



IOOF **Pursuit Select** Investment Service

IDPS Guide

Dated: 1 December 2020

Issuer: IOOF Investment Services Ltd ABN 80 007 350 405, AFSL 230703.

Legal Notes

The Annex – IOOF Pursuit Select Investment Service (the Service) is an Investor Directed Portfolio Service (IDPS). This IDPS Guide (Offer Document) is not a product disclosure statement for the purposes of the *Corporations Act*. It has been prepared in accordance with ASIC Class Order CO 13/763 *Investor directed portfolio services*.

The Service is only available to persons receiving this Offer Document (electronically or otherwise) within Australia. The contents of this document are intended to help you understand the Service being offered by IOOF Investment Services Ltd (IISL) and to make an informed decision on how it may meet your investment needs.

About the Service Operator

The Service Operator, IISL, is a part of the IOOF group, comprising IOOF Holdings Limited ABN 49 100 103 722 and its related bodies corporate (IOOF group). Investments into and managed investments, listed investments, fixed-term annuities or term deposits acquired through the Service do not represent assets or liabilities of IISL or any other company or business within the IOOF group. The terms 'our', 'we', 'us' and 'Service Operator' in this Offer Document refer to IISL.

As the Service Operator, IISL operates and administers the Service on the terms and conditions outlined in this Offer Document. IISL has appointed Australian Executor Trustees Limited ABN 84 007 869 794 AFSL 240023 (Custodian) as custodian to hold the assets of the Service on behalf of investors. IISL and the Custodian are related parties within the IOOF group. IISL also has investment and service contracts with related parties within the IOOF group, including IOOF Service Co Pty Ltd ABN 99 074 572 919.

As IOOF is a large financial institution that participates in both domestic and international markets, conflicts of interest, both real and perceived may arise. We have policies in place that contain appropriate measures to identify, document and manage conflicts.

We may refuse an application to join the Service without providing reasons for the refusal. An applicant becomes a client in the Service when IISL accepts the application and records them as a client in its records.

IISL is the issuer of this Offer Document and is solely responsible for its contents. This Offer Document was prepared by IISL based on its interpretation of the relevant legislation as at the date of issue.

IISL is also the Responsible Entity of IOOF MultiSeries, IOOF MultiMix Trusts, IOOF Cash Management Trust, Profile Managed Investments, the Specialist Funds and the Strategic Funds and receives fees under the Constitutions of the Trusts. These are some of

the investment options offered in the IOOF Pursuit Select Investment Service (as listed in the **IOOF Pursuit Select investment guide (PSI.01)** and the **IOOF Pursuit Select Investment menu (Investment Menu)**).

About the Sponsor

Investment Diversity Limited ABN 21 096 137 156 (IDL or the 'Sponsor') is the Sponsor of the Service and in that capacity provides certain services to the Service including, but not limited to market research, guide and communication review, adviser training services, adviser issues escalations and distribution monitoring. IDL is also involved in the selection of the licensed financial advisers who may recommend the Service to investors. The Sponsor is paid for the services it provides for the Service, however this is not an additional charge to you. IDL does not issue interests in the Service, nor guarantee an investor's interest in the Service, nor any income or rate of return. IDL is a wholly owned subsidiary of Centrepoint Wealth Limited ABN 63 074 949 429 (CPW). CPW is a wholly owned subsidiary of Centrepoint Alliance Limited ABN 72 052 507 507.

Investment options offered

IISL makes no recommendation regarding the investment options set out in the **Investment Menu**.

IISL regularly monitors the investment options available to investors through the Service and provides no assurance that any investment option currently available will continue to be available in the future. We have the right to suspend or cease investments in a specific investment option without reason and can redeem and transfer your investments to your Cash Account in circumstances where the investment option is no longer available and no alternative instructions are provided. We will notify you of any such change where possible before the change occurs. You may incur a Capital Gains Tax (CGT) liability and a buy-sell spread where your investment option is redeemed. We recommend that you discuss the implications with your tax adviser.

The fund managers have not authorised or caused the issue of this Offer Document but have consented to the inclusion of statements which relate to their particular managed investment.

In order to choose an investment option for your investment strategy, you should review the information in **PSI.01** and the **Investment Menu**. Before selecting an investment option, your adviser should give you the product disclosure statement for that managed investment or fixed-term annuity or the product guide for the term deposit. These documents provide you with important information to consider and evaluate before investing. Product disclosure statements for each managed investment or fixed-term annuity and product guides for each term

deposit are also available on our website (ioof.com.au/product_list/annex_pursuit). Please note, product disclosure statements and product guides are not available for Direct Share Choice investment options.

General advice warning

The information contained in this Offer Document is of a general nature only and does not take into account your individual objectives, financial situation or needs. You should consider the appropriateness of this information having regard to your objectives, financial situation and needs and you may want to seek advice from a financial adviser before deciding to invest through the Service.

If you invest in the Service without the assistance of a financial adviser, you may not be fully aware of the risks and benefits of investing according to your personal circumstances and financial or taxation position. The Service's investment menu is extensive and identifying the right investment strategy for you can be complex and risky without professional assistance. We recommend that all investors consider obtaining and maintaining professional financial and/or tax advice prior to investing and while investing via the Service.

Disclaimer

Neither IISL, nor any other related or associated company, the fund managers providing the managed investments, service providers or the related bodies corporate of the parties mentioned, guarantee the repayment of capital or the performance or any rate of return of the investment options acquired through the Service. Investments made through the Service into the investment options are subject to investment risks and other risks. This could involve delays in the repayment of principal and loss of income or principal invested.

Updated information

The information referred to in this Offer Document may change from time to time. We will inform you of any significant changes that could affect you, or other significant events that may affect the information in this Offer Document. Any updated information that is not materially adverse may be obtained by:

- checking our website (ioof.com.au/product_list/annex_pursuit)
- emailing us at clientfirst@ioof.com.au
- calling us on 1800 913 118.

A paper copy of the updated information will be provided free of charge on request.

Key words

There may be some words in this Offer Document you may not be familiar with. To help you understand these terms, we have defined them on page 29.

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How to find your way around this Offer Document

This Offer Document is important because it will help you decide whether IOOF Pursuit Select Investment Service will meet your needs. It includes references to additional important information contained in the **IOOF Pursuit Select Investment Service investment guide (PSI.01)** and the **IOOF Pursuit Select Investment menu (Investment Menu)**, which forms part of this Offer Document. You can use it to compare IOOF Pursuit Select Investment Service with any other investment product you may be considering.

This Offer Document describes the key features, risks and purpose of IOOF Pursuit Select Investment Service. It also contains some information we are required to include by the law. ASIC Class Order 14/1252 applies to this Offer Document.

This Offer Document, the guide and the Investment Menu can be downloaded from our website (ioof.com.au/forms/annex_pursuit/select/idps) or contact us and we will send you a paper copy at no charge. The material in these documents may change between the time when you read them and the day you acquire the product.

An introduction to IOOF Pursuit Select Investment Service

The Service offers you a comprehensive investment and administration solution to help you achieve your financial goals. When you invest through the Service you gain access to term deposits, fixed-term annuities and a diversified range of managed investments and listed investments. You can choose the investment options and investment methods that suit you and which may assist you in achieving the financial goals you have set. Your investment through the Service can be used for anything from simple wealth creation to meeting longer-term retirement plans.

The contents of this section will inform you about the basics of the Service and some of the key features and benefits available to you when you invest through the Service. Whether you are an experienced investor or new to this type of administration facility, this introduction will help to lay the foundations of your understanding and assist you to make decisions about your investment needs.

Investing in the Service

With the Service you can select an investment strategy that suits you using one convenient administration facility. This includes having access to:

- a range of Australian and international fund managers
- the majority of fully paid ordinary, preference and equity shares, stapled securities, Exchange Traded Funds (ETFs), interest rate securities, Hybrids, Listed Investment Trusts (LIT) and Listed Investment Companies (LIC) listed on the Australian Securities Exchange (ASX)
- term deposits and fixed-term annuities (term investments)
- flexible investment instruction options
- view your account details and generate reports securely online via Portfolio Online
- regular savings and withdrawal options to manage your cash flow needs
- consolidated reporting

Since we hold and administer all the investments on your behalf through the Service, you provide us with the instructions and then we do the rest. This makes investing simpler.

We monitor and review the fund managers and managed investments on an ongoing basis and may add or remove managed investments from time to time. Our investment selection process is described further in the 'Selection of investments' section of **PSI.01**.

Who is the IOOF group?

The IOOF group consists of IOOF Holdings Ltd ABN 49 100 103 722 and its related bodies corporate. It is listed in the top 200 on the Australian Securities Exchange (ASX: IFL). IISL is part of the IOOF group.

As one of the largest financial services groups in Australia, with over 170 years' experience in helping Australians secure their financial independence, the IOOF group provides services to more than 500,000 clients and has more than \$202 billion in funds under management, advice and administration (as at 30 June 2020).

You can find more information about the IOOF group, director details, executive remuneration and other documents by visiting our website (www.ioof.com.au).

Snapshot of IOOF Pursuit Select Investment Service

The following table provides a snapshot of the key features and benefits:

Investing		Page
Investment options	<ul style="list-style-type: none"> • Easy Choice – offers a range of IOOF multi-manager and sector trusts. • Premier Investor Choice – complements our existing Easy Choice investment selection by providing a suite of screened managers who offer high-conviction, quality investments to form the core of your investment strategy with significantly lower management fees. • Investor Choice – offers a large range of sector or asset class specific managed investments and term investments. • Direct Share Choice – offers access to the majority of fully paid ordinary, preference and equity shares, stapled securities, ETFs, interest rate securities, Hybrids, LITs and LICs listed on the ASX. 	7
Regular Savings Plan	Direct debit facility to enable you to make regular investments from your nominated financial institution account into your investment account.	4
BPAY ¹	Make regular or one-off investments without a direct debit facility.	4
Cash Account	When you open an investment account, a Cash Account is automatically established for you which records all transactions.	12
Income distributions	Options for income distributions from your investment option(s) are: <ul style="list-style-type: none"> • automatic payment into your nominated account with your financial institution (refer to Automatic Distribution Facility) • re-invest the distribution back into the same investment option (default option) • nominate specific investment option(s) for all distributions • retain distributions in your Cash Account. 	9
Margin lending	We have arrangements in place with certain lenders to facilitate margin lending through the Service.	4
Transacting		
Regular Withdrawal Plan	Set up a regular payment facility from the Service into your nominated account with your financial institution.	6
Automatic Distribution Facility	Allows regular payment of income distributions into your nominated account with your financial institution.	6
Managing your account		
Portfolio Online	Secure access to your account online, 24 hours a day, 7 days a week.	9
Fee Aggregation	You can link multiple Pursuit Select accounts (conditions apply), including your own and those of immediate family members, which may reduce the Administration Fee payable.	16
Minimum amounts		
Initial investment	\$10,000 or \$2,500 with a Regular Savings Plan ² .	4
Additional investments (one-off)	\$2,000 per investment.	4
Regular Savings Plan	\$200 per frequency.	4
Lump sum withdrawals (one-off)	The lesser of \$2,000 or your account balance.	6
Regular Withdrawal Plan	\$200 per month or quarter.	6
Automatic Distribution Facility	\$200 per quarter or half-year.	6
Account balance	\$2,000 ³	
Investment options and switching instruction	<ul style="list-style-type: none"> • Managed investments – \$200 per managed investment (no minimum per managed investment with a Regular Savings Plan). • Term investments – \$5,000 per term investment. • Direct Share Choice – a minimum parcel of \$2,000 is required per listed investment trade. 	11
Cash Account	Each investment requires a minimum allocation to the Cash Account of 1%.	12

1 Registered to BPAY Pty Ltd ABN 69 079 137 518. Only available if your nominated financial institution offers this service.

2 Subject to a minimum total investment (including one-off amounts) of \$1,200 per annum.

3 If an investor holds an investment in a term investment the minimum account balance will be \$2,000 plus the value of that term investment.

How does the IOOF Pursuit Select Investment Service work?

Who can use the Service?

