requiring Trustees to assess/bench test risks and consider losses.
- Prosecuting under s912A Corporations Act - (failing to act “efficiently, honesty and fairly”).

The Defence offered by Equity Trustees.

- Unlike Macquarie and Netwealth, Equity Trustees (EQT) are contesting the allegations, stating it had acted in members best interests.
- EQT asserts that it adhered to robust internal policies and monitoring.
- The Trustee believes it “reasonably relied” on third party providers such as research houses to form an opinion.
- EQT argues that ASIC failed to provide adequate warning about the Shield Fund and would have acted sooner.
- EQT argues it had raised concerns to ASIC about specific advisers (InterPrac) and had proactively restricted them.

Diversa Trustees- First Guardian.

- Similar action as against EQT.
- Failed to; exercise care, skill and diligence.
- Fail to act in best financial interests of members.
- Failed to exercise due diligence in developing, offering and reviewing investment options.
- Do all things necessary to provide financial services “efficiently, honestly and fairly”.

Defence offered by Diversa Trustees

- Diversa argues that investor losses stem from **fraud** and not its alleged negligence.
- External parties had failed in its assessment of the suitability of investments.
- The Trustee denies that it had not actively monitored the First Guardian Investments.
- Diversa argues that it had been working constructively and began suspending investments and advisers from May 2024.
- In April 2026, Diversa applied for government assistance of \$360 Million under Part 23 of SIS, for affected members.

Has the Single Responsible Entity (SRE) model failed?

- The SRE model has faced considerable criticism regarding its effectiveness in protecting investors.
- The model aimed to eliminate the diffusion between Trustee and Manager but has faced mixed success.
- Many SRE's are failing to meet their obligations.
- A 2 June 2025 ASIC review identified many SRE's with poor compliance plans.
- Inadequate compliance plans can be indicative of governance failings.
- SRE model has been described as “flawed in practice rather than a failure in concept”.

Removal of an SRE

- Highly regulated and can be complex.
- Voluntary retirement- process governed by Corporations Act.
- Removal by members: 5% voting rights to call a meeting. Requires 50% of votes to remove and appoint a new SRE.
- ASIC can intervene and revoke or suspend the AFSL of the SRE if it breaches financial services laws, becomes insolvent or fails its duties.
- Legal and administrative costs can be significant and is borne by the fund members.
- Transferring legal title can be complex and expensive.

Removal of a Trustee

- The Trust Deed is the first guide and contains powers to appoint or remove a trustee.
- Can be completed by a Deed of Removal and Appointment.
- Statutory route is via State based Trustee Acts (Trustee Act Vic 1958, Trustee Act NSW 1928, Trust Act Queensland 2025).
- Automatic disqualification- bankruptcy, incapacity or fraud conviction.
- Supreme Court action in each State.
- Court will consider; best interest of members, breach of trust, conflict of interest and insolvency.
- Less complicated than removal of an SRE.

Super giants target “trustees for hire”. AFR 11 May, 2026.

- Large superannuation funds pushing for a ban on independent trustees acting for wealth platforms.
- Treasury has concerns post failures in Shield and First Guardian.
- Minister Mulino is consulting as more money is moving from industry funds to wealth platforms.
- To end of 2025, \$4.3 Billion had switched from Industry Funds.
- These large funds want a mandatory “cooling off” period and the provision of direct financial advice to members by their “advisers”.
- Want a ban on advisers receiving fees on rollover funds.
- Aust Super, ART, AMP, Insignia, Cbus, Rest, Hostplus, HESTA, Uni Super and Colonial First State.

CSLR

If Government gives MIS special treatment, I *wouldn't* frame the response as simply “the CSLR is unconstitutional”. That is too broad and, in my view, too easy for Government to dismiss.

The stronger approach would be to say that any MIS exclusion or carve-out must be legally justified, evidence-based and procedurally defensible. If Government grants preferential treatment to one part of the financial services sector while leaving advisers exposed to the levy burden, the first step is to require written reasons, the evidentiary basis for the distinction, and disclosure of the policy criteria used to separate MIS losses from adviser-related CSLR liabilities.

If those questions are ignored, the next legal step would be to explore a targeted challenge to the actual decision or instrument that gives effect to the MIS exclusion. Depending on how the exclusion is implemented, that could involve judicial review of the relevant ministerial, Treasury, ASIC or CSLR-related decision, or a challenge to the validity of the legislative instrument or levy determination. The likely grounds would not be “unfairness” in the political sense, but legal grounds such as irrelevant considerations, failure to consider relevant matters, irrationality/legal unreasonableness, improper purpose, inconsistency with the statutory scheme, or unequal treatment lacking a lawful basis.

The key point for members is this: if MIS receives special treatment, AIOFP should not merely complain about the politics. We should immediately ask: what is the legal source of the carve-out, what reasons support it, what evidence was relied on, and whether the decision can be challenged in the Federal Court. A carefully chosen test case may not only challenge the exclusion itself, but also force public scrutiny of how the CSLR burden is being allocated across the sector.

So the practical position is: ask the direct questions first; demand reasons and documents; identify the instrument or decision; then brief counsel on a targeted Federal Court challenge.