



# Pursuit

# Core

## Allocated Pension

Dated 28 February 2009

Product Disclosure Statement

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 (IOOF) ABN 53 006 695 021, AFS Licence No. 230524. IOOF is the Trustee of the IOOF Portfolio Service Superannuation Fund (*Fund*), ABN 70 815 369 818. Pursuit Core Allocated Pension is a *pension product* in the Fund.

**About the Trustee**

As Trustee, IOOF is responsible for operating the Fund honestly and in the best interests of members.

IOOF is also responsible for holding the assets of the Fund on behalf of members and undertakes all of the administrative tasks through IOOF Services Pty Ltd ABN 86 127 934 856. IOOF has investment and service contracts with related parties within the IOOF Group, including Perennial Investment Partners Ltd and IOOF Services Pty Ltd.

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

*Contributions* made to and investments in Pursuit Core Allocated Pension do not represent assets or liabilities of IOOF (other than as trustee of the Fund) or any other company or business within the IOOF Group, comprising IOOF Holdings Limited ABN 49 100 103 722 and its related bodies corporate. The terms 'our', 'we', 'us' and 'Trustee' in this PDS refer to IOOF. Neither IOOF, nor any other related or associated company, the investment managers providing the managed funds, 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 Pursuit Core Allocated Pension. However, note that investment options which solely invest in financial products that are explicitly guaranteed by the Commonwealth Government are available through Pursuit Core Allocated Pension. Investments made into the investment options in Pursuit Core 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.

IOOF operates Pursuit Core Allocated Pension on the terms and conditions outlined in this PDS and in accordance with the Fund's *Trust Deed*. IOOF 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*.

IOOF is also the responsible entity of the Perennial Trusts and the IOOF MultiMix Trusts (the Trusts), which are some of the investment options offered in Pursuit Core Allocated Pension (as listed in [Pursuit fact sheet 202: Pursuit Core investment options menu](#)), and we receive fees under the Constitutions of the Trusts.

**About Perennial**

Perennial Investment Partners Limited (Perennial) ABN 59 087 901 620, AFS Licence No. 238763, another company within the IOOF Group has been appointed by IOOF to manage the investment assets of the Perennial Trusts. Perennial is paid arms-length asset management fees by IOOF (as the responsible entity) for the management of the Perennial Trusts.

**Investment options offered**

IOOF makes no recommendation regarding the investment options set out in [Pursuit fact sheet 202](#).

As Trustee, IOOF regularly monitors the investment options available to members in Pursuit Core Allocated Pension and provides no assurance that any investment option currently available will continue to be available in the future. IOOF has the right to suspend or cease investments in a specific investment option and if necessary, 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. IOOF will notify you of any such change where possible before the change occurs.

The investment 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 fund.

In order to choose an investment option for your investment strategy, you should review the information in [Pursuit fact sheet 201: Pursuit Core investment strategies](#). Before selecting an investment option your adviser should give you the product disclosure statement for that managed fund or the product guide for the term deposit. These documents provide you with important information to consider and evaluate prior to investing. Product disclosure statements for each managed fund and product guides for each term deposit are also available on our web site at [www.ioof.com.au](http://www.ioof.com.au)

Pursuit Core Allocated Pension is only available to persons receiving this PDS (electronically or otherwise) within Australia. IOOF 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.

**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 Pursuit Core Allocated Pension.

**Updated information**

Naturally, the information referred to in this PDS may change from time to time. So 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 web site at [www.ioof.com.au](http://www.ioof.com.au)
- emailing us at [clientservices@ioof.com.au](mailto:clientservices@ioof.com.au) or
- calling us on **1800 062 963**.

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

# What is inside?

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### How do I find my way around this PDS?

This PDS is important because it will help you decide whether Pursuit Core Allocated Pension will meet your needs. You can use it to compare Pursuit Core Allocated Pension with any other *pension product* you may be considering.

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

You will see that the PDS refers to a number of fact sheets – these contain statements and information that we are required by law to disclose to you. The contents of the fact sheets is classified by a unique identifier and a description of what is covered. You can then use this description to decide whether to read the information. By law the statements and information in these fact sheets are taken to be included in the PDS.

This PDS and the fact sheets can be downloaded from our web site at [www.ioof.com.au](http://www.ioof.com.au), 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 fact sheets you may not be familiar with. To help you understand those terms we have defined them in [Pursuit fact sheet 108: Key words explained for allocated pensions](#). Each time a defined term is first used in any topic of this PDS or in a fact sheet it is written in *italics* like this.

