



IOOF PURSUIT

# SELECT

## Allocated Pension

Product Disclosure Statement

Dated: 1 July 2018

Issuer: IOOF Investment Management Limited ABN 53 006 695 021, AFS Licence No. 230524,  
as Trustee of the IOOF Portfolio Service Superannuation Fund ABN 70 815 369 818

This Product Disclosure Statement (PDS) has been prepared and issued by IOOF Investment Management Limited (IIML) ABN 53 006 695 021, AFS Licence No. 230524. IIML is the Trustee of the IOOF Portfolio Service Superannuation Fund (Fund), ABN 70 815 369 818. IOOF Pursuit Select Allocated Pension is a pension product in the Fund.

## About the Trustee

- IIML is a part of the IOOF group comprising IOOF Holdings Limited ABN 49 100 103 722 and its related bodies corporate (IOOF group).
- As Trustee, IIML is responsible for operating the Fund honestly and in the best interests of members.
- IIML is also responsible for holding the assets of the Fund on behalf of members and undertakes all of the administrative tasks through IOOF Service Co Pty Ltd ABN 99 074 572 919. IIML has investment and service contracts with related parties within the IOOF group, including IOOF Service Co Pty Ltd, Managed Portfolio Services Limited ABN 77 009 549 697, the managed discretionary account operator and provider of the Managed Portfolio Service, is also a related party of the Trustee.

IIML is solely responsible for the content of this PDS. This PDS was prepared by IIML based on its interpretation of the relevant legislation as at the date of issue.

Contributions made to, and investments in, an IOOF Pursuit Select Allocated Pension do not represent assets or liabilities of IIML (other than as trustee of the Fund) or any other company or business within the IOOF group. The terms 'our', 'we', 'us' and 'Trustee' in this PDS refer to IIML.

Neither IIML, 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 chosen in IOOF Pursuit Select Allocated Pension. Investments made into the investment options in IOOF Pursuit Select Allocated Pension are subject to investment risks and other risks. This could involve delays in the repayment of principal and loss of income or principal invested.

IIML operates IOOF Pursuit Select Allocated Pension on the terms and conditions outlined in this PDS and in accordance with the Fund's Trust Deed. We may change any of the terms and conditions set out in the PDS at any time where permitted to do so under the Trust Deed and superannuation (super) law.

IIML is also the Responsible Entity of IOOF MultiMix Trusts, IOOF MultiSeries, the IOOF Cash Management Trust, Profile Managed Investments and Mosaic Funds (collectively referred to as the Trusts), and we receive fees under the Constitutions of the Trusts. These are some of the investment options offered in IOOF Pursuit Select Allocated Pension (as listed in the **IOOF Pursuit Select investment guide (PSS.02)**).

An IOOF Pursuit Select Allocated Pension is only available to persons receiving this PDS (electronically or otherwise) within Australia. We may refuse an application to join the Fund without providing reasons for the refusal. You become a member of the Fund when we accept your completed application and record you as a member.

## Investment options offered

IIML makes no recommendation regarding the investment options set out in **PSS.02**.

As Trustee, IIML regularly monitors the investment options available to members in IOOF Pursuit Select Allocated Pension 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 buy-sell spread where your investment option is redeemed.

The fund managers have not authorised or caused the issue of this PDS 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 **PSS.02**. Before selecting an investment option, your financial 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 ([www.ioof.com.au](http://www.ioof.com.au)). 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 PDS 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 making a decision about an IOOF Pursuit Select Allocated Pension.

## Updated information

The information referred to in this PDS 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 PDS. Any updated information that is not materially adverse may be obtained by:

- checking our website ([www.ioof.com.au](http://www.ioof.com.au))
- emailing us at [clientfirst@ioof.com.au](mailto: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.

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### How to find your way around this PDS

This PDS is important because it will help you decide whether an IOOF Pursuit Select Allocated Pension will meet your needs. It includes references to additional important information contained in the **IOOF Pursuit pension general reference guide (PSP.01)** and the **IOOF Pursuit Select investment guide (PSS.02)**, each of which forms part of the PDS. You can use it to compare the IOOF Pursuit Select Allocated Pension with any other pension product you may be considering.

The PDS describes the key features, risks and purpose of IOOF Pursuit Select Allocated Pension. It also contains some information we are required to include by law.

This PDS and the guides can be downloaded from our website or contact us and we will send you a paper copy at no charge.

### Key words

There may be some words in this PDS and the guides you may not be familiar with. To help you understand those terms, we have defined them in the 'Key words explained' section in **PSP.01**.

# An introduction to IOOF Pursuit Select Allocated Pension

**Managing the investment of your allocated pension is important. If managed correctly, it could ensure financial security and peace of mind during your retirement. Choosing a quality investment partner is a key step towards achieving your financial goals in retirement.**

An IOOF Pursuit Select (Pursuit Select) Allocated Pension can help you control and manage your super savings in retirement and aims to provide a tax-effective pension in retirement. It also offers a pre-retirement (non-commutable) pension option.

In this introduction, you will find important information about Pursuit Select, including a snapshot of the key features and benefits available to help you meet your retirement needs.

## Investing in an IOOF Pursuit Select Allocated Pension

You can select an investment strategy using one convenient administration facility. This includes having access to:

- a range of Australian and international fund managers
- the majority of listed investments in the S&P/ASX 300 index, including a range of exchange traded funds and other listed investments approved by the Trustee from time to time
- term deposits and fixed-term annuities (term investments)
- flexible investment instructions options
- view your account details and generate reports securely online via Portfolio Online
- consolidated reporting.

This makes it very simple for you to manage your retirement goals.

The value of the investment options you select forms part of your pension account. You do not directly invest into (or hold an interest in) any investment option. This means investing in Pursuit Select is not the same as personally investing in term investments, managed investments or listed investments.

## About IOOF Pursuit Select Allocated Pension

Pension payments will cease when your pension account balance is exhausted, so this pension may not provide you with an income for the rest of your life. Your account balance depends on withdrawals (where permitted) and the amount of pension payments, as well as investment earnings which may rise or fall.

Pursuit Select Allocated Pension is an account-based pension, which is required to make a minimum payment at least annually (maximum payments only apply to Transition to retirement pensions). If you are aged 60 or more, your pension payments will be tax-free. If you are below age 60, your pension payments will be taxed (until you reach age 60), but you will be eligible to receive a 15 per cent tax offset on the taxable component and no tax is payable on any tax-free component.

## IOOF Pursuit offers Switchability

The IOOF Pursuit platform has been created to meet the changing needs of members by offering two models: IOOF Pursuit Focus and Pursuit Select. Switchability is a distinctive characteristic which enables you to move between different IOOF Pursuit models and products as your investment needs change.

## Who is the IOOF group?

At IOOF group we are one of the largest financial services groups in Australia, with over 170 years' experience in helping Australians secure their financial independence. Listed in the top 100 on the Australian Securities Exchange (ASX:IFL), we provide services to more than 500,000 clients and have more than \$154 billion in funds under management, advice and supervision (as at 31 December 2017).

Our demonstrated expertise in the administration and management of investments, superannuation savings and retirement solutions means your investments are being managed by a leading and trusted Australian company.