The Service has been designed with features for investors who want to be involved with and have control over the management of their portfolio. Any individual over 18 years of age may invest through the Service either by themselves or jointly.

This Service is ideal for individual investors, partnerships, companies or the trustees of self managed superannuation funds and other trusts. With transparent fees and access to a wide range of managed investments across all asset classes, term investments and listed investments, the Service will suit the sophisticated investor who has clear financial goals and wants to take control of all investment decisions.

If you are looking for a one-stop administrative solution to manage your investment needs, the Service may be for you. Talk to your financial adviser about how our Service can be tailored to suit your individual financial objectives.

Making a start

You can start your investment account with an amount (an initial investment) of either:

- \$10,000
- \$2,500 (if you have selected the Regular Savings Plan⁴)

Investments made into your account are credited first to your Cash Account. Those investments (less any nominated Investor Advice Fee – Upfront⁵) will be invested in accordance with your Investment Instructions. Information on how your Cash Account balance is invested is contained on page 12.

How to make additional deposits

One of the benefits of the Service is that you can add to your investment account using a variety of methods such as B_{PAY}, cheque and Regular Savings Plan (direct debit). Unfortunately, we cannot accept cash or credit cards.

All cheques should be made payable to:

IPS – IOOF Pursuit [your full name or account number]

Types of deposits

1. Initial investment

If your initial investment is made by cheque, please complete the relevant section of the Application for Investment Service (Application form) located in the IOOF Pursuit Select Investment Service Forms Booklet (Forms booklet).

If your initial investment is made by direct debit (one-off), please complete the Direct Debit Request (DDR) (Direct Debit Request form) located in the Forms booklet.

2. Additional deposits

You can make additional one-off deposits to your investment account by either cheque, direct debit (one-off) or B_{PAY} (if this facility is available from your nominated financial institution).

For investments made via B_{PAY}, a Biller Code and Customer Reference Number (CRN) are sent to you when you invest through the Service. Any investment made by B_{PAY} will be invested as per your Regular Savings Plan and B_{PAY} Instruction where this instruction has been supplied (refer to page 9).

If your additional investment is made by direct debit (one-off), please complete the Direct Debit Request form.

Where a one-off deposit is made by cheque or direct debit (one-off), you may nominate investment options which differ from your Primary Instruction or Regular Savings Plan and B_{PAY} instruction (if applicable) (refer to Specific Instruction on page 9).

3. Regular Savings Plan (direct debit)

A Regular Savings Plan facility allows you to set up a direct debit arrangement for regular monthly, quarterly or half-yearly investments to your investment account by completing a Direct Debit Request form.

You may nominate investment options which differ from your Primary Instruction (see Regular Savings Plan and B_{PAY} Instruction on page 9).

The direct debit will occur from your nominated account with a financial institution on the 15th day of the relevant month (or nearest business day after the 15th day).

Your Direct Debit Request must be received at least five business days before then to ensure that your deduction is processed that month. If an application is not received within these timeframes, it will be processed either that month or the following month (and then continue regularly according to the frequency you selected).

Margin lending

Margin lending allows you to borrow money to invest in listed investments, managed investments and term investments. This strategy is called gearing. A gearing strategy amplifies your investment returns because you are investing more money than simply using your own savings. However, it is important to recognise that gearing also amplifies the negative effects of falls in market values – in other words, it can increase your investment losses.

Depending on your circumstances, the interest cost of any borrowed funds may be tax deductible.

Margin lending may not be suitable for your particular investment objectives, financial situation or individual needs. Before making a decision to borrow funds, you should speak with your financial adviser about how margin lending works and to determine whether gearing your investments is appropriate in your case. You should also seek tax advice on the potential tax benefits of borrowing funds using a margin lending facility.

4 Subject to total deposits of a minimum of \$1,200 per annum.

5 For more information regarding the investor advice fees available, refer to page 18

We have arrangements in place with a panel of lenders to facilitate margin lending through the Service. We do not provide any margin loans. You are required to organise any margin loan relating to the Service with a lender from our panel. For further details please contact us. All margin loans are subject to the requirements of the individual lender and accordingly, all of the managed investments, term investments and listed investments available through the Service may not be approved for the purposes of the loan.

Any loan approved and obtained using margin lending is first deposited into your Cash Account. It is then invested according to the Investment Instructions you provide to us as per any deposit into your account.

Any proceeds from the sale of the managed investments through the Service that are subject to the margin lending arrangement will be automatically transferred to the margin lender for offsetting against the loan, unless we are instructed otherwise by the margin lender.

We may pass information relating to you and your accounts to the margin lender provided we consider doing so necessary or desirable in relation to the margin lending arrangements or the Service.

These terms will generally apply until the margin lender tells us they do not.

A margin lender may require you to pay a fee in relation to the margin loan. Any such fee will be disclosed in the margin lender's offer document. In certain circumstances, including default under your margin lending arrangement, a margin lender may have the right to recoup charges and expenses from your investment account through the Service.

Important note

The margin lender generally requires you to mortgage your total investment account and surrender your rights under the Service in favour of the margin lender. If your investment account is held as security for a margin loan, it is important to note and understand the changes this will have to your rights and obligations under the Service. Withdrawal instructions on the investment account and withdrawal proceeds are generally only released to you subject to approval by the margin lender. The margin lender also has the right to redeem your managed investments to recover loan amounts and interest. Should this occur, we will action this request without notification to you.

You should refer to the margin lender's offer document or contract for full details on how a margin loan arrangement will impact your investment through the Service.

Rights and obligations under margin lending arrangements

By entering into margin lending arrangements, you understand and agree to the following:

- The time it takes to process a transaction may be longer depending on the processing requirements of your margin lender.
- Your rights in relation to the Service are subject to the rights of the margin lender.
- The account, subject to the margin lending arrangement will generally become subject to a mortgage or charge in favour of the margin lender.
- Any proceeds from the sale of managed investments through the Service, subject to the margin lending arrangement, will be automatically transferred to the margin lender for offsetting against the loan balance, unless we are instructed otherwise by the margin lender.
- You may not be able to deal in the account without prior agreement from the margin lender.
- There may be restrictions on accessing the account information.
- Information and/or alterations that you request to the account may be provided to the margin lender.

While in place, the margin lending arrangement will mean that we can act in good faith on instructions from the margin lender in relation to the investment options held through the Service even if they conflict with your rights under the Service.

You release, discharge and agree to indemnify us from (and against) any and all actions, proceedings, accounts, claims, costs, demands, charges and expenses as well as losses and liabilities arising from any margin lending arrangement you have no matter how they arise in relation to any of your investments in the Service or arising from us acting on the instructions of your margin lender.

The margin lender may instruct the Service Operator on:

- applications, redemptions and transfers of investments
- payments to and from the account, for their fees and expenses or repayments of the margin loan
- sale of managed investments in a margin call.

The Service Operator can continue to act until the margin lender tells us that we cannot, even if you instruct us not to act.

The Service Operator will not act on instructions from you in relation to any of the managed investments purchased using the margin lending arrangements (including to redeem or withdraw) unless the margin lender has agreed. The Service Operator is not responsible for the margin lender or the services provided by it.

The Service Operator may pass information relating to you and your accounts to the margin lender provided that it considers doing so necessary or desirable in relation to the margin lending arrangements or the Service.

These terms will generally apply until the margin lender tells us they do not.

Any charges and other fees payable under your margin lending agreement are separate to and in addition to the fees payable under the Service.

Margin lending arrangements may vary between different margin lenders. Some margin lenders may require their clients to transfer title or ownership of their investments to the lenders. If you require any more information, please contact your margin lender directly.

Withdrawing money from the Service

It is important to have access to your money when you want it. That’s why we have provided you with three withdrawal options for ease of ongoing account management.

As you need it access

You may request a full or partial withdrawal from your account at any time.

The minimum amount you can withdraw is the lesser of \$2,000 or your remaining account balance. The minimum amount that can be redeemed from a managed investment is \$200.

The value of your Cash Account (including any income distributions reserved under the Automatic Distribution Facility) is used to fund withdrawals before we redeem any of your investment options.

The ‘top up cash option’ nominated with your investment instructions will be used to identify the investment option(s) that should be redeemed (if required) to pay any withdrawals (when your request is not accompanied by a specific withdrawal instruction). Alternatively, a withdrawal can be redeemed from the investment option(s) you specify.

Upon leaving the Service, you will receive a statement by mail showing your closing balance and all transactions that took place in the final calendar quarter.

Regular Withdrawal Plan (optional)

You can set up a Regular Withdrawal Plan if you need funds to supplement your income on a regular basis.

The minimum regular withdrawal amount is \$200 per month or quarter.

Regular withdrawals can be paid monthly or quarterly from your Cash Account and credited electronically to your nominated account with your financial institution.

The regular withdrawal will occur on the first day of the month or nearest business day after the first day of the month, according to the frequency you selected.

A request for the Regular Withdrawal Plan must be received at least five business days before the first of the month to ensure your withdrawal plan commences in that month.

Automatic Distribution Facility (optional)

This facility allows you to have income distributions or dividends from investment options paid quarterly or half-yearly to your nominated account with your financial institution.

The minimum automatic withdrawal amount is \$200.

The automatic withdrawal will occur on the 20th day of the month (or next business day) following the end of the relevant calendar quarter or half-year.

If the accumulated income distribution (net of any one-off withdrawals) is at least \$200, it will be paid electronically into your nominated account with your financial institution. Where the amount is less than \$200, it will remain in the Cash Account for the next quarterly or half-yearly payment.

The income distributions credited to your Cash Account will be reserved and they will not form part of your Cash Account for the purposes of calculating the amount available to fund expenses. However the reserved amount can be used to fund one-off withdrawal requests.

This facility will override any other method selected for the re-investment of any income distributions.

A request for the Automatic Distribution Facility must be received at least five business days before the 20th of the month in which the payment is to be made or it will be processed in the following quarter or half-year payment period. Where your advice is received in time to be processed for that period, it will only apply in respect of income distributions received after the date your request is processed.

What are the key differences between the Automatic Distribution Facility and the Regular Withdrawal Plan?

Automatic Distribution Facility	Regular Withdrawal Plan
Only allows for withdrawal of accumulated income distributions and dividends credited to your Cash Account.	The payment is deducted from your Cash Account (this may include income distributions and the proceeds of redemptions from managed investments).
Payments will vary depending on the amount of income distributed by the investment options.	Regular payments are based on a fixed dollar amount each time.
Payable each calendar quarter or half-year.	Payable each calendar month or quarter.
Investors may have none, one or both of these options active for their account management.	

Making investment choices

Your investment strategy

Pursuit Select provides access to around 450 managed investments, term investments and listed investments. With so many investment options you can construct a portfolio to help achieve your investment needs.

Your investment strategy should be a reflection of your attitude to investing, the level of risk you are comfortable accepting and your investment timeframe.

What investment options can you choose?

You may choose from a range of investment options within the following sections:

Section	Overview of objectives
Easy Choice	Offers you access to a spread of different asset classes designed to meet particular investment objectives. IOOF's range of diversified and single-sector multi-manager trusts simplify the investment selection process by blending some of the best available managers to suit your investment objectives.
Premier Investor Choice	Complements our existing Easy Choice investment selection by providing a suite of screened managers who offer high-conviction, quality investments to form the core of your investment strategy with significantly lower management fees.
Investor Choice	This is where you and your financial adviser can tailor the investments to suit your investment strategy. Investor Choice allows you to select term investments and a wide range of managed investments.
Direct Share Choice	Offers you access to the majority of fully paid ordinary, preference and equity shares, stapled securities, ETFs, interest rate securities, Hybrids, LITs and LICs listed on the ASX.

The **IOOF Pursuit Select Investment Service investment guide (PSI.01)** and the **Investment Menu** provide more information about the range of investment strategies and options.

Choose what is right for you

The investment options available vary in:

- level of risk
- investment objectives (goals)
- strategies (ways of achieving those goals)
- types of assets in which investments are made.

This allows you to invest in a range of investment options which may be diversified across different asset classes, fund managers and investment styles.

You can normally switch between different managed investments at any time and you can also select diversified managed investments managed by a range of leading Australian and international fund managers.