### About Pursuit Core Allocated Pension

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

Pursuit Core 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 may be eligible to receive a 15 per cent tax offset on the *taxable component* and no tax is payable on any *tax-free component*.

# Section 1 - An introduction to Pursuit Core Allocated Pension

Arranging the investment of your super savings to support you in your retirement is important to ensure financial security and peace of mind. Choosing a quality investment partner is a key step towards achieving your financial goals in retirement.

Pursuit Core Allocated Pension can help you control and manage your super savings in retirement.

Pursuit Core Allocated Pension aims to provide a tax-effective pension in retirement.

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

## Investing in Pursuit Core Allocated Pension

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

- a well researched range of Australian and international investment managers;
- secure online access to your account details;
- a straight-forward cost structure; and
- consolidated reporting.

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

Your initial *contribution* is invested by us on your behalf in accordance with your investment strategy. 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 Core Allocated Pension is not the same as personally investing in shares, term deposits or managed funds.

## Pursuit offers switchability

Pursuit has been created to meet the changing needs of members. Switchability is a distinctive characteristic of Pursuit which provides the flexibility to make this possible.

The Pursuit Core and Select models are competitively priced, based on your investment needs and offer you access to a professional service under a single administration facility.

Whether you want a simple vehicle for wealth creation or to maintain control over your investments, Pursuit can be tailored to suit your retirement or investment needs. See [Pursuit fact sheet 11: Switchability](#) for further information.

## Who is the IOOF Group?

The IOOF Group has demonstrated expertise in the administration and management of investments, superannuation savings and retirement income solutions. The IOOF Group has over 160 years experience in financial services and over \$23.6 billion<sup>1</sup> in funds under management and administration. It is important to know that what may just be one of the biggest investments in your life, your retirement income, is being managed by a trusted company.

## Snapshot of Pursuit Core Allocated Pension

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

Investing		Page
<b>Investment options</b>	Access to term deposits and over 35 managed funds from a range of leading Australian and international investment managers.	11
<b>Cash Account</b>	The Cash Account records all transactions and aims to generate a competitive investment return on that part of your pension account held in cash.	14
<b>Income distributions</b>	An income distribution from your investment option(s) will be re-invested into the same investment option(s) that generated the income distribution.	15
Options		Page
<b>Estate planning options</b>	<p>Choose from the following estate planning options:</p> <ul style="list-style-type: none"> <li>• Reversionary Beneficiary;</li> <li>• Binding Nomination; or</li> <li>• Non-Binding Nomination.</li> </ul> <p>Under the Reversionary Beneficiary option, we are bound to pay your remaining account balance as a continuing pension to your nominated Death Benefits Dependant after your death. However, the Reversionary Beneficiary may choose to make a lump sum withdrawal rather than continue to receive pension payments.</p> <p>Under the Binding Nomination and Non-Binding Nomination options, we retain the flexibility to pay your benefit as a lump sum or pension.</p>	10
Managing		Page
<b>Switchability<sup>2</sup></b>	<p>Switchability allows you to move:</p> <ul style="list-style-type: none"> <li>• between investment options in the same product;</li> <li>• between similar products in the Core and Select models; and</li> <li>• between super and pension products available under the Pursuit banner.</li> </ul>	5
<b>Portfolio Online</b>	View your account details online, normally 24 hours a day, 7 days a week with secure access to your account over the internet.	13
<b>Pension payment options</b>	<p>You can choose to receive your pension payments:</p> <ul style="list-style-type: none"> <li>• twice-monthly;</li> <li>• monthly;</li> <li>• quarterly;</li> <li>• half-yearly; or</li> <li>• annually.</li> </ul> <p>We withhold any PAYG tax liability on gross pension payments, as required by law.</p>	17

<sup>2</sup> Some conditions apply. See [Pursuit fact sheet 11: Switchability](#) for further information.

