



## **Præmium and Powerwrap Sign Heads of Agreement For New Wrap and SMA Service**

### **For ASX Release**

**18 November 2008**

Præmium Limited (ASX:PPS) is pleased to announce that it has signed a Heads of Agreement with Powerwrap to provide V-Wrap and Separately Managed Account (SMA) technology for its proposed fully consolidated wrap platform.

Formed specifically to address the demand by advisers and their clients for a more efficient platform solution, the Powerwrap platform will offer access to wholesale managed funds as well as access to direct equities administration using Præmium's V-Wrap.

Powerwrap will also become the Operator of a new Separately Managed Account product which will be powered by Præmium's proprietary SMA technology. This service will also utilise the new risk-based SMA strategies that were originally developed by Præmium for the UK market.

Under the terms of the binding Heads of Agreement, the parties will agree minimum annual fees for the provision of the SMA infrastructure prior to signing a formal agreement. In consideration of Præmium's agreement to restrict the number of operators who will be able to utilise its SMA platform during the next five years to no more than five in total, the minimum annual fees will represent a material amount. As part of the agreement, Præmium will provide marketing support and assistance to Powerwrap which plans to market its SMA and wholesale managed fund platform to Præmium's independent client base of over 480 wholesale clients, which report on over \$27 billion in assets.

Entry into the formal agreement is conditional on Powerwrap completing the process of obtaining appropriate AFS licensing.

Arthur Naoumidis, Group CEO of Præmium, said, "It's great to see a new entrant into the wrap platform market and I am very pleased that, following an extensive review of the available technologies, Powerwrap has chosen Præmium to support them."

Andrew Varlamos, CEO of Powerwrap said, "We are very excited to be able to leverage Præmium's best-of-breed technologies as a key part of our proposed platform offering. Our research indicates advisers and their clients are seeking greater transparency and control over their investments, and of course, everyone in the industry is seeking more efficiencies as a means of lowering aggregate costs across the value chain. We believe we can play an important role in helping to facilitate this".

**About Præmium:** Præmium supplies online portfolio administration services (V-Wrap), market data (p-Desktop) and Separately Managed Account (SMA) technology to wealth managers, financial planners, accountants, stockbrokers and SMSF administrators. V-Wrap currently administers in excess of \$27bn.

**About Powerwrap:** Powerwrap will be a new independent, fully consolidated wrap platform structured as a registered scheme, which will offer access to direct equities administration, managed funds and SMA capability. Powerwrap will be fully operational in early 2009, once licensing and other legal formalities are completed. For further information see [www.powerwrap.com.au](http://www.powerwrap.com.au).

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