## Snapshot of IOOF Pursuit Select Allocated Pension

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

Investing		Page
Investment options	<ul style="list-style-type: none"> <li>• <b>Easy Choice</b> – offers a range of IOOF multi-manager trusts.</li> <li>• <b>Premier Investor Choice</b> – 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.</li> <li>• <b>Investor Choice</b> – offers a large range of sector or asset class specific managed investments and term investments.</li> <li>• <b>Direct Share Choice</b> – offers access to the majority of listed investments in the S&amp;P/ASX 300 Index plus other listed investments approved by the Trustee from time to time.</li> <li>• <b>Managed Portfolio Service (MPS)</b> – MPS is a managed discretionary account service available through financial advisers from approved dealer groups only. The service provides access to professionally managed models.</li> </ul>	7
Cash Account	When you open a Pursuit Select account, a Cash Account is automatically established for you which records all transactions.	11
Flexible income distribution options	Options for income distributions from your investment option(s) are to: <ul style="list-style-type: none"> <li>• re-invest the distribution back into the same investment option (default option)</li> <li>• nominate specific investment option(s) for all distributions</li> <li>• retain distributions in your Cash Account.</li> </ul>	9
Options		
Retirement phase pension	If you have met a condition of release (such as retirement after reaching your preservation age or turning age 65) you can commence a Retirement phase pension.	6
Transition to retirement (TTR) pension	You can use the TTR pension option to commence a pension once you have reached your preservation age, regardless of your employment status.	6
Death benefit pension	You can commence a pension with the rollover of a death benefit either from another super fund or from another account within the Fund.	6
Estate planning options	Choose from the following estate planning options: <ul style="list-style-type: none"> <li>• Reversionary Beneficiary</li> <li>• Non-lapsing Death Benefit Nomination</li> <li>• Binding Death Benefit Nomination</li> <li>• Non-binding Death Benefit Nomination.</li> </ul>	7
Managing your pension		
Pension payment options	You can choose to receive your pension payments: <ul style="list-style-type: none"> <li>• twice-monthly</li> <li>• monthly</li> <li>• quarterly</li> <li>• half-yearly</li> <li>• annually.</li> </ul> We withhold any PAYG tax liability on gross pension payments, as required by law.	12
Switchability <sup>1</sup>	Switchability allows you to move: <ul style="list-style-type: none"> <li>• between similar products in the IOOF Pursuit Focus and Pursuit Select models</li> <li>• between super and pension products available under the IOOF Pursuit platform.</li> </ul>	2
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, those of immediate family members and in-laws of the immediate family. This may reduce the Administration Fee payable.	17

<sup>1</sup> Some restrictions apply. Refer to the product disclosure statement for the relevant IOOF Pursuit product for further information.

Minimum amounts		Page
Initial contribution	\$20,000 per pension account.	5
Investment options and switching instruction <sup>2</sup>	<ul style="list-style-type: none"> <li>• <b>Managed investments</b> – \$200 per managed investment.</li> <li>• <b>Term investments</b> – \$5,000 per term investment.</li> <li>• <b>Direct Share Choice</b> – a minimum parcel of \$2,000 is required per listed investment trade.</li> <li>• <b>Managed Portfolio Service<sup>3</sup></b> – please refer to your financial adviser or the Managed Portfolio Service Investor Agreement.</li> </ul>	10
Cash Account	Your initial contribution requires a minimum allocation to the Cash Account of 3%.	11
Pension payments	<ul style="list-style-type: none"> <li>• Your annual pension payments are subject to a minimum level set by the Commonwealth Government.</li> <li>• Annual pension payments made under a TTR pension option are also subject to a maximum level set by the Commonwealth Government.</li> </ul>	12
Lump sum withdrawals (one-off) <sup>4</sup>	The lesser of \$2,000 or your pension account balance.	13

2 Investment limits apply to the proportion of your portfolio which can be held in restricted investments, term investments and listed investments. For further information regarding these limits, see the 'Investment limits' section in the **IOOF Pursuit Select investment guide (PSS.02)**.

3 Managed Portfolio Service is only available through advisers from approved dealer groups.

4 Commonwealth Government regulations impose restrictions on when you can make lump sum (cash) withdrawals where you have selected the TTR pension option.

# How does an IOOF Pursuit Select Allocated Pension work?

**Commencing a Pursuit Select Allocated Pension is easy. As long as you have met a condition of release, such as retiring after reaching your preservation age, or turning age 65, you can make an initial contribution to your new Retirement phase pension account and start receiving your pension straight away.**

Alternatively if you have reached your preservation age but you have not retired, you can commence a Pursuit Select Allocated Pension using the Transition to retirement (TTR) pension option but the amount of cash you can withdraw will be limited until you retire or reach age 65. The access rules are set out on page 6.

You can also transfer a death benefit from another super fund or another super account within the fund and commence a new Death benefit pension. The eligibility rules for starting a new Death benefit pension are set out on page 6.

## Your initial contribution

The minimum initial contribution required to establish a Pursuit Select Allocated Pension is \$20,000 per pension account. We can accept a wide range of contributions to commence your pension. These are:

- personal contributions that you make yourself which are not tax deductible
- spouse contributions made by your spouse (legal or de facto) for your benefit
- transfer of super benefits from other super funds, ADFs or superannuation annuities
- downsizer contributions from the proceeds of selling your family home after age 65
- transfers from other super and pension accounts within the Fund
- transfer of death benefits from another super fund or super/pension account within the Fund to commence a Death benefit pension.

Your initial contribution can be made by completing the relevant section of the Application for Allocated Pension (Application form) located in the IOOF Pursuit Select Allocated Pension Forms Booklet (Forms Booklet) and sending it to us with a completed Direct Debit Request form (one-off) and/or cheque made payable to:

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

If you wish to make tax deductible personal super contributions (and/or any employer contributions), you must make these contributions to a super account first, and provide the appropriate tax notice before transferring the contributions (net of tax) to your Pursuit Select Allocated Pension account.

If you are transferring your benefit from another super fund, please complete the relevant section of the Application form. We can facilitate the transfer on your behalf, if you complete the Request to Transfer (Transfer form) located in the Forms Booklet together with the Application form.

If you are transferring your benefit from another IOOF Pursuit or IOOF Portfolio Service super or pension account, please complete the relevant section of the Application form. For transfers from pension accounts, your current pension will **automatically** continue in your new Pursuit Select Allocated Pension account, but under the investment and fee options and other terms set out in this PDS. If you would like to commence a new pension account, you can indicate this in the relevant section of the Application form. A new pension account will automatically commence if you are:

- making a partial transfer
- transferring more than one pension
- changing your nominated Reversionary Beneficiary
- adding further contributions.

**Please note that no additional contributions or transfers can be made to an existing pension account once your pension has commenced.**

## Restrictions on initial contributions used to commence your pension

You can commence your pension with a transfer of benefits from other super funds or other super or pension accounts within the Fund at any age. If you are making downsizer contributions, you must be at least age 65 and the maximum amount you can contribute is \$300,000.

However to make personal or spouse contributions, you will need to be eligible to contribute to super. To be eligible to contribute to super you must be either under age 65 when you make the contribution or you have met a work test if you have turned age 65 or more. The work test is 40 hours of paid work over a 30-day period during the financial year in which you make the contribution. As long as you meet this work test during that particular financial year, personal and spouse contributions can be received into your pension account up to age 75 for personal contributions or age 70 for spouse contributions. For further details about initial contributions to commence your pension please refer to the **IOOF Pursuit pension general reference guide (PSP.01)**.

Personal and spouse contributions are non-concessional contributions and the Commonwealth Government sets an annual cap on the amount of non-concessional contributions that can be made to your super each year. Additionally, non-concessional contributions cannot be made if the total benefits you currently hold across both super and pension accounts (including the value of any defined benefits and guaranteed pensions) (total superannuation balance) is already \$1.6 million or more. If your total superannuation balance is \$1.6 million or more any new non-concessional contributions must be refunded.

For details about contribution caps and how to calculate your total superannuation balance please refer to **PSP.01**.