## Minimum amounts

## Page

<b>Initial contribution</b>	\$10,000 per pension account.	8
<b>Investment options<sup>3</sup></b>	<ul style="list-style-type: none"><li>• \$100 per managed fund.</li><li>• \$5,000 per term deposit.</li></ul>	11
<b>Cash Account</b>	Your initial contribution requires a minimum allocation to the Cash Account of 3%.	14
<b>Switching instruction<sup>3</sup></b>	<ol style="list-style-type: none"><li>1. Unless you are redeeming the balance held in a managed fund:<ol style="list-style-type: none"><li>a) the minimum amount that must be redeemed from a managed fund is \$100; and</li><li>b) the minimum amount that must be retained in a managed fund is \$100.</li></ol></li><li>2. If you select a new managed fund you must invest at least \$100.</li><li>3. If you select a term deposit you must invest at least \$5,000.</li></ol>	
<b>Pension income</b>	<ul style="list-style-type: none"><li>• Your annual pension income is subject to a minimum level set by the Commonwealth Government.</li><li>• Annual pension income paid under a Transition to Retirement pension option<sup>4</sup> (Pursuit Select model only) is also subject to a maximum level set by the Commonwealth Government.</li></ul>	15
<b>Lump sum withdrawals<sup>5</sup> (one-off)</b>	The lesser of \$1,000 or your pension account balance.	17

## Fees

## Page

<b>Entry or Exit Fees</b>	Nil <sup>5,6</sup>	19
<b>Administration Fee</b>	Up to 1.3% p.a. of your account balance.	19
<b>Management Cost applied by each investment manager</b>	Charged separately by the investment manager of each managed fund.	19
<b>Switching Fees<sup>6</sup></b>	Nil	19
<b>Performance-based Fees</b>	We do not charge any Performance-based Fees for Pursuit Core Allocated Pension. An investment manager may charge a Performance-based Fee for a particular managed fund.	21
<b>Adviser Service Fee(s)</b>	You and a financial adviser selected by you have the flexibility to nominate an amount (if any), within limits that are set by us. If you do not have a financial adviser, this fee is not charged.	22

<sup>3</sup> Investment limits apply to the proportion of your *portfolio* which can be held in *restricted investments* and term deposits. For further information regarding these limits, see [Pursuit fact sheet 201: Pursuit Core investment strategies](#) and [Pursuit fact sheet 202: Pursuit Core investment options menu](#).

<sup>4</sup> Commonwealth Government regulations impose restrictions on when you can make lump sum (cash) *withdrawals* where you have selected the *Transition to Retirement pension option*.

<sup>5</sup> An Exit Fee may apply to certain members who had invested in another product in the *Fund* (under the Deferred Entry Fee option) and who *transfer* their *benefit* into Pursuit Core Allocated Pension. Refer to 'Transitional fee arrangements' on page 23 of this PDS.

<sup>6</sup> When you move money in or out of Pursuit Core Allocated Pension or when you *switch* between investment options, you may incur a 'buy/sell spread' which is included in the unit price of the managed fund you choose (see 'Transaction costs' on page 21 and [Pursuit fact sheet 202: Pursuit Core investment options menu](#)).

# Section 2 - How does Pursuit Core Allocated Pension work?

Commencing a Pursuit Core 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 pension account and start receiving your pension straight away.

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 pension option*, however you will be limited as to the amount of cash lump sums you can withdraw from your account until you retire or reach age 65. The access rules are set out on page 17.

## Your initial contribution

The minimum initial contribution required to establish a Pursuit Core Allocated Pension is \$10,000 per pension account. The minimum initial allocation you can make to an investment option is \$100.

You or your *spouse* can make a *contribution* to Pursuit Core Allocated Pension by completing Step 2 of the Application form (Form A) located in the Pursuit Core Allocated Pension Forms Booklet and sending it to us with your cheque made payable to:

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

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

If you are transferring your *benefit* from another *super fund*, please complete Step 2 of Application Form A. Alternatively, we can facilitate the transfer on your behalf, if you complete the Request to transfer a superannuation benefit (Form C). If you are transferring your benefit from another super or pension account within the *Fund* please complete Form A and a new Investment Instruction (Form B).

If you are transferring from another pension account within the Fund and do not wish your pension income to be re-calculated for the remainder of the financial year, you can indicate this in Step 2 of Application Form A. Your current pension will continue, but under the investment and fee options and other terms set out in this PDS.

## How do I make my initial contribution into my pension account?

For new members, your initial contribution is credited first to your Cash Account. This *contribution* (less any nominated Adviser Service Fee - Upfront<sup>7</sup>) will then be invested in accordance with your Investment Instructions. Information on how your Cash Account balance is invested is contained on page 14.

If you are transferring from another super or *pension product* within the *Fund*, you can transfer your current investment options directly into your new pension account if those options are available in Pursuit Core Allocated Pension. You may also request that your existing investment options be aligned (or 're-weighted') to your new Investment Instructions by requesting this on your Investment Instructions form (Form B).