We carefully research leading Australian and international fund managers before selecting managed investments to be part of the investment menu. We monitor and review the fund managers and managed investments on an ongoing basis and may add or remove managed investments from time to time. Our investment selection process is described in detail in **PSI.01**.

The list of Easy Choice, Premier Investor Choice and Investor Choice investment options is set out in the **Investment Menu**. The list may change from time to time.

You can obtain the most current list of investment options from our website or request a copy free of charge by calling ClientFirst on 1800 913 118.

Important note

More information about each of the fixed-term annuities or managed investments available is detailed in the product disclosure statement issued by the fund manager for the particular fixed-term annuity or managed investment and the product guide for the particular term deposit.

Product disclosure statements include information about performance, asset allocation, costs and the risks associated with investing in a particular managed investment and must be read and considered before selecting a managed investment.

Before investing, your financial adviser should provide you with a copy of the product disclosure statement for the fixed-term annuity or managed investment and the product guide for any term deposit you have selected. Alternatively, you can obtain a copy free of charge by downloading it directly from our website or requesting it from ClientFirst on 1800 913 118.

It is recommended that you consult a financial adviser before selecting the investment options that you would like to invest in.

Please note that listed investments do not have product disclosure statements.

Direct Share Choice

You have the option to invest in various listed investments through your Pursuit Select Investment Service account. You can generally invest in the majority of fully paid ordinary, preference and equity shares, stapled securities, ETFs, interest rate securities, Hybrids, LITs and LICs listed on the ASX. We reserve the right to reject any request to purchase any listed investment at our absolute discretion.

See the Investing in listed investments available in Direct Share Choice section in **PSI.01** for more information on how you can invest in listed investments through the Service.

Term investments

Terms and conditions relating to investing in term investments are detailed in the Investing in term deposits and fixed-term annuities (term investments) section in **PSI.01**.

What are the differences between investing directly and investing through an IDPS (such as the Service)?

It is important to know that investing through the Service is not the same as holding those investments in your own right.

The Custodian will be the legal owner and registered unit holder of the assets rather than you. As such, you cannot exercise the rights of a unit holder or decline to exercise them, but you have a beneficial interest in the investment options of your portfolio.

As you are not the registered owner of any of the investment options, you cannot participate in meetings of investors of the investment options, nor do you have any voting rights (refer to the Voting policy section below for further information).

The Custodian receives all corporate notices, annual reports and other information issued by the fund managers. You may at any time request us to provide you with copies of any such communications.

If you elect to receive any such communications, we may charge you a reasonable fee for providing the communications.

See the Differences between investing directly and investing through an IDPS (such as the Service) section in **PSI.01** for more information.

Voting policy

Where we receive notices of meetings or resolutions that relate to the investment options, we do not generally pass this information on to you or your financial adviser.

We maintain a voting policy under which we do not offer voting rights to investors.

Managing your investment account

This section provides you with instructions about how to select your investment options, manage income distributions, change your managed investment selections and top up your Cash Account.

Using Portfolio Online

Easily manage your Pursuit Select Investment Service account anytime, anywhere.

Portfolio Online is a user-friendly website that allows you to view your Pursuit account 24 hours a day, 7 days a week. With Portfolio Online you can:

- view a consolidated report of your account
- generate up-to-date portfolio summary, asset allocation, fund performance and transaction reports
- view and track all transactions placed by your financial adviser
- view and download statements and letters.

You can register for Portfolio Online once you have received your client number via portfolioonline.com.au

Your Investment Instructions

Your Investment Instructions outline how you would like your investments (less any Investor Advice Fee – Upfront⁶) to be invested.

You can instruct us to invest in three different ways:

- Primary Instruction
- Regular Savings Plan and BPAY Instruction
- Specific Instruction.

You can provide your Investment Instructions in the Application form located in the Forms booklet.

Types of Investment Instructions

1. Primary Instruction

This is your main Investment Instruction and is used for all new amounts invested unless alternative instructions are provided to us.

A Primary Instruction will include:

- the managed investment(s) you wish to invest in for each new amount invested
- the percentage of your investment you want to invest in each managed investment
- the required allocation to your Cash Account (which must be at least 1%).

Term investments and Direct Share Choice investment options cannot form part of your Primary Instruction.

Please note that the total percentage allocated to each investment option and the Cash Account (of at least 1%), must add up to 100%.

2. Regular Savings Plan and BPAY Instruction

This instruction will only be used to invest amounts received by:

- direct debit (one-off)
- a Regular Savings Plan (direct debit arrangement)
- BPAY.

When provided, these instructions will override the application of the Primary Instruction to these specific investments.

Term investment and Direct Share Choice investment options cannot form part of your Regular Contribution Plan and BPAY instruction.

3. Specific Instruction

This is a one-off instruction for investments made by direct debit (one-off) or cheque.

When provided, this one-off Specific Instruction will override the use of the Primary Instruction and Regular Contribution Plan and BPAY instruction (if applicable) for that particular investment made by direct debit (one-off) or cheque.

Please note that the total percentage allocated to each investment option and your allocation to the Cash Account (of at least 1%), must add up to 100%.

4. Income Distribution Instruction

Income distributions may be paid from your investment option(s) and you determine how this income is to be re-invested.

Any income distributions that you receive from your investment option(s) are automatically credited to your Cash Account (less any tax in the case of non-residents or where an Australian Tax File Number (TFN) or Australian Business Number (ABN) is not provided). This income can then be managed using one of the following four methods (only one method can be selected):

Re-invest (default option)⁷

This method allows you to automatically re-invest 100 per cent of the income distribution by using the income distribution to purchase new units in the same managed investment that made the income distribution. The re-investment will normally be completed within five business days following receipt of your income distribution into your Cash Account.

⁶ For more information regarding the investor advice fees available, refer to page 18 of this Offer Document.

⁷ Any re-investment of income distributions will involve the purchase of new units in one or more managed investments. Please note that you may not have the most recent product disclosure statement for the managed investment at the time these re-investments are made.

Where we have suspended or stopped investments in a managed investment or where a managed investment is redeemed in full (except where a managed investment is no longer held due to the requirement to top up your Cash Account) income distributions received from that managed investment will be retained in the Cash Account.

The Re-invest income distribution method excludes term investments and Direct Share Choice investment options.

Distribution Instruction⁸

This method allows you to invest your income distributions and interest generated by your Cash Account in accordance with your Distribution Instruction. This means income distributions can be re-invested in one or more managed investment(s).

You can provide your Distribution Instruction by completing the Income distributions section of the Application form located in the Forms booklet.

Distribution income will remain in the Cash Account until the 20th day of the relevant month (or nearest business day). This re-investment will normally be completed within five business days after this date.

Term investments and Direct Share Choice investment options cannot form part of your Distribution Instruction.

Important note

When you select Distribution Instruction as the re-investment/distribution method but you do not provide a Distribution Instruction, income distributions will be invested in accordance with your Primary Instruction.

Retain in your Cash Account

This method allows you to leave all income distributions to accumulate in your Cash Account⁹.

Income distributions will remain in your Cash Account until we receive further instructions from you or they are used to fund expenses as they fall due.

Automatic Distribution Facility

This method allows you to have your income distributions paid out to you from your Cash Account and credited electronically to your nominated account with your financial institution.

This facility is described in more detail on page 6.

Effect of Dividend Reinvestment Plan (DRP) on re-investing income distributions

As part of your application, you will instruct us how income from your investment options is to be managed in your Pursuit Select account. Where you elect to participate in a DRP, any dividend or distribution payment from the listed investment will first be used by the issuer of the listed investment to allot securities in accordance with the DRP rules. Where any remaining portion of the dividend or distribution is credited to your Cash Account it will be invested in accordance with your instructions as to how income distributions are to be invested in your account.

5. Automatic Re-weight Facility

You can nominate to set up an Automatic Re-weight Facility in the Application form. You can choose to re-weight your managed investments and Cash Account to a desired weighting percentage allocation or in line with your Primary Instruction allocation, provided a Primary Instruction is in place. The Automatic Re-weight Facility occurs on the 20th day of the month (or nearest business day after the 20th) and you can choose your frequency from quarterly, half-yearly or yearly.

Please note that your financial adviser can place or modify an Automatic Re-weight Facility at any time.

Term investments and Direct Share Choice investment options cannot form part of your Automatic Re-weight Facility.

Changing your Investment Instructions

Your financial adviser can update your Primary Instructions, Income distribution instructions and Automatic Re-weight Facility instructions on your behalf via Portfolio Online.

Alternatively if you want to update your Primary Instruction and/or Income distribution instruction, please complete the Investment Instructions form which is available from our website and send it to us. Only your financial adviser is able to update your Automatic Re-weight Facility instruction on your behalf.

Where we have suspended or stopped investments in a managed investment or where a managed investment is redeemed in full (except where a managed investment is no longer held due to the requirement to top up your Cash Account), that managed investment will be removed from any Primary Instruction, Distribution Instruction and Automatic Re-weight Facility instruction and the instructions will be re-weighted in proportion to your remaining managed investments in the respective instructions. We will do this automatically and you will not be advised of the change.

⁸ Any re-investment of income distributions will involve the purchase of new units in one or more managed investments. Please note that you may not have the most recent product disclosure statement for the managed investment at the time these re-investments are made.

⁹ This may not reflect your investment goals.

An example

Maria submits a request to fully redeem her holding in Investment Fund C. As a result, Maria's Primary Instruction is automatically updated to remove Fund C and to re-weight the remaining managed investments.

Managed investment	Existing holding (%)	Withdrawal request (%)	Primary Instruction before (%)	Primary Instruction after (%)
Cash Account	3		3	3
Investment A	17		17	21
Investment B	60		60	76
Investment C	20	100	20	

Where the suspension or stopping of investments in a managed investment results in all managed investments being removed from your Distribution Instruction, your Re-investment Method will revert to the default option of Re-invest as detailed on page 9.

Changing your investment options (switching)

The Service gives you the ability to change your selected investment options.

Easy Choice, Premier Investor Choice and Investor Choice

Changing your managed investment selection generally requires you to redeem units from one or more of your existing managed investments and purchase units in other managed investments selected by you. This process is often referred to as a switching instruction.

We currently do not charge a separate fee for switching between managed investments in your account.

Your financial adviser can complete a switch on your behalf via Portfolio Online.

Alternatively if you want to complete a switch instruction you will need to complete the Investment Instructions form which is available from our website.

Unless you are redeeming the full balance held in a managed investment:

- the minimum amount that must be redeemed from a managed investment is \$200
- the minimum amount that must be retained in a managed investment is \$200.

If you select a new managed investment you must invest a minimum of \$200.

Switching between managed investments generally involves redeeming units in one or more of your managed investments. This means you must complete a redemption transaction before you can purchase units in a new managed investment.

The proceeds of any redemption transaction are first deposited into your Cash Account before units are purchased in the new investment option(s).

The product disclosure statement for a managed investment may be updated or replaced by the fund manager from time to time. This means that you may not always have the most recent copy of the applicable product disclosure statement for a new managed investment before making your switch request. We provide electronic versions of product disclosure statements for the available managed investments via Portfolio Online. You can also obtain a copy free of charge by contacting your financial adviser or by calling ClientFirst on 1800 913 118.

Important note

- Switching between investment options may give rise to a CGT liability which may reduce the value of your account. Please speak to a financial adviser or tax adviser for more information.
- A buy-sell spread may be incurred when switching between managed investments. See Transaction costs – managed investments on page 17 and the product disclosure statement for the particular managed investment for details.
- If you have a margin lending facility, you may need to contact your lender for approval before any transaction can proceed.

Direct Share Choice

An order to buy or sell a listed investment involves an online switch from or to your Cash Account to or from the listed investment involved. For further details please see the Investing in listed investments available in Direct Share Choice section in the **IOOF Pursuit Select Investment Service investment guide (PSI.01)**.

Brokerage applies to any listed investment trades (buy or sell). See Transaction costs – listed investments on page 18 for more information.

Your Cash Account

Your Cash Account is used to process all cash transactions that occur within your investment account. For example, all money paid into your account and any earnings from your investment options goes through your Cash Account. All fees and taxes are paid out of this account.