Finally, a Death benefit pension can only commence with the rollover or transfer of a death benefit. No other types of contributions can be added to commence the Death benefit pension, including transfers from your own super.

## Transfer balance cap for Retirement phase and Death benefit/Reversionary pensions

The Government sets a cap (transfer balance cap) on the total amount of pension benefits that can transfer to a tax-free investment environment. This cap is currently at \$1.6 million<sup>5</sup>. Retirement phase and Death benefit pension accounts are assessed against this transfer balance cap on pension commencement. Reversionary pensions are assessed 12 months from the date of death on the account balance as at the date of death. Death benefit or Reversionary pensions paid to minor children have an adjusted transfer balance cap based on the deceased parent's cap and the child's share of the death benefit.

Any excess amounts over the cap for a Death benefit or Reversionary pension must be withdrawn in cash. Any excess amounts from a Retirement phase pension can be withdrawn in cash or transferred back into personal super. If IOOF receives a compulsory commutation authority from the Australian Taxation Office (ATO) in relation to an excess amount for a Retirement phase pension, the Trustee will transfer the excess back to personal super where possible.

## What happens when my initial contribution is credited to the pension account?

For new members, your initial contribution is credited first to your Cash Account. This contribution (less any nominated Member Advice Fee – Upfront<sup>6</sup>) will be invested in accordance with your Investment Instructions. Further information on your Cash Account is contained on page 11.

If you are transferring from another IOOF Pursuit or IOOF Portfolio Service super or pension product, you can transfer your current investment options directly into your new pension account if those options are available in Pursuit Select. You may also request that your existing investment options be aligned (or re-weighted) by completing an Investment Instructions form which is available from our website.

## Pursuit Select Allocated Pension options

Pursuit Select Allocated Pension has the following options:

### 1. Retirement phase pension

This is an account-based pension that is payable when you have met a condition of release and your super benefits are unrestricted non-preserved. Earnings on investments for Retirement phase pensions are tax-free. The Government sets a limit on the amount of benefits that can be transferred into Retirement phase pensions. This limit is called the transfer balance cap and is currently \$1.6 million. Retirement phase pensions are subject to a minimum annual pension payment and you can take cash lump sum withdrawals at any time.

### 2. Transition to retirement pension

This is an account-based pension that is payable if you have reached your preservation age (see below) but you have not met a condition of release. Earnings on investments for TTR pensions are taxable at 15 per cent. TTR pensions are subject to minimum and maximum annual pension payments and cash lump sum withdrawals are severely restricted. When you meet a condition of release (such as turning age 65), your TTR pension will become a Retirement phase pension and will then be assessed under the transfer balance cap.

### 3. Death benefit or Reversionary pensions

A Reversionary pension is the transfer of an existing pension to a nominated Reversionary Beneficiary on the death of the primary pensioner. A Death benefit pension is a new pension that commences with the transfer of death benefits from another super fund or from another account within the Fund (including the commutation of a Reversionary or other Death benefit pension). As earnings on investments are tax-free, Death benefit and Reversionary pensions are treated as Retirement phase pensions and assessed under the recipient's transfer balance cap.

For details about how the transfer balance cap applies to Retirement phase pensions and income streams payable on death please refer to **PSP.01**.

## What are conditions of release and how do they affect the commencement of your pension?

Super funds can only pay benefits, such as commencing a Pursuit Select Allocated Pension or paying a cash lump sum, in specified circumstances. Benefits in super are preserved<sup>7</sup> until you meet a condition of release. Once you have met a condition of release your super benefits become unrestricted non-preserved and you can commence a Retirement phase Pursuit Select Allocated Pension.

<sup>5</sup> The transfer balance cap is indexed to CPI in \$100,000 increments. If a member has already had pension benefits assessed against the cap, indexation will only apply to that proportion of the cap that is yet to be used.

<sup>6</sup> For more information regarding the member advice fees available, refer to page 18 of this PDS.

<sup>7</sup> Benefits that are preserved also include restricted non-preserved benefits. However restricted non-preserved benefits have an additional condition of release which is termination of employment with an employer who has contributed to the super fund.

The main conditions of release are:

- permanently retiring after reaching your preservation age (see **PSP.01**)
- leaving employment after reaching age 60
- reaching age 65
- permanent incapacity.

Once you have reached your preservation age but have not retired, you can access your preserved benefits by commencing a Pursuit Select Allocated Pension using the TTR pension option.

See the 'About IOOF Pursuit Pensions' section in **PSP.01** for further information about conditions of release and preservation age.

## Dependants – paying benefits if you die

If you die while you are a Pursuit Select Allocated Pension account holder, super law requires us to pay your death benefit (the remaining balance of your pension account) to one or more of your dependants and/or your estate.

To provide greater certainty as to who will receive your benefit in the event of your death, there are four estate planning options (only one option can be selected):

- Reversionary Beneficiary.
- Non-lapsing Binding Death Benefit Nomination (Non-lapsing Binding Nomination).
- Binding Death Benefit Nomination (Binding Nomination).
- Non-binding Death Benefit Nomination (Non-binding Nomination).

The most appropriate nomination will depend on your personal circumstances. Any person you nominate must be a dependant as defined by super law, or your Legal Personal Representative. Dependants include your spouse (including de facto) and children.

If you choose to make a Non-lapsing Binding Nomination, Binding Nomination or Non-binding Nomination you can nominate one or more people and allocate your benefit between them in any proportion.

See the 'Death benefit nominations' section in **PSP.01** for further information about dependant nominations, how each nomination works and the available payment options.

## Making investment choices

### Your investment strategy

Pursuit Select provides access to over 300 managed investments, term investments and the majority of listed investments in the S&P/ASX 300 plus other listed investments approved by the Trustee from time to time. With so many investment options you can construct a portfolio to help achieve your retirement goals.

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
<b>Easy Choice</b>	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.
<b>Premier Investor Choice</b>	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.
<b>Investor Choice</b>	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.
<b>Direct Share Choice</b>	Offers you access to the majority of listed investments in the S&P/ASX 300 Index plus other listed investments approved by the Trustee from time to time.

The **IOOF Pursuit Select investment guide (PSS.02)** provides 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 also 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 **PSS.02**.

The list of Easy Choice, Premier Investor Choice and Investor Choice investment options is set out in **PSS.02**. The list may change from time to time.

You can obtain the most current list of managed investments from our website or request a copy free of charge by calling our Client Services Team 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, a 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(s) you have selected. Alternatively, you can obtain a copy free of charge by downloading it directly from our website or requesting it from our Client Services Team 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 Allocated Pension account. Direct Share Choice provides you with access to the majority of listed investments in the S&P/ASX 300 Index plus other listed investments approved by the Trustee from time to time. The current list of Direct Share Choice investment options is available on our website. This list may change from time to time.

See the 'Investing in listed investments available in Direct Share Choice' section in **PSS.02** for more information about Direct Share Choice.

## Term deposits

Terms and conditions relating to investing in term deposits are detailed in the 'Investing in term deposits and fixed-term annuities' section in **PSS.02**.

### Important note

The maximum percentages of your account balance that can be allocated to each of restricted investments, term investments and listed investments are detailed in the 'Investment limits' section in **PSS.02**.

## Managed Portfolio Service

Managed Portfolio Service (MPS) is a managed discretionary account service. This service is only available through financial advisers from approved dealer groups. The service provides access to professionally managed models that are constructed, monitored and rebalanced in accordance with an investment strategy chosen with your adviser.

# Managing your pension account

**This section provides you with instructions about how to select and maintain your Investment Instructions and manage the operation of your Cash Account.**

## Using Portfolio Online

Easily manage your Pursuit Select account anytime, anywhere.