## What can my initial contribution be made up of?

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;
- transfers from other super and pension accounts within the Fund; and
- *Directed Termination Payments*.

If you wish to commence a pension with other types of contributions (e.g. if you are self-employed and wish to make tax deductible personal contributions) you will need to contribute these to a super account first.

<sup>7</sup> For more information regarding the Adviser Service Fee options available refer to page 22 of this PDS.

## Are there restrictions on when particular contributions can be made to commence your pension?

Below is a table setting out when *contributions* can be made to commence a Pursuit Core Allocated Pension. (For information on *conditions of release* and *preservation age*, see right.)

Your age	Contributions we can accept to commence your pension
Under age 55	<p>If you have met a condition of release, such as permanent incapacity:</p> <ul style="list-style-type: none"> <li>• transfers from other super accounts and other super funds; and</li> <li>• personal and spouse contributions.</li> </ul>
Age 55 to 64	<p>If you have met a condition of release such as retirement after preservation age:</p> <ul style="list-style-type: none"> <li>• transfers from other super or pension accounts in the Fund and from other super funds; and</li> <li>• personal and spouse contributions.</li> </ul> <p>If you have not met a condition of release, you can only commence a pension using the Transition to Retirement pension option.</p>
Age 65 to 74	<ul style="list-style-type: none"> <li>• Transfers from other super accounts and from other super funds.</li> <li>• Personal contributions if you have met the Work Test<sup>8</sup>.</li> </ul> <p>Spouse contributions cannot be accepted once you turn age 70.</p>
Age 75 or more	<ul style="list-style-type: none"> <li>• Transfers from other super accounts and from other super funds.</li> </ul>

## Are there any limits on the amount of personal and spouse contributions that I can make to commence my pension?

A maximum of \$450,000 applies to personal and *spouse contributions* that you can make to commence your pension. If you are aged 65 or more the maximum is \$150,000. Any personal or spouse contributions over this amount will be refunded.

Personal and spouse contributions used to purchase your Pursuit Core Allocated Pension or your Pursuit Select Transition to Retirement Allocated Pension are called *non-concessional contributions*. The Government sets an annual cap on the amount of non-concessional contributions that can be made to your super each year. For the caps on these contributions and the tax penalties that apply if you breach the caps see [Pursuit fact sheet 107: Taxation information relating to allocated pensions](#).

<sup>8</sup> Before the *contribution* is made, you must have worked at least 40 hours in 30 consecutive days in the financial year in which the contribution is made. A personal contribution must be received within 28 days after the end of the month in which you turn age 75.

<sup>9</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*.

## What are conditions of release and how do they affect when I can commence my pension?

*Super funds* can only pay *benefits*, such as commencing a Pursuit Core Allocated Pension or paying a cash lump sum in certain circumstances. Benefits in super are *preserved*<sup>9</sup> until you meet a *condition of release*. Once you have met a condition of release your super benefits (including any contributions) become *unrestricted non-preserved* and you can commence a Pursuit Core Allocated Pension.

The main conditions of release are:

- permanently retiring after reaching your *preservation age* (see right);
- leaving employment after reaching age 60;
- reaching age 65; or
- *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 *Transition to Retirement pension option*.

## Preservation age

*Preservation age* is currently age 55, however if you were born on or after 1 July 1960, you will have a higher preservation age as follows:

- before 1 July 1960 — age 55;
- 1 July 1960 - 30 June 1961 — age 56;
- 1 July 1961 - 30 June 1962 — age 57;
- 1 July 1962 - 30 June 1963 — age 58;
- 1 July 1963 - 30 June 1964 — age 59; and
- from 1 July 1964 — age 60.

## Dependants – paying benefits if you die

If you die while you are a Pursuit Core Allocated Pension account holder, we will need to pay your Death Benefit (the remaining balance of your pension account) to one or more of your nominated *dependants* and/or your estate.

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

- *Reversionary Beneficiary* option;
- *Binding Nomination*; or
- *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. Dependants include your spouse, de facto spouse, same-sex partner and children.

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

As there may be taxation and other implications to consider, we recommend that you seek professional advice before making your nomination.

### Important note

When we receive evidence of your death, your pension account balance will remain invested in the investment options selected prior to your death unless you have made a *Binding or Non-Binding Nomination* to pay your *Legal Personal Representative* or no nomination is in place. In such case, upon proof of your death we will put all of your money into your Cash Account until the Death Benefit is paid.