Any income distributed by your chosen investment options is deposited into your Cash Account. From there it can then be re-invested using one of the four methods available. See 'Income distribution instruction' on page 9.

All fees (excluding indirect costs), taxes and withdrawals (where applicable) are paid out of this account.

Your Cash Account holding is pooled with that of other clients' and placed in interest bearing accounts with an authorised deposit-taking institution (ADI) selected by us¹⁰, currently the Commonwealth Bank of Australia, ABN 61 814 236 264.

The funds in your Cash Account earn interest. We retain a portion of the interest earned on the pooled cash assets and set a net interest to be credited to the Cash Account. The net interest rate is based on daily interest generated from the pooled cash assets, less the interest retained by us (indirect cost) for administering the Cash Account. The target net rate for crediting to the Cash Account is the cash rate set by the Reserve Bank of Australia. This is often referred to as the official cash rate, which is currently 0.10% and is subject to change. Net interest is credited to your Cash Account monthly.

Minimum allocation to your Cash Account

You are required to maintain a minimum of 1% of your investment account balance in your Cash Account. This amount is used for funding fees, expenses and taxes.

You can nominate a higher percentage as your minimum Cash Account balance if you wish to fund these expenses as they fall due.

If we determine that the balance in your Cash Account is likely to fall below zero within the next seven days, we will top up your Cash Account as directed by you to 1% of your account balance (or any higher percentage you have nominated) by redeeming the necessary amount from your investment options. In making our determination we will take into consideration any fees and taxes expected to be deducted from your Cash Account during this period.

We recommend that you talk to your financial adviser about the minimum Cash Account requirement.

Top up your Cash Account

If we are required to top up your Cash Account, the amount required to top up your Cash Account will be funded using one of the following three Cash Account top-up methods as directed by you. You can select the method that is right for you.

1. Investment option with the highest balance (default option)

- Redeems funds from the managed investment with the highest balance.
- This is the default option which applies if you do not nominate a Cash Account top-up method or where all the managed investment(s) provided under your pecking order have been redeemed in full.

2. Pecking order option

- Redeems funds from your managed investments according to a prioritised list. You choose which managed investments are to be used and the (pecking) order in which the funds are to be redeemed, one at a time.

3. Pro-rata option

- Redeems funds across all managed investments according to the proportion invested in each managed investment.

The Cash Account top-up methods give you the control and flexibility to determine the most appropriate way for you to manage your Cash Account. Term investments, Direct Share Choice investment options and restricted investments are excluded from the Cash Account top-up methods.

You can provide your Cash Account top-up instruction in the Application form.

Transaction processing

The following information details some timeframes that we strive to achieve, explains the factors that may influence the processing of transactions and the communications that you will receive or may obtain from us in regard to your account.

Processing investments

We will normally commence processing a newly invested amount on the day of receipt or not later than the next business day, subject to any unforeseen circumstances.

Each amount will be first credited to your Cash Account before being invested in accordance with your Investment Instruction. This will normally be completed **within five business days** following the receipt of each investment.

Regular Savings Plan (direct debit)

Direct debits will occur from your nominated account with a financial institution on the 15th day of the relevant month (or nearest business day after the 15th day).

Your Direct Debit Request must be received at least five business days before then to ensure that your deduction is processed that month. If an application is not received within these timeframes, it will be processed either that month or the following month (and then continue regularly according to the frequency you selected).

Withdrawal instructions

Payment of a withdrawal request will normally be processed **within 10 business days** of receipt of your completed request (excluding investment options with extended redemption periods). If any units in the investment option(s) are required to be redeemed to action your withdrawal request, individual fund manager operations and processes may cause the payment of funds to be delayed.

Where you have a margin lending arrangement, withdrawal instructions on the account and withdrawal proceeds are generally only released to you subject to approval by the margin lender.

We are required to carry out proof of identity procedures before processing a cash withdrawal. These requirements arise under the Commonwealth Government's *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (AML/CTF). We are required to collect customer identification information and to verify it by reference to a reliable independent source. You will be notified of these procedures when you request a cash withdrawal. If you do not provide the information or we are unable to verify the information, payment may be delayed or refused.

Withdrawals can be paid by cheque (where applicable) or direct credit to your nominated account with your financial institution. It is important to note that withdrawal payments can only be made in favour of the investor/entity registered on the investment account.

If you want your withdrawal proceeds to be credited directly into your nominated financial institution account, you must provide all relevant account details with your instructions otherwise all withdrawal amounts will be paid to you by cheque.

In the event that you make a full withdrawal from your account no interest will be earned from the date of withdrawal.

If any of the units in your managed investment(s) are required to be redeemed to process your withdrawal request, this may give rise to CGT liability. You should speak to your financial adviser or tax adviser for more information.

Investment transactions

Your request to invest, switch or redeem an amount from an investment option in your account must satisfy the minimum requirements at all times.

Easy Choice, Premier Investor Choice and Investor Choice

We are not responsible for any delays by the fund managers in processing investments, switches, redemptions or distributions. Your request to invest, switch or redeem from a managed investment may be delayed in the following circumstances:

1. Redemptions from multiple fund managers

Where your instructions require the redemption of units from a number of different fund managers, each fund manager may complete their part of the instruction at different times.

We will deposit the funds into your Cash Account as we receive them from each fund manager. As such, the processing of a switch transaction may be staggered depending on when each fund manager finalises their part of the transaction. The purchase of units in the new investment option(s) will therefore occur progressively as funds become available. Your request will be finalised when we have received the proceeds from all fund managers involved in your transaction.

2. Minimum restrictions by fund managers

Some fund managers may impose minimum investment or redemption limits on their managed investments. Where a managed investment has a minimum investment or redemption limit, we will only process the instruction when we have received sufficient requests (from you and other investors), which in aggregate, satisfy the relevant limit. Accordingly, a delay in your instruction being effected will occur in such circumstances.

Delays may also apply when investing in and redeeming from illiquid managed investments. Investments and redemptions will be based on the timing restrictions imposed by the fund managers of those investment options.

3. Pending transactions

The processing of transactions for issuing, switching or redeeming units may be delayed where an earlier transaction relating to your account is in progress (or pending).

4. Unforeseen circumstances

The processing of transactions for the issuing, switching and redeeming of units may be delayed by unusually high volumes of processing or circumstances beyond our control.

Fees and other costs

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your annual return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better investor services justify higher fees and costs. You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities Investments Commission (ASIC)** website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

This document shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of the Service as a whole.

The fees quoted in this section are inclusive of GST and any applicable reduced input tax credits (RITCs), unless otherwise stated. Definitions of the fees and costs can be found in the 'Additional explanation of fees and costs' on page 16 of this IDPS Guide.

Taxes are set out in the 'What taxes apply and how do they work?' section of this document. You should read all of the information about fees and costs because it is important to understand their impact on your investment.

The total fees and charges you will pay include the costs of the Service as well as the cost of any investment option(s) you choose. It is important that you understand the fees of any investment option(s) you choose and that those fees are in addition to the fees charged by us for the Service together with transaction and account costs incurred on your behalf.

The fees and other costs for each underlying investment option offered by the Service are set out in the **Investment Menu** or in the relevant product disclosure statement for each managed investment.

Fee table

Pursuit Select Investment Service		
Type of fee or cost	Amount	How and when paid
Fees when your money moves in or out of the Service¹¹		
Establishment Fee The fee to open your investment.	Nil	Not applicable
Contribution Fee The fee on each amount contributed to your investment.	Nil	Not applicable
Withdrawal Fee The fee on each amount you take out of your investment.	Nil	Not applicable
Exit Fee The fee to close your investment.	Nil	Not applicable

Pursuit Select Investment Service												
Type of fee or cost	Amount	How and when paid										
Management costs												
<p>The fees and costs for managing your investment.¹²</p> <p>The amount you pay for specific investments is shown in the Investment Menu and in the relevant product disclosure statement for each managed investment.</p>	<p>Administration Fee</p> <table border="1"> <thead> <tr> <th>Part of your account balance</th> <th>Administration Fee (pa)</th> </tr> </thead> <tbody> <tr> <td>\$0 – \$250,000</td> <td>0.65% (or \$6.50 per \$1,000 invested)</td> </tr> <tr> <td>Next \$250,000</td> <td>0.50% (or \$5 per \$1,000 invested)</td> </tr> <tr> <td>Next \$500,000</td> <td>0.15% (or \$1.50 per \$1,000 invested)</td> </tr> <tr> <td>Above \$1 million</td> <td>Nil</td> </tr> </tbody> </table> <p>Minimum Administration Fee of \$40 per month (\$480 pa). Maximum Administration Fee is \$3,625 pa.</p>	Part of your account balance	Administration Fee (pa)	\$0 – \$250,000	0.65% (or \$6.50 per \$1,000 invested)	Next \$250,000	0.50% (or \$5 per \$1,000 invested)	Next \$500,000	0.15% (or \$1.50 per \$1,000 invested)	Above \$1 million	Nil	<p>The Administration Fee is calculated daily on your account balance¹³.</p> <p>The fee is charged monthly in arrears and is deducted from your Cash Account¹⁴ at the beginning of each month.</p>
	Part of your account balance	Administration Fee (pa)										
\$0 – \$250,000	0.65% (or \$6.50 per \$1,000 invested)											
Next \$250,000	0.50% (or \$5 per \$1,000 invested)											
Next \$500,000	0.15% (or \$1.50 per \$1,000 invested)											
Above \$1 million	Nil											
<p>Indirect costs</p> <p>Indirect Cost ratio Varies across the managed investments and can range from 0.00% to 7.70% pa¹⁵ (\$0.00 to \$77.00 pa per \$1,000 invested) excluding net transaction costs¹⁶.</p> <p>No indirect cost ratio applies to term investments and listed investments.</p> <p>Performance related fees¹⁶ may apply to some managed investments when the investment return generated by the fund exceeds a specific criteria or benchmark.</p>	<p>Generally calculated daily as a percentage of the amount that you have invested in each managed investment.</p> <p>It is not deducted directly from your account but is generally incorporated into the unit price of the managed investment and generally charged monthly or quarterly in arrears.</p> <p>The indirect cost ratio applied by each fund manager for a particular managed investment can be obtained from the Investment Menu or the product disclosure statement for the particular managed investment.</p>											
Interest retained on Cash Account	<p>Estimated up to 0.70% pa on the balance of the Cash Account¹⁴. The actual interest retained is expected to be lower.</p>	<p>We retain a part of the interest that is earned on the Cash Account. The interest retained is the difference between the net rate of interest we credit to your Cash Account and the total interest earned in relation to pooled assets of the Cash Account. Note, the target net interest rate to be credited to your Cash Account is the official cash rate set by the Reserve Bank of Australia (currently 0.10% pa)</p>										
Service fees¹⁷												
Switching Fee The fee for changing investment options.	Nil	Not applicable										

11 Buy-sell spreads – when you move money in or out of the Service or when you make a switch, you may also incur a buy-sell spread which is included in the unit price of the managed investment you choose. See 'Transaction costs – managed investments' on page 17 or the product disclosure statement for the particular managed investment for details.

12 A Listed Security Administration Fee of \$5 may apply if you opt in to investing in listed investments. See 'Listed Security Administration Fee' on page 17 under 'Additional explanation of fees and costs' for details.

13 Your account balance comprises your Cash Account together with the value of your investment options. You are required to maintain a minimum of 1% of your investment account balance in your Cash Account. Where there are insufficient funds in your Cash Account to fund any applicable fees, the fees may be accrued and deducted when sufficient funds are available.

14 The interest we retain on pooled Cash Account assets is considered an indirect cost for administering your Cash Account. It is not deducted from your Cash Account directly, but through the interest generated from its underlying investments prior to crediting the 'net' interest to your Cash Account. The interest retained is subject to change. Interest on the Cash Account noted is retained at a rate of up to 0.70% pa and is for the purpose of the example only. The actual interest retained is expected to be lower and assumes a net interest crediting rate to the cash account of 0.10% pa.

15 Indirect costs applied by each fund manager are estimates only and based on the information provided by each fund manager as at the date of this Offer Document (for further information refer to the **Investment Menu**). Investment options and indirect costs may change from time to time.