Portfolio Online is a user-friendly website that allows you to view your Pursuit Select 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
- generate Centrelink/Department of Veterans' Affairs schedules
- view and download statements and letters.

You can register for Portfolio Online once you have received your client number via [www.portfolioonline.com.au](http://www.portfolioonline.com.au).

## Your Investment Instructions

Your Investment Instructions outline how you would like your initial contribution (less any Member Advice Fee – Upfront<sup>8</sup>) to be invested.

You can instruct us to invest your initial contribution in two different ways:

- Primary 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 your initial contribution unless alternative instructions are provided to us.

A Primary Instruction will include the following information:

- the managed investment(s) and MPS model you wish to invest in
- the percentage of your initial contribution you want to invest in each managed investment
- the required allocation to your Cash Account (which must be at least three per cent).

Term investments, Direct Share Choice investment options and investments which form part of a chosen MPS model cannot form part of your Primary Instruction.

Please note that the total percentage allocated to each investment option, the MPS model and the Cash Account (of at least three per cent), must add up to 100 per cent.

### 2. Specific Instruction

This is a one-off instruction for initial contributions made via direct debit (one-off) or cheque.

When provided, this one-off Specific Instruction will override the use of the Primary Instruction for initial contributions made via direct debit (one-off) and cheque.

Please note that the total percentage allocated to each investment option, the MPS model and the Cash Account (of at least three per cent), must add up to 100 per cent.

### 3. Income Distribution Instruction

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

Please note that income distributions from investments held within the MPS model are paid into the model's cash account. You cannot select Income Distribution Instructions for investments held within an MPS model.

Any income distributions that you receive from your investment option(s) are automatically credited to your Cash Account. This income can then be managed using one of the following three methods (only one method can be selected):

#### Re-invest (default option)<sup>9</sup>

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.

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, Direct Share Choice investment options and investments which form part of a chosen MPS model.

#### Distribution Instruction<sup>9</sup>

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).

<sup>8</sup> For more information regarding the member advice fees available, refer to page 18 of this PDS.

<sup>9</sup> 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.

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, Direct Share Choice investment options and investments which form part of a chosen MPS model cannot form part of your Distribution Instruction.

**Important note**

When you select Distribution Instruction as the re-investment 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 in your Cash Account<sup>10</sup> to accumulate.

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.

**4. 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 business day of the month (or the 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.

**Important note**

The Automatic Re-weight Facility is not available on accounts linked to an MPS model.

**Changing your Investment Instructions**

Your financial adviser can update your Primary Instruction, Income distribution instruction and Automatic Re-weight Facility instruction 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), or where a managed investment forms part of a chosen MPS model, 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.

**An example**

Maria submits a request to fully redeem her holding in Investment C. As a result, Maria's Primary Instruction is automatically updated to remove Investment 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)**

Pursuit Select 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 one or more 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 our Client Services Team on 1800 913 118.

#### Important note

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.

## 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 guide (PSS.02)**.

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 pension account. For example, all money paid into your account and any earnings from your investment options goes through your Cash Account. All fees, pension payments 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 three methods available. See 'Income distribution instruction' on page 9.

Your Cash Account holding is pooled with that of other investors' and may be invested in a range of interest bearing assets, including (but not limited to) deposits with Australian banks, cash management schemes and other deposit taking institutions<sup>11</sup> that we may select from time to time.

The interest rate credited to the Cash Account is calculated by us and is based on daily interest generated by underlying

investments less associated fees and charges and the indirect costs for administering the Cash Account assets. Net interest is credited to your Cash Account monthly.

## Minimum allocation to your Cash Account

You are required to maintain a minimum of three per cent of your pension account balance in your Cash Account. This amount is used for funding fees and expenses, pension payments and taxes (where applicable).

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 to three per cent 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, pension payments and taxes expected to be deducted from your Cash Account during this period.

We recommend that you talk to a 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. 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

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

### 3. Pro-rata

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, restricted investments and investments which form part of a chosen MPS model are excluded from the Cash Account top-up methods.

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

<sup>11</sup> Cash Account underlying assets are subject to change from time to time, and may include direct or indirect exposure to other IOOF group managed investment schemes.

# Pension options explained

**Pursuit Select Allocated Pension is one of the most flexible retirement products available in the market.**

## How is the minimum annual pension calculated?

The Commonwealth Government has set a minimum annual payment that you must withdraw from your pension account each financial year based on your age. The minimum is a percentage of your account balance and is measured at commencement<sup>12</sup> and each following 1 July.

You are able to select any amount of pension payments above this minimum (unless you have a Transition to retirement (TTR) pension).

If you select a minimum limit in the 'Pension payment details' section of the Application form, the minimum level of payments as per the following table will apply to your pension for the remainder of the financial year unless you notify us otherwise when submitting your application.

Age	Minimum annual payment (%)
Under age 65*	4.0
65 – 74	5.0
75 – 79	6.0
80 – 84	7.0
85 – 89	9.0
90 – 94	11.0
95+	14.0

\* These minimums also apply to payments made under the TTR pension option.

For Reversionary Beneficiaries, the minimum applying to the original pension applies for the remainder of the financial year. On 1 July, following the death of the original pensioner, the minimum pension will be calculated using the Reversionary Beneficiary age.

The percentage factor is determined by the age of the account holder on 1 July of a financial year or the date of commencement of the pension in that year as shown in the table directly above.

## Selecting your annual pension payments

You can nominate your annual pension payment to be either:

- your age-based minimum annual payment, as above, rounded to the nearest \$10; or
- a fixed dollar amount.

Where you nominate a fixed dollar amount which does not meet your age-based minimum annual payment, your pension will be adjusted upwards to meet this minimum.

If you have nominated a fixed dollar amount, you can also elect to automatically index your pension by the Consumer Price Index (CPI) or a fixed percentage each year, provided the pension meets the Commonwealth Government's regulated pension payment limits.

If your income needs change, you can increase or decrease your selected pension payments at any time provided your pension payments meet the minimum annual pension payment. You can request a change to your selected pension payments at any time in writing. However, any lump sum withdrawal requests will not be treated as a change to your pension payments unless you specify otherwise.

For Reversionary Beneficiaries, the current pension payments will continue in your name, however you can choose to change the current pension selection (subject to meeting the Government minimum).

Depending on your selection, your annual pension payments will change over time. Please consult a financial adviser about how to select your required annual pension payment.

### Important note

Your first year's pension payment amount will be reduced in proportion to the number of days between the date your pension account was established and the following 1 July, unless you request otherwise.

## Frequency of pension payments

You may elect to receive your annual pension payment as one annual payment or in instalments based on one of the following frequencies:

- twice-monthly
- monthly
- quarterly
- half-yearly.

Irrespective of the frequency you select, we will, where necessary, withhold any PAYG tax liability on the gross pension payment for that frequency as required by law. For more information, see 'What taxes apply and how do they work?' on page 21 of this PDS.

We will deduct the required pension payments from your Cash Account and credit them electronically to your nominated account with a financial institution. Payments are made by the 14th or 28th day of the month where a pension payment is due, unless you have selected the twice-monthly option which is paid by the 14th and 28th day of each month.

<sup>12</sup> If the pension commences in June of a financial year, no minimum annual pension applies for that financial year. If your pension commences after 1 July in a financial year, the minimum annual pension is pro-rated.

Please note, if there are insufficient funds in your Cash Account on or around the date you have chosen to receive your pension payment and we are unable to top up your Cash Account as part of our automated process (for example, if you only have term investments, listed investments and/or restricted investments in your portfolio) you may receive your pension payment after the dates outlined above.