Further information about *dependant* nominations and payment options available is in [Pursuit fact sheet 106: Dependant nominations for allocated pensions](#).

A short description of how each form of nomination works follows:

- **Reversionary Beneficiary option**

If you nominate a Reversionary Beneficiary, in the event of your death, we must continue to pay the remaining balance of your pension account (if any) to your nominated Reversionary Beneficiary. The pension will automatically continue to be paid until the account balance is exhausted.

The nomination of a Reversionary Beneficiary must be made before your pension commences and the nomination cannot be changed once your pension has commenced. If the Reversionary Beneficiary can no longer receive a Death Benefit (e.g. your nominee dies before you), you cannot nominate a new Reversionary Beneficiary, however you can make a Binding Nomination or Non-Binding Nomination in favour of another dependant(s).

Not all dependants can be nominated as a Reversionary Beneficiary. See [Pursuit fact sheet 106](#) for further details.

- **Binding Nominations**

If you have a valid Binding Nomination in effect at the date of your death, we **must** pay your benefit to the dependant(s) and/or *Legal Personal Representative* that you have nominated in the proportions that you have set out in your nomination. A valid Binding Nomination remains in effect for **three years** from the date it was first signed, last amended or confirmed.

- **Non-Binding Nominations**

Your nomination is **not binding** on us but rest assured we will take it into account when we determine who to pay your benefit to. You can amend your Non-Binding Nomination at any time by sending us a new Non-Binding Nomination.

- **No nomination**

If you do not nominate a Reversionary Beneficiary or make a Binding Nomination or Non-Binding Nomination, we must pay your Death Benefit to your *Legal Personal Representative*, unless your estate is insolvent.

## Making investment choices

### Your investment strategy

Pursuit Core Allocated Pension provides access to term deposits and over 35 managed funds. 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 I choose?

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

Section	Overview of objectives
Easy Choice	Offers you access to a spread of different asset classes designed to meet particular investment objectives. IOOF multi-manager Diversified and Sectoral Trusts simplify the investment selection process by combining the 'best of the best' manager blends to suit your investment objectives.
Investor Choice	This is where you and your financial adviser can tailor the investments to suit your investment strategy. Investor Choice allows you to select from a range of managed funds and term deposits.

**Pursuit fact sheet 201: Pursuit Core investment strategies** provides more information about the range of investment options.

### Choose what is right for you

The investment options available vary in risk, investment objectives (goals), strategies (ways of achieving those goals) and the 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, investment managers and investment styles.

Importantly, you can *switch* between different investment options at any time and you can also select diversified managed funds managed by a range of leading Australian and international investment managers.

IOOF carefully researches leading Australian and international investment managers before selecting managed funds to be part of the investment menu. IOOF also monitors and reviews the investment managers and managed funds on an ongoing basis and may add or remove managed funds from time to time.

The list of managed funds is set out in **Pursuit fact sheet 202: Pursuit Core investment options menu** and also in the Investment Instructions form (Form B) contained in the Pursuit Core Allocated Pension Forms Booklet. The list may change from time to time.

You can obtain the most current list of managed funds from our web site at [www.ioof.com.au](http://www.ioof.com.au) or request a copy free of charge by calling a **Client Services Officer** on **1800 062 963**.

### Important note

More information about each of the managed funds available is detailed in the product disclosure statement issued by the investment manager for the particular managed fund and the product guide for the particular term deposit.

Before investing, a financial adviser should provide you with a copy of the product disclosure statement for the managed fund(s) and the product guide for any term deposit(s) you have selected. Alternatively, you can obtain a copy free of charge by requesting it from a **Client Services Officer** on **1800 062 963** or directly from our web site at [www.ioof.com.au](http://www.ioof.com.au)

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

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

## Portability of super benefits

- If you provide us with a request to *transfer* your *benefits* out of the *Fund*, *super law* requires that we transfer your benefits within 30 days of receiving all relevant prescribed information (including all information necessary to process your request). However, *restricted investments* may have extended redemption periods. This means if you have invested in an investment option that is a restricted investment, we may not be able to transfer part or all of your withdrawal benefit within 30 days because the underlying investment managers may take up to 360 days to process our withdrawal request. Before you invest in restricted investments, you are required to sign a written consent (which is set out in the declaration section of your Investment Instruction form) confirming that you accept that a period longer than 30 days may be required (in respect of the whole or part of your requested transfer amount) to effect the transfer because of the illiquid nature of restricted investments and that you understand the possible extended redemption period applicable to your investment.
- The maximum percentages that can be allocated to restricted investments are detailed in [Pursuit fact sheet 201: Pursuit Core investment strategies](#). Investment options that fall into this category are identified in [Pursuit fact sheet 202: Pursuit Core investment options menu](#).