16 Please refer to the 'Additional explanation of fees and costs' on page 17 for further information on net transaction costs and performance related fees.

17 Investor advice fees – we will acquire and pay for the services of a financial adviser selected by you. You may negotiate the amount of these fees up to a limit set by us. These fees are deducted from your account (see 'Advice fees' under 'Additional explanation of fees and costs' on page 18). We do not charge these fees if you have not selected a financial adviser.

Example of annual fees and costs for a balanced investment option

This table gives an example of how the fees and costs in the IOOF MultiSeries 70 investment option for this investment product can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

Example		Balance of \$50,000 with a contribution of \$5,000 during the year
Contribution fees	Nil.	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management costs	Administration fee \$480 (Minimum administration fee) Indirect costs $0.502^{\wedge} \times \$50,000$ (equal to $0.50\% \times \$49,500 + 0.70\% \times \500)	AND , for every \$50,000 you have in the balanced investment option, you will be charged \$731 (\$480+ \$251) each year.
EQUALS Cost of product	If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged \$731* What it costs you will depend on the investment option you choose and the fees you negotiate with us or your financial adviser.	

This is an example only and the fees and costs may vary for your actual investment. For more information, please refer to the product disclosure statement of the managed investments selected by you.

[^] The indirect costs for the Service are based on the weighted average of the indirect costs of the portfolio. For the purposes of this example we assume a balance of \$500 is held in the Cash Account and \$49,500 in IOOF MultiSeries 70. The estimated indirect cost for IOOF MultiSeries 70 is 0.50% pa and the estimated indirect cost for the Cash Account is 0.70% pa.

* Note: Additional fees may apply. This example assumes the \$5,000 contribution occurred at the end of the first year therefore it does not include the management costs on the additional \$5,000 invested, nor any market movement on the total amount invested. And, you may be charged a buy-sell spread whenever you make a contribution, exit or investment switch. The estimated sell spread for exiting the IOOF MultiSeries 70 is 0.06% (based on the above example, a withdrawal of \$50,000, with a sale of \$49,500 from the managed fund, there will be a sell spread of \$29.70).

Additional explanation of fees and costs

This section explains the fees and costs set out in the fee table and also provides a brief explanation about any additional transactional fees and charges that may apply to your account.

Management costs

The estimated management costs are made up of the Administration Fee, the indirect costs and any applicable Performance related fees or Listed Security Administration Fee. These are detailed below:

Administration Fee

The Administration Fee represents the annual fees and costs charged by us for operating and managing your investment account. This fee includes all administration and other expenses we incur excluding the financial adviser remuneration outlined (in the Advice fees section on page 18) and the fees and costs charged by the fund managers for each managed investment. For further information, see the **Investment Menu**.

The minimum Administration Fee generally applies to account balances below \$73,846 and the maximum applies to account balances above \$1 million. Further details about the minimum and maximum Administration Fees is contained in the fee table.

Fee Aggregation

Fee Aggregation allows you to link your Annex – Pursuit Select account(s) for the purpose of calculating the Administration Fee payable. This can mean a reduction in the Administration Fee payable by all ‘linked’ members/investors. This is another way that we can help you lower the cost of managing your investments.

Fee Aggregation allows you to link:

- your account(s) within Annex – Pursuit Select Investment Service, Annex – Pursuit Select Personal Superannuation and Annex – Pursuit Select Allocated Pension
- your account(s) with those of your immediate family members (as defined below in the terms and conditions) who also have accounts in those Annex – Pursuit Select products
- any account(s) in Annex – Pursuit Select Investment Service held in the name of a trust or company, provided that either a director or trustee has a linked account in their own name or the director or trustee is an immediate family member with another linked account.

Terms and conditions

- A Fee Aggregation Application form needs to be completed to apply for Fee Aggregation across Annex – Pursuit Select products.
- Each person applying to link for the purpose of Fee Aggregation must be a member of the same immediate family (husband, wife, partner, son, daughter, father, mother, brother, sister, grandparent or grandchild) and in-laws of the immediate family member. It also includes multiple accounts for the same person. Please note that there can only be one immediate family group in any Fee Aggregation arrangement.
- A Fee Aggregation request can be rejected and linking can be cancelled at any time by us.
- Any new Fee Aggregation nomination will override any previous nomination.
- A maximum of six accounts are allowed to be linked together for Fee Aggregation purposes.
- Investors nominated for Fee Aggregation within the same group must be associated with the same financial adviser.
- Each investor will be able to view information via Portfolio Online about the other investors/members in the Fee Aggregation group, including names, account numbers, commencement dates and annual administration fee discounts for the year.

Indirect costs

This represents the fees and costs charged by the underlying fund managers and is generally calculated daily as a percentage of the amount you have invested in each managed investment option. It is not deducted directly from your account but is generally incorporated into the unit price of the investment option.

The most recent indirect cost ratio applied by the underlying fund managers for the available managed investment options are set out in the **Investment Menu** and the relevant product disclosure statement for each managed investment.

Listed Security Administration Fee

A Listed Security Administration Fee of \$5 per month applies if you opt in to investing in listed investments. This fee is charged by us for providing you with the option to invest in listed investments available under Direct Share Choice and the ability to participate in most corporate actions and dividend reinvestment plans and for the additional expense incurred by the Service Operator for administering the listed investment holdings on your behalf.

The Listed Security Administration Fee is calculated daily. The fee is charged monthly in arrears and is deducted from your Cash Account at the beginning of each month.

Where you opt into investing in listed investments during the month, the fee will be charged on a pro rata basis for that month.

Performance fees

As Service Operator, we do not charge any performance fees. However, a fund manager may charge a performance fee for a particular managed investment when the investment return generated by the managed investment exceeds a specific criteria or benchmark, referred to in the Fee table as 'performance related fees.'

The performance related fee (if applicable) is generally calculated daily as a percentage of the amount that you have invested in the managed investment. The fee is generally deducted on a monthly, quarterly or annual basis. Please refer to the product disclosure statement for the relevant managed investment for further details.

A fund manager may incorporate the cost into the unit price of the managed investment, or alternatively, the fund manager can charge us and we will pass on the cost to you by directly deducting it from your account.

The fund managers that can charge a performance fee are outlined in the **Investment Menu**. The indirect cost ratio information in the

Investment Menu includes any applicable performance related fee. For up to date information please refer to the product disclosure statement issued by the fund manager for the particular managed investment which are available on our website

Transaction costs – managed investments

Some managed investments have a difference between their entry (purchase) and exit (sale) unit prices and this is referred to as the buy-sell spread. This difference is an allowance for the transaction costs (such as brokerage, clearing and settlement costs and stamp duty if applicable) of buying and selling the underlying securities/assets incurred by the fund manager of the particular managed investment.

The buy-sell spread (if applicable) is incurred when you purchase or redeem units in a managed investment (at the time of a switch or when you move money in or out of your account) and is in addition to indirect cost ratios and performance fees. However, the buy-sell spreads are not charged separately to your account – they are generally included in the unit prices of each managed investment. The buy-sell spread that applies to each managed investment can change from time to time. Details of the buy-sell spread (or how to obtain the current buy-sell spread) applicable to each investment option are outlined in the **Investment Menu** and the product disclosure statement issued by the fund manager for the particular managed investment which are available on our website.

Other transaction costs may also be incurred in managing the underlying funds of the managed investments selected by you. These transaction costs may include brokerage, settlement costs, clearing costs, stamp duty, custody transaction costs and government charges incurred by the underlying funds. The costs of trading in over-the-counter derivatives may also give rise to transaction costs.

These transaction costs are in addition to the indirect costs but are not charged separately to your account – they are generally included in the unit prices of each managed investment. The transaction costs that applies to each managed investment can change from time to time. Details of the net transaction cost applicable to each investment option are outlined in the **Investment Menu** and the product disclosure statement issued by the fund manager for the particular managed investment which are available on our website.

Transaction costs – listed investments

Brokerage of \$45.66 applies to each order to buy or sell a listed investment. The brokerage is deducted from the Cash Account at the time of the transaction.

Advice fees

You can request that we acquire and pay for the services of a financial adviser selected by you to provide financial advice in relation to your investment through the Service. We do not supervise the provision of services by your selected financial adviser.

The following optional fees are available for you to select the most appropriate remuneration arrangement with the financial adviser:

- Investor Advice Fee – Upfront
- Investor Advice Fee – Fixed Term Arrangement (FTA)
- Investor Advice Fee – Ongoing
- Investor Advice Fee – One-Off
- Investor Advice Fee – Transaction

Important note

Indexation cannot be applied to Advice fees.

You may agree to one or more of these options. For each option, we set a maximum amount that we will pay to the financial adviser or their Australian Financial Services Licensee (Licensee). You and the financial adviser must agree on the amount of each investor advice fee within these relevant limits.

The amount of any investor advice fees that we pay to the financial adviser or their Licensee, as agreed by you, will be an additional cost to you and charged against your investment account. We shall not charge an investor advice fee unless you tell us to do so.

Any agreed investor advice fee(s) will be charged by us to your account and paid in full to the financial adviser or their Licensee, until you instruct us to cease payment, when you change your nominated financial adviser, or we are notified of your death.

The investor advice fees paid to your financial adviser (and quoted in this section) are inclusive of GST. The actual amount deducted from your account may be less than the amount quoted. This is because IISL may be able to claim an RITC on some of these fees. Where IISL is able to claim an RITC the benefit is passed on to you which effectively reduces the fee. For example, you may agree to pay your financial adviser an Investor Advice Fee – Upfront of 1.07% (inclusive of GST). However, the actual Investor Advice Fee – Upfront deducted from your account would be 1.00% due to the effect of RITC as explained above.

Note that the RITC rules are subject to change and this may impact the RITC available in the future.

Investor Advice Fee – Upfront

You can agree that this upfront advice fee is to be deducted from investments made to your account on an ongoing basis. This fee is charged by us and we deduct the net cost from your account. We then pay the full amount of our fee to the financial adviser for financial advice and services provided to you in relation to:

- the establishment of your account
- subsequent investments made to your account.

You can agree with the financial adviser on the amount of this fee up to a maximum of 5.5% (inclusive of GST) of each investment made. For example, on an initial investment of \$50,000, we would pay the financial adviser up to a maximum of \$2,750.

You can agree to a different amount for the following types of investments made to your account:

- initial or one-off deposits received by cheque
- BPAY/direct debit deposits.

The amount of this fee is deducted from your Cash Account at the time of each investment.

This fee is not applied to:

- transfers from another IOOF investment service account
- any income distributions credited to your Cash Account
- switches between investment options.

Investor Advice Fee – Fixed Term Arrangement (FTA)

With your written consent, an FTA can be negotiated with your financial adviser. The fee which is subject to the FTA will have a specified start date and end date, however the end date cannot exceed 12 months beyond the start date.

This fee is charged by us and we deduct the net cost from your account. We then pay the full amount to the financial adviser for ongoing financial advice and services provided to you in relation to your account. You can agree with the financial adviser on the amount of this fee which can be:

- flat percentage fee of up to a maximum of 2.2% per annum (inclusive of GST) of your account balance (calculated daily); or
- tiered percentage fee of up to a maximum of 2.2% per annum (inclusive of GST) to apply at different account balances (calculated daily), subject to a maximum of five tiers; and/or
- flat dollar fee up to a maximum of \$1,500 per month (inclusive of GST).

The amount of this fee is accrued daily and is deducted from your Cash Account at the beginning of each calendar month. For example, on an average monthly account balance (over 12 months) of \$50,000, we would pay the financial adviser up to a maximum of \$1,100 per annum (based on a flat percentage Investor Advice Fee (FTA) of 2.2% per annum) (inclusive of GST).

Important note

You cannot elect to have an Investor Advice Fee – Upfront or an Investor Advice Fee – Ongoing at the same time as an Investor Advice Fee – FTA.

Your account can only have one FTA at any given point in time and only one start date and end date on the FTA.

You must sign the FTA within 90 days of the start date, and the FTA must be received within 90 days of the date signed.