## What is the Transition to retirement pension option?

### Special rules for TTR pensions

When you reach your preservation age (see page 6), you can acquire an income stream under the TTR pension option without having to permanently retire, change employment or reach age 65.

A TTR allocated pension has the following restrictions:

- A maximum of 10 per cent of the account balance may be paid to you in pension payments each financial year. This means that your nominated pension payment needs to be within the minimum four per cent and maximum 10 per cent limits.
- Cash lump sum withdrawals can only be made in very limited circumstances (see below).
- Investment earnings are taxable at 15 per cent, on the same basis as other accumulation super investments.

Once you meet a condition of release, such as retirement or turning age 65, these additional restrictions will no longer apply. In this situation, if you have been receiving the maximum pension payment, we will convert your current annual pension payment to a fixed dollar amount and continue to pay that amount of pension until you advise us otherwise. Also your pension account will transfer to Retirement phase and will therefore be assessed against the transfer balance cap.

### How the preservation components of your TTR pension option are treated

Your TTR pension can commence with preserved benefits, restricted non-preserved benefits and unrestricted non-preserved benefits. These components will retain their existing status on transfer into your pension. However, investment earnings will be allocated to the preserved component.

Your pension payments and lump sum withdrawals (where permitted) will reduce each component in a prescribed order: first, from your unrestricted non-preserved benefits, then from your restricted non-preserved benefits and lastly, from your preserved benefits.

## Can I commence a TTR pension and also contribute to super?

You can contribute to your personal super account, while receiving a TTR pension. However if you are transferring benefits from a Pursuit Select Personal Superannuation account into your TTR pension, and you wish to keep your super account open, a balance of at least \$2,000 must remain in your Pursuit Select Personal Superannuation account to allow for further contributions to be made. The minimum balance may be higher where tax on contributions or investment income, fees and insurance premiums are required to be paid in respect of your personal super.

## Lump sum withdrawals

Generally, you can make a full or partial cash lump sum withdrawal from your Retirement phase pension account at any time.

However, if you have selected the TTR pension option, no lump sum cash withdrawals are permitted except:

- to give effect to a Release Authority under the *Income Tax Assessment Act 1997*
- to cash unrestricted non-preserved benefits
- to give effect to a payment split under the *Family Law Act 1975*.

You can also make a partial or full withdrawal and transfer your benefit at any time:

- to purchase a super product within the Fund
- to purchase a super product in another super fund
- to purchase a super pension or annuity<sup>13</sup>
- to purchase a new Death benefit pension, on the commutation of an existing Death benefit pension or Reversionary pension.

If you make a withdrawal, part of your withdrawal may be paid to you in cash as a pension payment. This will apply if you have not already received the minimum pension payments specified by the Commonwealth Government for the current year and the amount remaining in your pension account after the withdrawal would be insufficient to allow the minimum level of annual payments to be made.

The top up cash option nominated 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.

<sup>13</sup> If you have a TTR allocated pension and have not met a condition of release, you can only transfer to another income stream that also applies restrictions on cash withdrawals.

## 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 final 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 member services justify higher fees and costs.

You or your employer, as applicable, may be able to negotiate to pay lower fees. 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 and Investments Commission (ASIC) website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a superannuation calculator to help you check out different fee options.

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

Other fees, such as activity fees and advice fees for personal advice may also be charged, but these will depend on the nature of the activity or advice chosen by you.

The fees quoted in this section are inclusive of GST and any applicable reduced input tax credits (RITCs), unless otherwise stated.

Taxes are set out in another part of this document. You should read all the information about fees and other costs because it is important to understand their impact on your investment. You can also use this information to compare the fees and costs with other pension products.

The fees and other costs for each underlying investment option offered by the super entity are set out in the **IOOF Pursuit Select investment guide (PSS.02)** and in the relevant product disclosure statement for each managed investment.

## Fee table

Pursuit Select Allocated Pension														
Type of fee or cost	Amount	How and when paid												
Investment Fee	Nil.	Not applicable.												
Administration Fee	<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>0.70% (or \$7 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>0.20% (or \$2 per \$1,000 invested)</td> </tr> <tr> <td>Next \$1,000,000</td> <td>0.10% (or \$1 per \$1,000 invested)</td> </tr> <tr> <td>Above \$2 million</td> <td>Nil</td> </tr> </tbody> </table>	Part of your account balance	Administration Fee (pa)	\$0 – \$250,000	0.70% (or \$7 per \$1,000 invested)	Next \$250,000	0.50% (or \$5 per \$1,000 invested)	Next \$500,000	0.20% (or \$2 per \$1,000 invested)	Next \$1,000,000	0.10% (or \$1 per \$1,000 invested)	Above \$2 million	Nil	<p>The Administration Fee is calculated daily on your account balance<sup>14</sup>.</p> <p>The fee is charged monthly in arrears and is deducted from your Cash Account<sup>15</sup> at the beginning of each month.</p> <p>The Account Keeping 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 are only an investor for a portion of the month, the Account Keeping Fee will be charged on a pro rata basis for that month.</p>
	Part of your account balance	Administration Fee (pa)												
	\$0 – \$250,000	0.70% (or \$7 per \$1,000 invested)												
	Next \$250,000	0.50% (or \$5 per \$1,000 invested)												
	Next \$500,000	0.20% (or \$2 per \$1,000 invested)												
	Next \$1,000,000	0.10% (or \$1 per \$1,000 invested)												
Above \$2 million	Nil													
Maximum Administration Fee of \$5,000 pa.														
<b>Account Keeping Fee</b>														
\$15 per month (\$180 pa)														
Buy-sell spread	Varies across the managed investments available up to a maximum of 0.80%.	<p>A buy-sell spread is added to, or deducted (as applicable) from the unit price of the relevant managed investment. The buy-sell spread that applies to each managed investment can change from time to time.</p> <p>Please refer to <b>PSS.02</b> and the relevant investment options' product disclosure statement for specific details.</p>												
Switching Fee	Nil.	Not applicable.												
Exit Fee	Nil.	Not applicable.												
Advice fees Relating to all members investing in a particular investment option.	Nil.	No advice fees will be charged unless you request us to do so. A range of advice fees are available (see pages 18 to 19 for details). You should refer to your financial adviser's statement of advice for details on any agreed advice fees.												
Other fees and costs	Refer to 'Additional explanation of fees and costs' section on page 16.													
Indirect cost ratio	<p>The indirect cost ratio varies across the managed investments and can range from 0.00% to 6.82% pa<sup>16</sup> (\$0.00 to \$68.20 pa per \$1,000 invested), excluding net transaction costs<sup>17</sup>.</p> <p>Performance related fees<sup>18</sup> may also apply to some managed investments when the investment return generated by the fund exceeds a specific criteria or benchmark.</p> <p>No indirect cost ratio applies to term investments and listed investments.</p> <p><b>Cash Account<sup>15</sup></b>: estimated at 0.60% pa</p>	<p>Generally calculated daily as a percentage of the amount that you have invested in each managed investment. 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 and net transaction cost applied by each fund manager for a particular managed investment can be obtained from <b>PSS.02</b> or the relevant product disclosure statement for the particular managed investment.</p>												

14 Your account balance comprises your Cash Account together with the value of your investment options. You are required to maintain a minimum of three per cent of your pension 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.

15 You are charged an indirect cost on your Cash Account holding. This indirect cost 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 indirect cost is subject to change. The estimated indirect cost ratio is 0.60 per cent per annum. We may also change the underlying investments of the Cash Account at any time.

16 Indirect cost ratios applied by each fund manager are estimates only and based on the information provided by each fund manager as at the date of this PDS (for further information refer to PSS.02). Investment options and indirect cost ratios may change from time to time.

