

NAB Super Lever



Self-managed superannuation funds (SMSFs) represent the largest sector within the Australian superannuation industry, managing close to a third of superannuation assets¹.

NAB Super Lever is a limited recourse borrowing arrangement specifically designed for SMSFs. If you are a SMSF trustee, NAB Super Lever will allow you to borrow some of the funds needed to acquire an investment chosen from a broad approved list of shares, managed funds and exchange traded funds (ETFs).

What are the key benefits?

If you decide that using gearing is consistent with your SMSF investment strategy, NAB Super Lever can deliver a number of key benefits:

Limited recourse

- NAB's recourse against the SMSF is limited to the acquired asset held as loan security
- Maximums apply to the value of assets acquired

Contributions – No initial change to the net capital of your SMSF

- Borrowing funds to acquire an asset under a limited recourse borrowing arrangement does not increase the net capital value of your SMSF, so it should not result in a contribution to your fund for ATO purposes (refer NAB Super Lever – Taxation Considerations).

Accessible strategy

- Both individual and corporate trustees may apply
- SMSFs with a mixture of accumulation or the pension accounts can apply
- Limited recourse loans should be managed via SMSF accumulation accounts

Simplicity

- The required Security Trust structure is provided within NAB Super Lever. This avoids the additional expense of setting up your own separate security trustee.
- If your facility is approved, and you decide to make an investment, you simply send us a form with your investment request and arrange to provide the required cash contribution.

Flexibility

- As the SMSF trustee, you can choose (1) your investment from a broad range of approved investments, (2) your preferred gearing level, (3) whether to capitalise loan interest, (4) whether to make use of non-SMSF security to support a loan via a guarantee and (5) when to repay the loan

Unconditional access to investment distributions

- Cash dividends and distributions flow directly to you as the beneficial owner of the financed investment. These income flows are available for you to reinvest within your SMSF, or you may choose to reduce an existing NAB Super Lever loan balance.

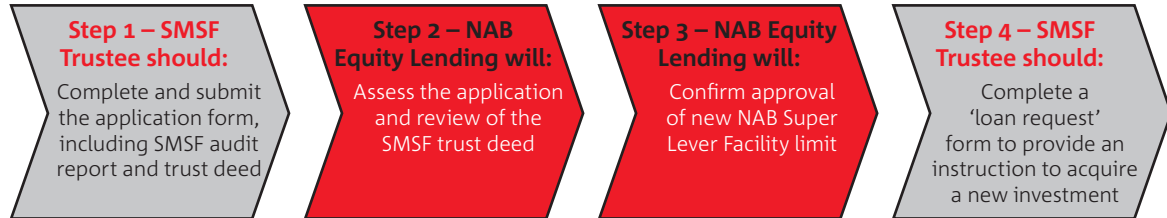
Responsible

- The facility 'credit' and 'transaction' limits are designed to create a split between the SMSF equity contributed to this gearing strategy, and the SMSF equity reserved to support other fund obligations.

1. APRA Quarterly Superannuation Performance, March 2012 (issued 7 June 2012).

Simple application and transaction process

The process of submitting an application for a NAB Super Lever facility, through to making a request to use borrowed funds for a new investment, has been reduced to a few simple steps. As the Security Trustee is built into NAB Super Lever, you only need to focus on (1) what you want to invest in, (2) how much gearing is appropriate and (3) how you plan to manage the loan interest.



NAB Super Lever at a glance

Structure	Limited recourse loan, designed for SMSFs
Type of investments	Choice of 100+ shares, 100+ managed funds and a selection of Exchange Traded Funds. The approved list is available at www.nab.com.au/equitylending
Minimum loan	\$20,000 minimum loan (ie for a security ratio of 50%, minimum transaction = \$40,000)
Establishment fees	\$250 for vetting of SMSF trust deed
Ongoing fees	No ongoing or annual fees – only loan interest
Margin calls	Corrective action is required when a margin call is triggered
Security Trustee and Transaction Management	Performed by NMS Nominees Pty Ltd (NAB entity)
Facility term	The NAB Super Lever Facility has no expiry date. Individual loans can be repaid at any time. Economic break costs may apply if you choose to repay a fixed rate loan early
Interest rate types	Variable, fixed in advance or arrears, or a combination
Third party security	A fund member may lodge additional security in a personal capacity (ie as a guarantor)
Online access 24/7	Easy access to all information – one username/password for all NEL facilities

How to proceed

To obtain a copy of the NAB Super Lever application kit call us on **1300 135 145**, or alternatively, go to nab.com.au/equitylending and download a copy of the application kit.

To speak to your local Business Development Manager, contact:

VIC/TAS Carolyn Beadle
 Mobile 0428 641 904
 Email carolyn.s.beadle@nab.com.au

QLD/NT Sean Kelly
 Mobile 0410 348 716
 Email sean.kelly@nab.com.au

NSW/ACT Adam Rebeira
 Mobile 0420 942 384
 Email craig.saunders@nab.com.au

WA/SA Steve Honeywell
 Mobile 0475 964 192
 Email steve.honeywell@nab.com.au

The information provided in this brochure is intended to be of a general nature only. Any advice in this brochure has been prepared without taking into account your objectives, financial situation or needs. Before acting on any advice in this brochure, National Australia Bank Limited (ABN 12 004 044 937 AFSL 230686) (NAB) recommends you consider whether it is appropriate for your objectives, financial situation and needs. NAB recommends that you seek independent advice before acting on any information in this brochure. The taxation information contained in this document is of a general nature. The tax consequences of investing will depend on your particular circumstances. We recommend that you seek professional tax advice before applying for a NAB Super Lever facility.

This document is not a substitute for reading the NAB Super Lever Product Disclosure Statement and Facility Terms. The NAB Super Lever Facility Terms are available from NAB on request or via nab.com.au/equitylending. A PDS is available for the NAB Super Lever Facility. NAB is the issuer of the Facility and recommends you consider the PDS before making any decisions. The PDS document is available via our website at nab.com.au/equitylending or by calling NAB Equity Lending on **1300 135 145**.