The FTA start date cannot be backdated, as such if the start date is prior to the processing date, then the FTA will start on the date that it is processed.

Investor Advice Fee – Ongoing

You can agree that this advice fee is to be deducted based on the value of your account and/or a fixed dollar amount on an ongoing basis. This fee is charged by us and we deduct the net cost from your account. We then pay the full amount of our fee to the financial adviser for ongoing financial advice and services provided to you in relation to your account. You can agree with the financial adviser on the amount of this fee which can be:

- flat percentage fee of up to a maximum of 2.2% per annum (inclusive of GST) of your account balance (calculated daily); **or**
- tiered percentage fee of up to a maximum of 2.2% per annum (inclusive of GST) to apply at different account balances (calculated daily), subject to a maximum of five tiers; **and/or**
- flat dollar fee up to a maximum of \$1,500 per month (inclusive of GST).

The amount of this fee is accrued daily and is deducted from your Cash Account at the beginning of each calendar month. For example, on an average monthly account balance (over 12 months) of \$50,000, we would pay the financial adviser up to a maximum of \$1,100 per annum (based on a flat percentage Investor Advice Fee – Ongoing of 2.2% per annum) (inclusive of GST).

Investor Advice Fee – One-Off

You can agree to a one-off advice fee. This fee is charged by us and we deduct the net cost from your account. We then pay the full amount of our fee to the financial adviser for one-off financial advice and services provided in relation to your investment through the Service.

The amount of this fee can be up to:

- a maximum of 10% of the account balance up to a fee of \$11,000 (inclusive of GST); **or**
- a maximum of \$3,300 (inclusive of GST) where the fee is greater than 10% of the account balance.

A new request must be supplied each time you wish this fee to be applied.

Investor Advice Fee – Transaction

You can agree to a transaction advice fee. This fee is charged by us and we deduct the net cost from your account. We then pay the full amount of our fee to the financial adviser for financial advice and services provided in relation to listed investment transactions.

The amount of this fee can be:

- up to a maximum of \$110 (inclusive of GST) per buy order; **and/or**
- up to a maximum of \$110 (inclusive of GST) per sell order.

This fee will only be deducted from your Cash Account once per buy and/or sell order where all or part of the order is filled.

Important note

Asset-based fees cannot be charged where geared or borrowed funds have been used to invest. This means a percentage-based investor advice fee (such as the ongoing or Licensee fee) cannot be charged where you have borrowed funds through a margin lending facility. This restriction also applies where any other borrowed funds have been used to invest, in any form.

Additional financial adviser benefits

Where the law allows, we may pay alternative forms of remuneration and/or non-monetary (soft dollar) benefits to a financial adviser or their dealer group.

Dealer groups and other licensees who have an agreement with us on or before 30 June 2013, may continue to receive remuneration in the form of monetary benefits.

These alternative forms of remuneration and/or non-monetary benefits are paid from our resources and are not separate or additional charges to you.

Your financial adviser should provide you with the details of any benefits that they may receive. This information will be included in the adviser's Financial Services Guide and/or a Statement/Record of Advice.

Low account balances

If there are insufficient funds in your investment account to pay the fees (including the Administration Fee and investor advice fee(s)) due in any month, the fees will be waived.

Where investor advice fee(s) are waived no further fee(s) will be paid to the financial adviser or their Licensee until there are sufficient funds to meet such fees. Any investor advice fee(s) waived will not be recovered.

Netting

We often buy and sell units in a managed investment on the same day. We intend to deal as a net buyer or net seller of units on any given day. As a result, no transactions may need to be made at all to give effect to your Investment Instruction. However, you will still receive the prevailing sell or buy price applied to your particular investment transaction. We are entitled to retain any benefit that may arise from the netting of transactions.

Dishonour Fees

If any direct debit or BPAY transaction from your nominated account with a financial institution is returned unpaid or your cheque is dishonoured, we are entitled to pass on to you any fees associated with the dishonour. This fee will be deducted from your Cash Account at the time of the dishonour.

Fund manager payments

We may receive a fee from the fund managers of certain investment options for administration and investment related services. Any arrangements that have been entered into are in line with government reforms and will be charged on a flat dollar basis. Fund manager payments may vary.

They are an administrative related fee retained by us and are **not** an additional cost to you.

Your fees may be different

In certain circumstances, your fees may be different from those described in this Offer Document. This can apply for various historical reasons, including where your account was transferred to the Service from another IDPS managed by us.

Often in these circumstances, the Service Operator agrees to adopt the same fees as the old IDPS. If this is the case, your fees may be more or less than those described in the Fee table. In all cases, any different fees will be those that have been agreed between you and your financial adviser.

Alteration to fees

We have the right to introduce and/or increase any fee. If we decide to introduce a new fee or increase the fees from those disclosed on pages 14 to 20, we will give you at least 30 days written notice before the introduction or increase takes effect.

Total fees indicator

The annual cost of administering your portfolio will vary, depending on the value of your portfolio and the investment options you choose.

Listed below is an example to assist you in understanding the potential fees applied to your investment portfolio over the first year.

The examples are based on a single investment only – no withdrawals have been taken into consideration.

Based on a single investment of \$300,000 in the following:

- Cash Account – \$3,000
- IOOF MultiSeries 70 – \$100,000
- IOOF MultiMix Australian Shares Trust – \$100,000
- IOOF MultiMix International Shares Trust – \$97,000.

Fees applied		Dollar cost of fees over the first year	
Establishment Fee	Nil	\$0.00	
Management Costs			
Administration Fee	Part of account balance	= \$1,875	
	\$0 – \$250,000		0.65%
	Next \$50,000		0.50%
Indirect costs applied by the fund managers ¹⁸	0.834% pa x \$300,000	= \$2,502	
Advice fees			
Investor Advice Fee – Ongoing ¹⁹	0.25% pa	= \$750	
Approximate total cost over the first year		= \$5,127 (as a percentage of your investment: \$5,127/\$300,000 = 1.70%)	

Example assumes no switches or withdrawals are made and no dishonour fees are incurred. Examples do not take into consideration any movement in the value of the managed investments in the portfolio.

These examples provide an indication of the fees incurred over a single year only. Dollar costs shown are rounded to nearest dollar.

By choosing to pay higher investor advice fees, your total fees will also be higher.

18 The indirect costs of your investment portfolio are based on the weighted average of the indirect costs of the portfolio. The balance of each investment option is provided above. The estimated indirect cost for IOOF MultiSeries 70 is 0.50% per annum, the estimated indirect cost for IOOF MultiMix Australian Shares Trust is 1.11% per annum, the estimated indirect cost for IOOF MultiMix International Shares Trust is 0.90% per annum and the estimated indirect cost for the Cash Account is 0.70% per annum.

19 The cost of any investor advice fee is optional and therefore negotiable between you and your financial adviser.

What are the risks?

All investments carry some risk. There are risks involved in investing through the Service as well as specific risks that may arise with your chosen investment option(s).

Risks when investing through the Service

These types of risks could include the following:

- Your investment may not be sufficiently diversified if you do not spread your selection of investment option(s) across different asset classes, sectors, managers and styles.
- In the case of an investment in investment options with extended redemption periods, your ability to make a lump sum withdrawal from those managed investments may be delayed, reduced or unavailable until sufficient assets from those managed investments can be redeemed to fund the withdrawal.
- System failures may cause a delay in the processing of transactions to your account (or with fund managers).
- There may be a delay in purchasing or redeeming your investments if we do not receive a properly completed and authorised instruction from you.
- Delays may occur where minimum investment or withdrawal limits are imposed by fund managers.
- Economic conditions, interest rates and inflation may cause adverse investment returns.
- Changes can occur in the law governing the operation of the Service which may adversely affect your investment (such as they may affect your ability to access your investment). These changes may also affect the operation of your product or of any investment option(s) into which you invest.
- We could be replaced as operator of the Service or the Service could be transferred to another provider. There is also a risk we may not carry out our duties properly. To minimise this risk we have implemented a number of risk management strategies and corporate governance policies and procedures to assist us to meet our obligations. We are required to perform our obligations honestly and with reasonable care and diligence.

Risks that may affect your investment options

These types of risks are summarised in the following table.

Type of risk	Explanation
Market risk	Investment returns are influenced by the performance of the market overall. Unexpected changes in conditions (such as economic, technological or political developments) can have a negative impact on the returns of all investments within a particular market.
Company or security-specific risk	Within each asset class, company or security-specific risk refers to the many risks that can affect the value of a specific security (or share).
Currency risk	Investments in international markets can be exposed to changes in exchange rates. If foreign currencies fall in value relative to the Australian dollar, they have an adverse impact on investment returns from investments denominated in those countries, if those currencies are unhedged.
Liquidity risk	Liquidity risk is the risk that a particular investment will not be able to be converted into cash or disposed of at market value.
Derivatives and gearing risk	Underlying managed investments may use derivatives and gearing (borrowing). The value of derivatives is linked to the value of the underlying assets and can be highly volatile. Gains and losses from derivative and geared transactions can be substantial.
Credit risk	Credit risk is the risk that a party to a contract will fail to perform its contractual obligations resulting in a financial loss.
Fund manager risk	Each managed investment option has one or more fund managers to manage the investments. There is a risk that the fund manager may not perform to our expectations, meet its stated objectives or under-perform as compared to other fund managers.

How can investment risk be reduced?

An important way to help reduce your investment risk is to spread your investment over a number of assets, asset classes and even different fund managers. This process is called diversification. It is designed to help you achieve more consistent investment returns over time.

Pursuit Select offers you a choice of investment options across all the major asset classes. When determining your investment strategy, this choice allows you to create a level of diversification in your investment portfolio.

A financial adviser can help you understand the various types of investment risk and assess which investment options are appropriate for your specific requirements considering your risk tolerance and risk/return investment objectives.

What taxes apply and how do they work?

As with all financial transactions, tax implications need to be considered. The tax information provided in this Offer Document is of a general nature only and is based on our understanding of the legislation and its application to investors as at the date of this Offer Document.

Australian tax laws can be complex and are subject to change from time to time. We recommend that you obtain professional advice on the consequences before investing through the Service.

This section provides you with some general information about the tax implications of investing through the Service. It will help you answer the following questions:

- How your investments are taxed.
- What information you will receive.

Changes to the taxation of Managed Investment Trusts (MITs)

The managed investments which you can invest in through the Service are generally MITs for taxation purposes. Legislation has been enacted which may change how MITs will be taxed. Under the legislation, the trustee of an eligible MIT are able to elect into the attribution regime for the taxation of MITs. For those MITs that has elected into the attribution regime, they are referred to as Attribution Managed Investment Trusts (AMITs).

If you invest in a MIT that elected to become an AMIT, that MIT may now attribute income to you without making a cash distribution for the attributed income. This means you may have to pay tax on the attributed income although you have not received any cash distribution for that income. TFN withholding tax and non-resident withholding tax will also apply to attributed income (where applicable).

Personal tax issues

The taxation implications of investing through the Service depend on the investment options you select. Although the Custodian holds all investment options on your behalf, you still retain beneficial ownership. The tax consequences of investing are passed on to you as though you held the investment options directly.

This means that the purchase of managed investments, listed investments, term investments and the sale of managed investments and listed investments and the receipt of income distributions, dividends and interest payments through the Service are likely to have tax consequences for you.

Annual Taxation Statement (ATS)

You will receive an ATS after the end of the financial year, detailing the tax position of your account in the Service. You can use this to help you (or your professional tax adviser) complete your personal annual income tax return.

The following summary of tax matters is a general guide in relation to amounts that may be set out on the ATS and applies to resident individual taxpayers. If you are a non-resident for Australian taxation purposes, it is important that you obtain independent tax advice before investing through the Service, taking into account your particular circumstances. The operators of certain investment options may be required to withhold tax on part or all of the distributions and interest payments made to non-resident investors.