17 Please refer to the 'Transaction costs – managed investments' section on page 17 for further information.

18 Please refer to the 'Performance related fees' section on page 17 for further information.

## Your fees may be different

In certain circumstances, your fees may be different from those described in this PDS. This can apply for various historical reasons, including where your pension was transferred to the Fund as a result of a successor fund transfer or your account was transferred to Pursuit Select from another product within the Fund.

Often in these circumstances, the Trustee of the Fund agrees to adopt the same fees as the old super fund or product. This allows the Trustee to transfer the super benefits as a whole, while protecting existing rights of transferring members. 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.

## Example of annual platform fees and costs

This table gives an example of how the fees and costs for accessing an investment option through this pension product can affect your investment over a one year period. You should use this table to compare the fee with **other platform pension products**.

Example		Balance of \$50,000
Investment Fee	Nil.	For every \$50,000 you have in the pension product, you will be charged \$0 each year.
<b>PLUS</b> Administration Fees	Administration fee 0.70%  Account Keeping Fee \$180	<b>AND</b> you will be charged \$530 in administration fees each year.
<b>PLUS</b> Indirect costs for the pension product (assuming the product minimum of 3% is held in the Cash Account)	Cash Account: 0.60%* \$1,500	<b>AND</b> indirect costs of \$9 each year will be deducted from your investment.
<b>EQUALS</b> Cost of product	If your balance was \$50,000, and \$1,500 of that was held in your Cash Account, then for that year you will be charged fees of <b>\$539*</b> for the pension product.	

\* **Note:** This example only shows the fees and costs that relate to access to the investments through the pension product and not the fees and costs of the underlying investments. Additional costs may be charged by the issuers of the products that you decide to invest in. Please refer to the example below that illustrates the combined effect of the fees and costs.

## Example of total annual costs for a balanced investment option

This table illustrates the combined effect of fees and costs of the pension product and the fees and costs for the IOOF MultiSeries 70 through this pension product.

Example – IOOF MultiSeries 70		Balance of \$50,000
Cost of product	From example above: \$539	If your balance was \$50,000, then for that year you will be charged fees of \$539 for the pension product.
<b>PLUS</b> Indirect costs for the IOOF MultiSeries 70 investment option	Indirect cost ratio: 0.50%  Net transactional cost: 0.22%	<b>AND</b> indirect costs of \$349.20 each year will be deducted from your investment.
<b>EQUALS</b> Total cost of investing in the IOOF MultiSeries 70 investment option through the pension product	If your balance was \$50,000, and \$1,500 of that was held in your Cash Account and you were invested in the <b>IOOF MultiSeries 70</b> investment option, then for that year you will be charged total fees and costs of <b>\$888.20*</b> for the pension product.	

\* **Note:** Additional fees may apply. And, if you leave the Fund, you may be charged a buy-sell spread for managed investment options you hold which also applies when you make an investment purchase or redemption. The current buy-sell spread for exiting the IOOF MultiSeries 70 is 0.10% (based on the above example, this will equal to \$48.50 for every \$50,000 you withdraw).

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.

## 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.

### Administration Fee

The Administration Fee represents the annual fees and costs charged by us for operating and managing your pension account. This fee includes all administration and other expenses we incur excluding the member advice fees (outlined on page 18) and the fees and costs charged by the fund managers for each managed investment (the indirect cost ratio, any buy-sell spread and any related performance fee). For further information, see the 'Investment options menu' section in **PSS.02**.

## Fee Aggregation

Fee Aggregation allows you to link your 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 Pursuit Select Investment Service, Pursuit Select Personal Superannuation, Pursuit Select Allocated Pension and Pursuit Select Term 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 Pursuit Select products
- any account(s) in 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 Pursuit Select products.
- Each person applying to link for the purposes 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. 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.
- A financial adviser has the authority to establish Fee Aggregation on behalf of members, where it is established via the Pursuit Select Allocated Pension online application form on Portfolio Online only, provided the financial adviser has obtained authority from each of the members. If there are subsequent changes to the group, the members must complete and sign the Fee Aggregation Application available from our website.
- Members nominated for Fee Aggregation within the same group must be associated with the same financial adviser.
- Each member will be able to view information via Portfolio Online about the other members/investors in the Fee Aggregation group, including names, account numbers, commencement dates and annual administration fee discounts for the year.

## Account Keeping Fee

This dollar-based component is the fee for the general administration of your account. This includes annual reporting and any changes to your account details.

## Indirect cost ratio

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 indirect cost ratio applied by the underlying fund managers for the available managed investment options are set out in **PSS.02** and the relevant product disclosure statement for each managed investment.

## Performance related fees

As Trustee of the Fund 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 above as a 'performance related fee'.

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 pension account.

The fund managers that can charge a performance related fee are outlined in the 'Investment options menu' section in **PSS.02**. The indirect cost ratio information in the Investment options menu section in **PSS.02** 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 related 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 options menu' section in **PSS.02** 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 options menu' section in **PSS.02** 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.

Brokerage of 0.11% of the value of the transaction, with a minimum charge of \$20.50, applies to each order to buy or sell a listed investment within the Managed Portfolio Service (MPS). This brokerage is deducted from the model cash holding at the time of the transaction.

## Portfolio Management fee

If you use the Managed Portfolio Service (MPS) as part of your account, you may be charged a Portfolio Management fee on the balance managed within the service.

This represents the fee payable to the managed discretionary account operator, Managed Portfolio Services Limited (MPSL), for services in managing your investments as agreed to separately in your MPS Investor Agreement. We will act on the instructions of MPSL whom you appoint to manage your investments within the MPS model and transact on your behalf.

The fee may vary depending on which type of model is selected. Your financial adviser will provide you with the applicable fee rate. The fee is calculated daily on your balance managed within the service and is deducted from the model cash holding shortly after the last day of the month.

Please refer to your financial adviser or the MPS Investor Agreement for more details.

## 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 pension. 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:

- Member Advice Fee – Upfront
- Member Advice Fee – Ongoing
- Member Advice Fee – One-Off
- Member Advice Fee – Licensee
- Member Advice Fee – Transaction.

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 member advice fee within these relevant limits.

The amount of any member advice fee(s) that we pay to the financial adviser or their Licensee, as authorised by you, will be an additional cost to you and charged against your pension account. We shall not charge a member advice fee unless you tell us to do so.

Any agreed member advice fee(s) will be charged by us to your pension 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 member advice fee(s) paid to your financial adviser and their Licensee (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 the Fund may be able to claim an RITC on some of these fees. Where the Fund 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 a Member Advice Fee – Upfront of 1.07 per cent (inclusive of GST). However, the actual Member Advice Fee – Upfront deducted from your account would be 1.00 per cent 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.

## Member Advice Fee – Upfront

You can agree that this advice fee is to be deducted from contributions/rollovers made to your account. 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 financial advice and services provided to you in relation to the establishment of your pension account.

You can agree with the financial adviser on the amount of this fee up to a maximum of 5.5 per cent (inclusive of GST) of your initial contribution. For example, on an initial contribution 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 contributions made to your account:

- initial contributions via cheque (excluding transfers/rollovers)
- initial contributions via direct debit (one-off) (excluding transfers/rollovers)
- transfers/rollovers.

The amount of this fee is deducted from your Cash Account at the time of your initial contribution.

This fee is not applied to:

- transfers from another IOOF Pursuit or IOOF Portfolio Service product
- any income distributions credited to your Cash Account
- switches between investment options.