Item	General tax treatment
Income distributions from managed investments (including MITs and/or AMITs)	Any entitlement you have to the net income of a managed investment or a MIT derived in respect of an income year and/or income of an AMIT attributed in respect of an income year, including amounts received in a subsequent year of income or which are re-invested, will form part of your assessable income for that year.
Dividends from listed investments	Dividends paid by a listed investment for a year of income, including amounts which are reinvested are generally assessable in the year they are received.
Interest earned on term investments and cash balance	Interest earned on term investments and cash balances in your Cash Account are generally assessable in the year they are received.
Types of income distributions	Income distributions from your managed investments (including MITs and/or AMITs) and distributions from listed investments may include franking credits, tax deferred (which may reduce the cost base or reduced cost base of those investments in the managed investments, MITs and/or AMITs), foreign income tax offsets (FITOs) (the foreign taxes paid by the managed investments, MITs and/or AMITs) or amounts of other non-assessable income (such as tax-free income). Franking credits may be used to reduce your tax liability (and in certain circumstances, refund any excess franking credits after your income tax and Medicare levy liabilities have been met). FITOs may be used to reduce your tax liability and any remaining FITOs may reduce the Medicare levy.
Capital gains	Your annual taxable income includes net capital gains arising from the sale, disposal or redemption of an investment in listed and managed investments (including MITs and AMITs) as well as any capital gains distributed by the managed investments (including MITs and AMITs) in which you have invested during the income year. You may be entitled to the discounted capital gains concession to all or part of your capital gain if you hold the assets for at least 12 months. You may be able to reduce the amount of capital gains in an income year against the amount of capital losses you made in that income year or that you have been carrying forward from prior income years.
Investor Advice Fee – Upfront Investor Advice Fee – One-Off Investor Advice Fee – Transaction Brokerage	These fees may not be immediately deductible. If this is the case, these fees should form part of the cost base, reduced cost base of your investments or be reflected in the proceeds from the sale of your investments, which are used to determine your capital gains or losses in relation to any sale, disposal or redemption of your investments.
Investor Advice Fee – Ongoing Investor Advice Fee – FTA	These fees may be fully tax deductible in the year of income in which you incur the fee and reduce your assessable income for that income year.
Administration Fee, other indirect costs	These fees may be fully tax deductible in the year of income in which you incur the fees to reduce your assessable income for that income year. Management costs applied by each fund manager generally have already reduced the amount of any assessable distributions that you receive in cash.

Tax Office notifications

You are not required to quote your TFN or (if you have one) ABN or claim an exemption from providing a TFN. However, if you are an Australian resident for taxation purposes and a TFN or ABN is not provided or an exemption is not claimed, we are required by law to withhold tax at the top marginal tax rate plus the Medicare Levy from any income distributions and interest payments through the Service.

If you are a non-resident of Australia for taxation purposes, we will deduct the applicable withholding tax on unfranked dividends, interest and other Australian source income received from listed investments and managed investments (including MITs and/or AMITs).

Foreign taxes

Investments may be affected by foreign tax laws, which can reduce the amount you receive. Under some foreign laws you may be subject to additional obligations if you have a connection with a foreign country (for example by birth, residence, citizenship or property ownership).

General information

Cooling-off period

A cooling-off period applies, but only on your initial investment into the Service. You have 14 days from the earlier of when you receive our welcome letter or five business days after we establish your account to decide if the Service is right for you. If you wish to exercise your cooling-off rights you must give us written notice (either by letter or email). In this case we will not charge any of the Service fees that we are permitted to charge in accordance with this Offer Document.

If your investment options include term investments, restricted investments, or other services there may be penalties or fees charged by the fund managers or service providers for early redemption or the cooling-off period may not apply. These investment options may also have withdrawal conditions imposed by the fund managers that may delay the return of your initial investment.

The amount returned will be adjusted for any market movements in your managed investments (up or down) until the day we receive notice that you are exercising your cooling-off rights. Therefore, the amount you receive in return may be more or less than the initial amount invested.

Your instructions

Instructions must be made in writing unless another facility for providing instructions is made available to you or your financial adviser by us. Your instructions may generally be accepted electronically except, for instance, if they are instructions to change your name or make a deposit.

Any changes (or corrections) to your personal details (for example changing your name by marriage) should be advised in writing to us as soon as possible (together with a certified copy of documentation verifying the name change).

You can change your address details over the telephone by calling ClientFirst on 1800 913 118 provided you satisfy our identification and verification requirements. Where you wish to update your postal address to a Post Office Box, a signed request is required.

Please contact us directly for further instructions if you want to make any other changes to your account (such as changing your deposit arrangements or selected investment options).

We will act in accordance with instructions from you or your appointed representative (including your financial adviser). We are not required to ask whether instructions are genuine or proper.

You agree to release us from, and indemnify us against, any and all losses and liabilities arising from any payment or action we make based on any written or electronic instruction (even if not genuine) that we receive bearing your account number and a signature (where applicable) we reasonably believe is yours or that of your representative. You also agree that neither you, nor anyone claiming through you, has any claim against us or the Service in relation to these payments or actions.

However, please note that we are not required to effect any instructions if:

- it would make your account balance fall below the minimum holding requirement
- giving effect to the instruction is contrary to our agreement with you, a margin lender's instruction (if your account is being held as security for a margin loan), the law or any market practice
- the instructions are incomplete or are, in our opinion, unclear
- you have not, or we suspect you have not, complied with the terms of the Service
- you do not have sufficient investments or funds in your Cash Account for us to carry out the instruction
- we are not reasonably satisfied that the instructions are genuine
- you have not provided us with relevant documents or information we consider necessary to act on your instructions
- your participation through the Service is suspended or terminated.

We do not accept any liability whatsoever for an instruction not being implemented in these circumstances.

Keeping track of your investments

We provide you with comprehensive and consolidated reporting on all of your investments in your investment account.

We provide regular communications that are sent to you for your records. Additionally, you may request reports from ClientFirst or view your account information via Portfolio Online.

What you will receive from us
<p>Investor Schedule</p> <p>Sent on the establishment of an account through the Service, normally within seven business days of joining.</p> <p>Your Investor Schedule confirms your investment account details, Investment Instructions and Distribution Instruction (if applicable) as well as your IOOF Customer Reference Number for any future BPAY investments.</p>
<p>Quarterly statement</p> <p>Details all transactions and portfolio valuation over the quarter.</p> <p>Statements sent to you within one month of the end of each March, June, September and December.</p>
<p>Annual portfolio statement</p> <p>Provides a summary of all portfolio transactions during the financial year including investment performance.</p> <p>Your statement is provided within three months of the end of each financial year.</p>
<p>Annual Taxation Statement</p> <p>Details the amount and components of your taxable and non-taxable income for each 12 month period to 30 June including information on realised capital gains/losses and expenditure. Normally, these statements will be sent to you, within three months of the end of the financial year.</p>
<p>Audit report</p> <p>The audit report will provide you with the auditor's opinion relating to our accounting procedures and internal controls affecting the accuracy of your annual statements.</p>
<p>Internet access and functionality</p> <p>Portfolio Online is a user friendly internet facility. It provides you with convenient and secure access to your key account details, including the value of your investment options.</p> <p>You can register for access to Portfolio Online via our website (ioof.com.au/product_list/annex_pursuit).</p>
What other information is available for you to access?
<p>Additional information available free of charge</p> <p>You can request a copy of :</p> <ul style="list-style-type: none"> The voting policy of the Service a summary of which can be found in 'Differences between investing directly and investing through an IDPS (such as the Service)' section of the IOOF Pursuit Select Investment Service investment guide (PSI.01). Note that where we receive notice of meetings or resolutions that relate to investment options, we do not send these on to you or your financial adviser. Information on the consequences if you have not engaged a financial adviser (see page 27), or representative (see page 27) to provide financial product advice to you and instructions to us in relation to investment options, including your ability to provide instructions in relation to your investment options and continue to be an investor in the Service.

Electronic communications

You can choose to receive communications from the Service Operator that are available electronically via Portfolio Online.

You will be able to access and download these communications electronically at any time while you are an investor and registered user of Portfolio Online.

When a communication is available for you to access using Portfolio Online, we will send a notification to your preferred email address. You will need to let us know your preferred email address on your Application form and then tell us your new email address if it changes.

By making these communications available to you electronically, we satisfy our obligations under the *Corporations Act 2001*. However, if you ever change your mind and would like paper copies of any of these communications, we will provide them to you free of charge on request.

Terms and conditions for electronic communications

Where you elect to receive communications from the Service Operator electronically via Portfolio Online, you agree:

- to receive the communications from the Service Operator electronically by regularly accessing them using Portfolio Online
- to register or be registered and remain registered as a user of Portfolio Online
- any communication given to you electronically by making it available for you to access using Portfolio Online will be taken to be delivery of the communication to you
- the Service Operator will send an email notification to your preferred email address when a communication is available for you to access using Portfolio Online
- you have provided your preferred email address in your application and are responsible to notify the Service Operator of any change to your preferred email address
- you will be able to access such communications at any time while you are an investor and registered user of Portfolio Online
- you can download a copy of any such communication
- the Service Operator will send you a free paper copy of any communication you request
- Portfolio Online is a facility for the purposes of section 1017F(5) of the *Corporations Act 2001*
- the Service Operator may give you any communication in any other method permitted by law.

In the event of death

In the event of your death while you are an investor through the Service, we must pay your remaining investment account balance to your nominated Legal Personal Representative or estate. We may seek appropriate evidence to ensure that we carry out all of our legal obligations. Before making any payment we generally ask for:

- a copy of the grant of probate or letters of administration;
- a certified copy of the Death Certificate and the Will; and
- instructions from the executor of the estate.

Where you are a joint owner, ownership will normally be transferred to the surviving owner upon receipt of a certified copy of the Death Certificate.

Where you are a trustee of a self managed superannuation fund, what happens upon your death will generally be governed by the terms of the trust deed of your superannuation fund.

Transferring ownership of your Pursuit Select account

If you propose to transfer the beneficial ownership of your account to another person or entity, the person or entity must first agree to be bound by the terms and conditions of the Service. Before you do this, you should speak to your tax adviser about any personal tax consequences. Stamp duty and other taxes may also apply on account transfers.

As the managed investments acquired through the Service are wholesale funds, they are generally not able to be transferred directly into your name.

Transferring from another IOOF investment service account

If you apply to transfer to Pursuit Select Investment Service from another IOOF investment service product (such as IOOF Portfolio Service Investment Service), you are authorising us to transfer each investment option (where possible), and the balance of your Cash Account (together comprising the full balance of your existing account), to your new investment service account.

Any investment options you may have held in your existing IOOF or IOOF Portfolio Service product that are not currently available in Pursuit Select Investment Service, will be redeemed and invested in the Cash Account until you provide us with new Investment Instructions. If any of those investments are redeemed prior to the transfer, you may incur a CGT liability.

If you have any existing Investment or Withdrawal Instructions (including any Regular Savings Plan, Standing/Investment Instructions) that apply to your existing investment service account, they will be cancelled upon your transfer to Pursuit Select Investment Service. In that case, you would need to complete the relevant sections of the Application form to establish the instructions or features you would like to apply to your account. You are not required to provide a Primary Instruction, unless you are making additional deposits into this account.

An Investor Advice Fee – Upfront will not be charged on the transfer of your existing account balance to your new account.

If you would like to transfer to a new Pursuit Select Investment Service account from another IOOF investment service account, please complete the relevant section of the Application form located in the Forms booklet.

Important note

If your existing product has a Deferred Entry Fee, any outstanding Exit Fee applicable will be deducted from the Cash Account in your existing product before the account is transferred to your new investment service account.

Transferring assets into your Pursuit Select account

Any external assets that you currently hold may be able to be transferred into your Pursuit Select Investment Service account. Where the Service Operator permits the transfer of assets, any external expenses (including stamp duty) incurred by the Service Operator in facilitating the transfer shall be debited to your account. In addition, the Service Operator may apply an administration fee per asset transferred into the Service.

You can transfer these investments into your Pursuit Select account by instructing us to do so in your application.

Exiting or changing the Service

You can terminate your account in the Service by giving us advance written notice.

We will complete any requested transactions before terminating your investment account. However, we are not obliged to do so if we suspect that you have not complied with the terms of the Service.

We may suspend or stop your participation through the Service by writing to you.