### Member 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 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 cent per annum (inclusive of GST) of your account balance (calculated daily); **or**
- tiered percentage fee of up to a maximum of 2.2 per cent per annum (inclusive of GST) to apply at different account balance (calculated daily), subject to a maximum of 5 tiers; **and/or**
- flat dollar fee up to a maximum of \$1500<sup>19</sup> per month (inclusive of GST). If you have nominated a flat dollar fee, you can also elect to automatically index this fee by the Consumer Price Index<sup>20</sup> (CPI) or a fixed percentage (up to a maximum of 10.0 per cent) each year.

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 Member Advice Fee – Ongoing of 2.2 per cent per annum) (inclusive of GST).

### Member 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 to the financial adviser for one-off financial advice and services provided in relation to your pension account.

The amount of this fee can be up to:

- a maximum of 10 per cent 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 per cent of the account balance.

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

### Member Advice Fee – Licensee

You can agree that this advice fee is to be deducted based on the value of your account 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 to the financial adviser's Licensee 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 either:

- flat percentage fee of up to a maximum of 1.1 per cent per annum (inclusive of GST) of your account balance (calculated daily); **or**
- tiered percentage fee up to a maximum of 1.1 per cent per annum (inclusive of GST) to apply at different account balance (calculated daily), subject to a maximum of 5 tiers; **or**
- flat dollar fee up to a maximum of \$750<sup>19</sup> per month (inclusive of GST). If you have nominated a flat dollar fee, you can also elect to automatically index this fee by the Consumer Price Index<sup>20</sup> (CPI) or a fixed percentage (up to a maximum of 10.0 per cent) each year.

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's licensee up to a maximum of \$550 per annum (based on a flat percentage Member Advice Fee – Licensee of 1.1 per cent per annum) (inclusive of GST).

### Member 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 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.

### 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.

<sup>19</sup> This maximum could be exceeded in subsequent years if you choose to apply automatic indexation.

<sup>20</sup> The CPI applied each year will be based on the 30 June figure released by the Reserve Bank of Australia from the previous financial year.

## Other fees and costs

### Dishonour fees

If any direct debit 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.

### Expense recovery

The Trustee is entitled to recoup out-of-pocket expenses from the assets of the Fund, where such expenses are properly incurred (such as certain regulatory levies or government imposts, professional fees and other expenses). The amount charged is the actual amount of the expense incurred. Such expenses will be recovered from the Fund, where practicable, and may flow through as a deduction from your account at the time the expense is applied.

### Expenses for transferring assets into your Pursuit Select account

Where the Trustee permits the transfer of assets into the Fund as some or all of your rollover, any external expenses (including stamp duty) incurred by the Trustee in facilitating the transfer shall be debited to your account. In addition, the Trustee may apply an administration fee per asset transferred into the Fund on a cost recovery basis.

### Low account balances

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

Where member 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 member advice fee(s) waived will not be recovered.

### GST and taxes

The fees quoted in this section are inclusive of GST and any applicable RITCs, unless otherwise stated. The benefits of any available input tax credits are passed on to you in the form of reduced fees or costs. See the 'What taxes apply and how do they work?' section on page 21 for more information on tax.

### 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.

## Fund manager payments

We may receive a fee from the fund managers of certain investment options for administration and investment related services.

The fee for arrangements entered prior to 1 July 2013 are generally based on the level of funds invested in the investment option. Any arrangements that have been entered into on or after 1 July 2013 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.

### Alteration to fees

In certain circumstances, where it is reasonable for us to do so, we may alter the fees and costs applied to your pension account (subject to law). However, before doing so, we will provide you with at least 30 days' notice if you are adversely affected by the change. We also have the right to introduce new fees.

External cost pressures such as increased regulatory complexity and the introduction of new or improved member services are but two of the circumstances that may give rise to an increase in fees and other costs. The Trust Deed does not impose maximum limits in relation to fees and costs for Pursuit Select Allocated Pension.

The Trustee or fund managers may impose redemption fees with the intention of safeguarding members' investments.

## What are the risks?

All investments carry some risk. As with the purchase of any financial product, you should consider the risks that may impact your investment in Pursuit Select.

If you leave the product shortly after joining or switch out of an investment option shortly after selecting it, you could get back less than the amount put in because of the level of investment returns and the effect of fees, costs and taxes.

Other key risks that may adversely affect your investment in Pursuit Select include the possibility of negative investment returns, insufficient diversification of investments and changes to super and taxation law.

There are also investment risks that may affect the investment options, like market risk or credit risk and general risks associated with changing economic conditions. In the case of an investment in a restricted investment, depending upon the amount of pension required, pension payments may be delayed, reduced or unavailable until sufficient assets from that restricted investment can be redeemed.

Further information on these risks and others is available in the 'More about risks' section in the **IOOF Pursuit pension general reference guide (PSP.01)**.

## 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?

This section provides you with some general information about the tax implications of investing in a Pursuit Select Allocated Pension. It will help you answer questions like:

- how pension payments will be taxed
- how super benefits will be taxed if a cash withdrawal is made
- how earnings will be taxed in a Pursuit Select Allocated Pension.

The laws relating to super, including tax laws, are complex and subject to change from time to time. We recommend that you obtain professional advice before investing.

This section sets out a summary of the key taxes that affect super and pensions. If you would like more information on specific super taxation rules please see the 'How your pension is taxed' section in **PSP.01**.

### Contributions to commence your pension

Non tax-deductible personal contributions and spouse contributions used to directly purchase a Pursuit Select Allocated Pension are non-concessional contributions and are not taxed when credited to your pension account. Also downsizer contributions and most rollovers and transfers into your account are not taxable. However, a 15 per cent tax may apply if you are transferring an untaxed element from an unfunded public sector scheme into your pension account.

If you commence your pension with the transfer of investment options currently available on Pursuit Select Allocated Pension from another IOOF Pursuit or IOOF Portfolio Service super or pension product, these investment options are not realised on transfer and therefore no capital gains tax occurs.

### Tax on investment earnings in your pension account

The great advantage of super is that you can grow your investments in a low tax environment and take your retirement benefits tax-free once you turn age 60.

Through super, you can access investment options across all asset classes and receive investment earnings into your super account – all in a low tax environment.

The tax treatment of investment earnings will depend on whether your pension is a Retirement phase pension or a Transition to retirement (TTR) pension.

See the 'How your pension is taxed' section in **PSP.01** for detailed information about the tax treatment of investment income for Retirement phase pension and TTR pension.

### Tax on pension payments and lump sum withdrawals

When you are aged 60 and over pension payments and lump sum withdrawals are tax-free. If you are under age 60 we are required to deduct tax, depending on your age and the tax components of your benefit. See the 'How your pension is taxed' section in **PSP.01** for more detailed information regarding the tax on pension payments and withdrawals.

### Death benefits

The tax payable depends on whether the benefit is paid as a pension or a lump sum.

See the 'How your pension is taxed' section in **PSP.01** for more detailed information regarding tax treatment of death benefits.

### Tax file numbers

Please provide your tax file number (TFN) when acquiring this product. Under the *Superannuation Industry (Supervision) Act 1993*, the Trustee is authorised to collect your TFN, which will only be used for lawful purposes and in accordance with the *Privacy Act 1988*. It is not an offence if you choose not to provide your TFN, but providing it has advantages, including:

- we will be able to accept all permitted contributions
- other than the tax that may ordinarily apply, you will not pay more tax than you need to
- it will be easier to find different superannuation and/or pension accounts in your name.

The Trustee requires your TFN in order to process your pension application.

There are different requirements for providing your TFN depending on your age. See the 'How your pension is taxed' section in **PSP.01** for further information.

### Centrelink/Department of Veterans' Affairs information

The Commonwealth Government determines whether you are eligible for a Centrelink or Department of Veterans' Affairs (DVA) pension or allowance payment.

See the 'How is my pension treated for Centrelink/Department of Veterans' Affairs purposes?' section in **PSP.01** for more information.

# General information

## Cooling-off period

To ensure that you are happy with your pension account in Pursuit Select Allocated Pension, you have a 14-day cooling-off period to ensure that it meets your needs. The 14-day period starts from the earlier of the date you receive your welcome letter, or five business days after your pension account has been established.

If you want to close your pension account during the 14-day cooling-off period, you must provide written notice by mail to the postal address on the back cover of this PDS.

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 contribution.

The amount returned (if applicable) will be adjusted for any market movements in your chosen investment option(s) (up or down) up to the date we receive your notification. We will not refund taxes and reasonable transaction or administration costs incurred by us in issuing your investment (excluding the payment of any member advice fee or similar fee). As a result, the amount received may be more or less than the amount of your initial contribution.

Please note that the cooling-off period ceases to apply if you exercise your rights or powers in a Pursuit Select Allocated Pension, such as if you make an investment switch during the 14-day cooling-off period.

If you have selected a Transition to retirement (TTR) pension option, we cannot repay your initial contribution directly to you. You must nominate another complying income stream or a provider that offers a TTR pension option so that your initial contribution can be transferred.

If you do not make a nomination within one month after notifying us of your intention to seek the return of your initial contribution or your nominated provider does not accept the transfer, we will retain your initial contribution in the Cash Account.

## 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.

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 our Client Services Team 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.

If you wish to amend your death benefit nomination, you must submit a new Beneficiary Nomination form completed in accordance with the instructions on that form.

You may also confirm or revoke your nomination as per the process outlined in the 'Death benefit nominations' section in the **IOOF Pursuit pension general reference guide (PSP.01)**, by completing the relevant form. Visit our website, see a financial adviser or call our Client Services Team on 1800 913 118 to obtain a copy of these forms.

Please contact us directly for further instructions if you want to make any other changes to your pension account (such as changing your 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 Fund 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, the law or any market practice
- the instructions are incomplete or are, in our opinion, unclear
- 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 membership of the Fund is suspended or terminated.

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

You can find all other general information about Pursuit Select in the 'Other general information' section in **PSP.01**.

## Keeping track of your investments

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

We provide regular communications that are sent to you for your records. Additionally, you can view your account information via Portfolio Online or request reports from our Client Services Team.

### What you will receive from us

#### Statement of Membership

Sent on the establishment of your pension account in a Pursuit Select Allocated Pension, normally within seven business days of joining.

Your Statement of Membership confirms your pension account details and Primary Instructions.

On receipt of all your contributions to commence your Retirement phase or Death benefit/Reversionary pension, we will send a Centrelink/Department of Veterans' Affairs Schedule.

TTR pensioners can download a Centrelink/Department of Veterans' Affairs Schedule from Portfolio Online if required.

#### Annual Statement

Provides a summary of all transactions during the financial year including:

- your initial contribution and withdrawals over the 12 month period
- taxation and other fees or costs deducted
- details of your pension account value, current investments and historic performance results for each of your investment options
- pension payments
- estate planning nominations
- preservation status of your super benefit.

An Annual Statement is provided within six months of the end of each financial year and following the closure of your account.

#### Annual Pension Pack

You will also receive a **Pension Pack** each year detailing your new annual pension payment for the following financial year and your PAYG payment summary for tax purposes (where required).

The Annual Pension Pack is sent to you by 14 July each year.

### What other information is available for you to access?

#### Additional information available free of charge

You can request a copy of:

- the most recent audited accounts for the Fund, together with the auditor's report
- the Trust Deed
- the Fund's Risk Management Plan.

You can also request other information that is reasonably required to help you understand your benefit entitlements in the Fund.

#### Trustee's Annual Report

We will provide on our website the Trustee's Annual Report for the Fund, which covers financial statements, general super updates and managed investment information for each financial year ending 30 June.

It is provided within six months of the end of each financial year.

#### Internet access and functionality

Portfolio Online is a user friendly internet facility. It provides you with convenient and secure access to your key pension account details, including the value of your investment options.

You can register for access to Portfolio Online via our website.

## Electronic communications

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

You will be able to access and download these communications electronically at any time while you are a member 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 Trustee electronically via Portfolio Online, you agree:

- to receive the communications from the Trustee that are available 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 Trustee 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 Trustee of any change to your preferred email address
- you will be able to access such communications at any time while you are a member and registered user of Portfolio Online
- you can download a copy of any such communication
- the Trustee 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 Trustee may give you any communication in any other method permitted by law.

## Transferring assets into your Pursuit Select account

Any external assets that you currently hold may be able to be transferred into your account in the Fund on commencement of your pension. As a transfer of external assets is treated as a contribution to the Fund, tax and super rules may apply to the transfer. The Trustee will treat the contribution as having been received by the Fund when legal title passes to the Trustee.

## Transferring from another IOOF Pursuit or IOOF Portfolio Service product

If you apply to transfer to a Pursuit Select Allocated Pension from another IOOF Pursuit or IOOF Portfolio Service super or pension product, 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 pension account.

Any investment options you may have held in your existing IOOF Pursuit or IOOF Portfolio Service product that are not currently available in Pursuit Select Allocated Pension, 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 outstanding Investment Instructions that apply to your existing account, they will be cancelled upon your transfer to Pursuit Select Allocated Pension. 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 new pension account. You are not required to provide a Primary Instruction, unless you are making additional contributions to your transfer from IOOF Pursuit or IOOF Portfolio Service to commence your pension.

A Member 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 your benefit from another IOOF Pursuit or IOOF Portfolio Service super or pension product, please complete the relevant section of the Application form located in the Forms Booklet.

For more information on transferring from another product within the Fund, please see the 'Transfers within the Fund' section in **PSP.01**.

### 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 pension account.

## 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 (such as a Beneficiary Nomination form or a Transfer form)
- change the name on your account
- authorise any other person to operate your account.

Accordingly, your current or any future financial adviser you appoint 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 be authorised to use Portfolio Online to complete and submit on your behalf any forms which the Trustee 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.

## What if you have a complaint?

If you have a complaint about your Pursuit Select account (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 Management Limited**  
**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 respond to your complaint as quickly as possible. We are required by law to respond to your complaint within 90 days.

If you are not satisfied with our handling of your complaint or a decision we have made in relation to your complaint, you may contact the Superannuation Complaints Tribunal (SCT) by calling 1300 884 114 or by writing to the SCT at Locked Bag 3060, Melbourne VIC 3001.

This service is available free of charge to you. However, the SCT can only hear your complaint after you have first made use of our internal complaints handling arrangements (as explained above). From 1 November 2018 the SCT will be replaced by the Australian Financial Complaints Authority.

## 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 our Client Services Team on 1800 913 118 or visit our website ([www.ioof.com.au/privacy](http://www.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 (KYC) purposes, we may also solicit personal information about you from reliable identity verification service providers.

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 (AML) and Counter-Terrorism Financing (CTF) legislation

We are required to carry out proof of identity procedures before establishing a pension. These requirements arise under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (AML/CTF Act).

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 pension payment. 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, payment of your pension may be delayed or refused.

# How to apply

## Application procedure

Joining is simple. Your financial adviser may be able to complete an online application form on your behalf via Portfolio Online. Alternatively, you can 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 our Client Services Team 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](mailto:clientfirst@ioof.com.au)

**Website**

[www.ioof.com.au](http://www.ioof.com.au)

**Trustee**

IOOF Investment Management Limited  
ABN 53 006 695 021  
AFS Licence No. 230524

**Registered address**

Level 6, 161 Collins Street  
Melbourne Victoria 3000