We have the right to alter the Service in any way (including the minimum holding requirements). We will however, give you reasonable notice of any materially adverse changes before we make them, unless provided otherwise in this Offer Document.

Important note

The Administration Fee is payable until we cease to hold any assets on your behalf. Where you leave the Service prior to the date on which any fee would normally be payable, we will deduct that fee pro-rata from your final proceeds.

Corporate notices and actions

As your investment options are held (by us on trust) on your behalf in our name, we receive all corporate notices, annual reports and other information issued by the fund managers. You may at any time request us to provide you with copies of any such communications.

If you elect to receive any such communications, we may charge you a reasonable fee for providing the communications.

You agree that we are not required to give effect to any directions as to how the corporate actions are to be exercised in respect of managed investments held for you.

Financial adviser authority

If you appoint a financial adviser you are taken to have automatically authorised your financial adviser and their staff (financial adviser), as your agent, to operate your account, to give any instructions on your behalf in relation to your account to us by any method acceptable to us, including electronically.

This authority does not authorise your financial adviser to:

- withdraw any funds from your account except to authorise payment of withdrawals to the bank account nominated by you (or any bank account you nominate in future)
- authorise any change in fees and charges, including changes to an existing Fee Aggregation for your account
- sign any form on your behalf where the law or an external party requires your signature on the form (for example, a Direct Debit Request)
- change the name on your account
- authorise any other person to operate your account.

Accordingly, your current or any future financial adviser you appoint and their staff can do everything you can do with your account except the things listed above. We will continue to follow instructions given by your financial adviser under this authority until we receive notice in writing signed by you to cancel the authority.

If you have authorised your financial adviser to do so, your financial adviser may submit switch or re-weight instructions, authorise payment of withdrawals from your Pursuit Select account to the bank account nominated by you (or any bank account you nominate in future) and establish or change Investment Instructions in relation to your account.

If you have chosen to invest in various listed investments available under the Direct Share Choice, your financial adviser must submit orders to buy or sell listed investments and other instructions on your behalf using Portfolio Online.

Your financial adviser may also use Portfolio Online to complete and submit on your behalf any other forms which the Service Operator permits to be submitted electronically using Portfolio Online.

Your financial adviser is required to provide you with a product disclosure statement for the investment options you choose to invest in. Alternatively, you can access the product disclosure statements for the available investment options through our website.

Change of financial adviser

Certain financial advisers have been authorised to recommend the Service.

Where your financial adviser is no longer part of an AFS Licensee who is authorised to recommend the Service, or you change your financial adviser and they are not authorised to recommend the Service, your holdings may be transferred to the standard Pursuit Select Investment Service product. Your fees and costs will not change, however you will not be able to select any new Annex exclusive investment options. You may retain any of the exclusive investment options you have already selected and acquire additional units in those investment options.

How to appoint a representative to act on your behalf

You may also appoint a person, other than your financial adviser to operate your account. You could for instance appoint a spouse, relative, accountant or solicitor. Only you can authorise a representative to act on your behalf. To cancel the authority of your nominated representative, you must give us prior written notice. The cancellation or appointment of a new representative will be effective once it has been received and recorded by us.

This facility can be convenient if you are investing as a company, a self managed superannuation fund or other entity, as you can nominate a single person such as a director, employee or individual trustee to transact on behalf of the entity.

The following conditions apply to your representative:

- Your representative can do everything that you can do in respect of the Service (except appoint other representatives). Withdrawals can only be made in favour of the investor.
- You are responsible for anything that your representative does on your behalf.
- If someone whom we reasonably believe to be your representative acts on your behalf, we will treat the request as if you had personally acted.
- If your representative is a company, its directors or authorised officers can act as the representative.
- If your representative is a partnership, each partner can act as the representative.

To authorise another person with authority to act on your behalf, simply complete the relevant section of the Application form contained in the Forms booklet.

Can I invest without a financial adviser?

We recommend that all investors consider obtaining and maintaining professional financial and/or tax advice prior to investing and while investing via the Service.

If you invest in the Service without the assistance of a financial adviser, you may not be fully aware of the risks and benefits of investing according to your personal circumstances and financial or taxation position. The Service's investment menu is extensive and identifying the right investment strategy for you can be complex and risky without professional assistance.

If you decide not to appoint a financial adviser or after investment discontinue the appointment of a financial adviser you need to tell us.

If you do not have a financial adviser to act on your behalf, you are permitted to submit switch or re-weight instructions on investment options, establish or change investment instructions in relation to your account, place orders to buy and sell listed investments and submit DRP and corporate action elections on your behalf using Portfolio Online.

What if you have a complaint?

Complaints about the Service

If you have a complaint about the Service (or wish to obtain further information about the status of an existing complaint), please contact the Manager, Customer Care on 1800 913 118 or write to:

Manager, Customer Care
IOOF Investment Services Ltd
Reply Paid 264
MELBOURNE VIC 8060

If you let us know of any concerns arising from your dealings with us, we can work towards providing suitable resolutions and better service for all clients in the future. When you get in touch with us, please provide:

- your contact details
- your account or client number
- a detailed description of the facts surrounding your complaint.

Where possible, concerns will be resolved immediately.

If further investigation is required, our Customer Care Team will acknowledge your complaint in writing and will consider and deal with your complaint as quickly as possible. We are required by law to deal with your complaint within 45 days.

If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority, or AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: www.afca.org.au

Email: info@afca.org.au

Tel: 1800 931 678 (Free call)

Mail: Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001

If you have a complaint relating to any of the investment options available through the Service, you may be able to raise your complaint directly with the issuer of that investment. We can advise you if a product issuer has a dispute resolution system which allows you to raise complaints directly with them. To ascertain if this applies to you, please contact us.

Complaints about your financial adviser

If you have a complaint relating to the advice you have received, as a first step you should contact your financial services provider's (licensee's) consumer complaints area to discuss your issue, tell them what your concerns are and how you would like them to be resolved. Your adviser should have provided you with a Financial Services Guide (FSG) which would describe their dispute resolution process. If you no longer have the FSG you can obtain another from your adviser's licensee.

The licensee is required by law to deal with your complaint within 45 days.

If the licensee has not resolved the issue to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority, or AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: www.afca.org.au

Email: info@afca.org.au

Tel: 1800 931 678 (Free call)

Mail: Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001.

Your privacy

We are committed to protecting your privacy. Any personal information we collect about you will be handled in accordance with our privacy policy, which outlines how we manage your personal information, how you may access or correct your personal information, and how you may complain about a breach of your privacy. To obtain a copy of the IOOF group privacy policy, please contact ClientFirst on 1800 913 118 or visit our website (ioof.com.au/privacy).

We collect your personal information from the Application form you complete when applying for this product for the purpose of providing you with the products and services that you request and for related purposes, including providing you with financial advice and ongoing services in relation to your account with us, or providing information about other products and services that may be of interest to you. If you do not provide all the information requested in your Application form, we may not be able to process your application.

To verify your identity for Know Your Customer purposes, we may also solicit personal information about you from reliable identity verification service providers.

For the purpose of providing you with the products or services you have requested, we may disclose your information to our related bodies corporate or external parties, including your financial adviser or employer, banks or other financial institutions, medical professionals, insurers, legal or accounting firms, auditors, mail houses, or when required or authorised to do so by law. It is generally unlikely that we will disclose your personal information overseas. However any overseas disclosure does not affect our commitment to safeguarding your personal information and we will take reasonable steps to ensure any overseas recipient complies with Australian privacy laws.

Anti-Money Laundering and Counter Terrorism Financing (AML/CTF) requirements

We are required to carry out proof of identity procedures for investors opening an investment account in the Service or persons completing forms in relation to the Service on the investor's behalf, such as a Power of Attorney or appointed Guardian for an investor. These requirements arise under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF)*.

Where you have not already provided us with appropriate identification, we will be required to collect customer identification information and to verify it when you request a withdrawal. We may also be required to collect customer identification at other times. If you do not provide the information or we are unable to verify the information, your application or request for payment may be delayed or refused.

Foreign Account Tax Compliance Act and Common Reporting Standard

The United States' (US) Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS) is a regime legislated in a number of countries (including Australia) which require financial institutions, including IOOF, to identify and report information relating to investors who are a resident of a foreign jurisdiction (or a US citizen or resident) for tax purposes. This information is required to be reported to relevant tax authority, within Australia and internationally.

We are required by this law to ask investors who may be a foreign resident for tax purposes to declare and supply additional identification and tax information to us.

Key words explained

If you find some of the terms used in the Offer Document difficult to understand, don't worry. This section helps to explain some of the key terms that arise along the way. If you require further information or explanation of a term not covered, please contact ClientFirst on 1800 913 118.

Administration Fee	The fee charged by us to cover the general administration of the Service.
AML/CTF Act	<i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF)</i> and all sub-ordinate legislation in respect of that Act, as amended from time to time.
Australian Financial Services Licence (AFSL)	A licence issued by ASIC under the <i>Corporations Act 2001</i> which, among other things, permits the issuing of a financial product or the giving of financial advice.
Business day	A day other than a Saturday, Sunday or a public holiday in Melbourne.
Buy-sell spread	A fee to recover the transaction costs incurred by you in relation to the sale and purchase of underlying managed investments.
Capital Gains Tax (CGT)	A tax applied on the increase in the value of an investment that may be payable upon the disposal of the investment.
Certified copy	A document that has been certified to be a true and complete copy of the original, by a person authorised to witness the signing of a statutory declaration under applicable Commonwealth or State legislation.
Cooling-off period	The period of time during which investors are able to cancel their application for an investment account and receive a refund (if applicable), less permissible deductions.
Derivatives	Contracts that call for money to change hands at some future date, where the amount depends on, or is derived from, another security, liability or index. For example, a contract might specify that one person can buy an item from the other at today's price in six months' time, regardless of the market price at that time.
Financial institution	A bank, building society or credit union.
Goods and Services Tax (GST)	A broad-based tax of 10% on the supply of most goods, services and other items sold or consumed in Australia.
High yielding securities	High yielding securities are investments in non-traditional debt assets that generally earn higher interest than traditional fixed interest securities. These securities may provide higher returns as they are generally regarded as being less secure than traditional fixed interest securities. As a result, there is potential for higher volatility and lower liquidity.
Investment options with extended redemption periods	Assets which either cannot be readily realised within 30 days, or where realising those assets within 30 days would have an adverse impact on their value.
Legal Personal Representative	The executor of your Will or the administrator of your estate.
Listed Security Administration Fee	The fee charged by the Service Operator for providing you with the option to invest in and the administration of listed investments holdings on your behalf. This fee is only applicable where you opt in to investing in listed investments.
Margin lending	Borrowing money for investment purposes.
Portfolio	The mix and composition of an investor's holdings among different asset classes (or if in a single asset class, between different sectors and investments).
Reduced Input Tax Credits (RITC)	Refers to a portion of the GST that can be claimed back from the ATO in certain circumstances.
Service	Annex – IOOF Pursuit Select Investment Service
Switching	The movement of monies between investment options (such as managed investments and/or listed investments) and/or between the Cash Account and investment options. Switches between managed investment options are processed as redemption of units from one managed investment and the purchase of units in another managed investment from the available investment list. Switches between listed investments involve the sale of a listed investment and the purchase of another listed investment.
Term investment	Term deposits and fixed-term annuities.
Withdrawal	This is a lump sum or regular payment made from your account, after allowing for fees and charges. These payments can be credited to your nominated account with your financial institution or can be paid to you by cheque. Withdrawal payments are paid from your Cash Account.

How to apply

Application procedure

Joining is simple. All you have to do is complete the Application form and any other relevant forms in the Forms booklet.

You can obtain a copy of this booklet:

- from your financial adviser
- by downloading one from our website
- by calling ClientFirst on 1800 913 118.



Contact us

Postal address

GPO Box 264
Melbourne VIC 3001

Telephone

1800 913 118

Fax

03 8614 4431

Email

clientfirst@ioof.com.au

Website

ioof.com.au/product_list/annex_pursuit

Service Operator

IOOF Investment Services Ltd
ABN 80 007 350 405
AFSL 230703

Registered address

Level 6, 161 Collins Street
Melbourne VIC 3000