## Term deposits

The maximum percentage that can be allocated to term deposits is stated in [Pursuit fact sheet 13: Investing in a term deposit](#). Other terms and conditions relating to an investment in a term deposit are contained in the product guide and [Pursuit fact sheet 13](#).

### Important note

Pension payments may be delayed, reduced or unavailable until sufficient assets from your investment in term deposit(s) and *restricted investment(s)* can be redeemed to fund the next pension payment.

## Differences between investing in a managed fund directly and investing through a super fund

If you are investing through a *pension product* such as Pursuit Core Allocated Pension there are a number of differences in the rights you might have if you had invested directly and hold the managed fund investment in your own name. The main differences are as follows.

- All investments through a pension product are held in the name of the trustee, not in your name. This means that you will not receive communications from the underlying investment managers in relation to your managed fund investments.
- You do not have the right to call, attend or vote at meetings of investors in a managed fund because the trustee is the legal owner of the units in the managed fund.
- If you invested directly in a managed fund and not through a pension product, you would be able to withdraw your money without the legislative restrictions and other limitations affecting access to super *benefits*. However, you would not be able to *transfer* preserved super money into a managed fund directly; nor would you be eligible for concessional tax treatment that is available in respect of super *contributions*.
- If you invested directly in a managed fund, you would also only incur the fees and costs applicable to the managed fund, and not the fees and costs applicable to the pension product, but you might not be entitled to any wholesale discounts or rebates that a trustee can usually negotiate with an investment manager.
- The time for processing transactions may be quicker if you were a direct investor because the trustee may be required to deal with several investment managers in order to process a single investor's request.
- If you invested directly in a managed fund, you would usually have the benefit of a 14 day *cooling-off period*. The trustee is not entitled to any cooling-off period because it is a wholesale investor.
- If you invested directly in a managed fund, any queries or complaints would be handled by the inquiry and dispute resolution mechanisms of the managed fund. As a super investor, any queries or complaints must be handled by the trustee's inquiry and dispute resolution mechanisms, even if they relate to a managed fund.

# Section 3 - 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

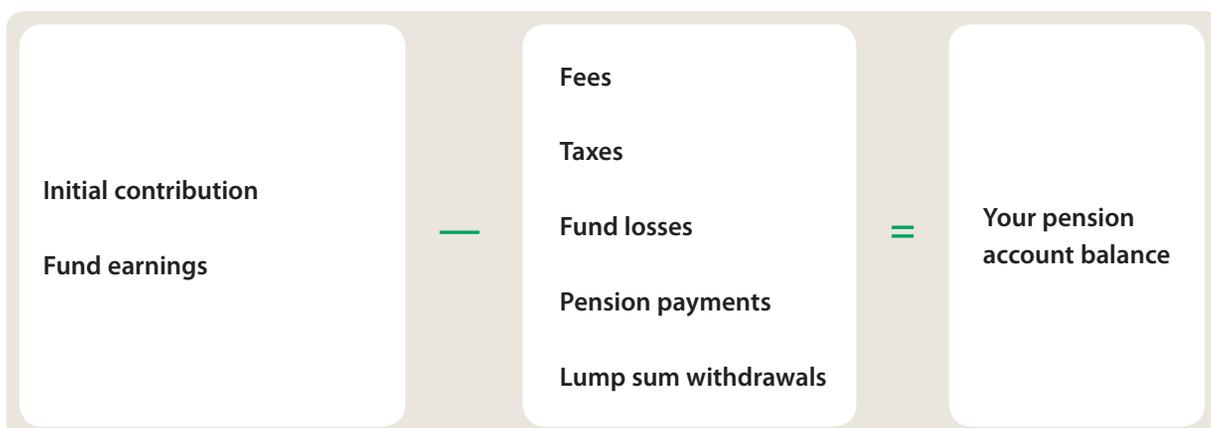
Portfolio Online is a valuable tool to help manage your investment. This user friendly web site gives you access to a range of current and historical transaction and performance details about your pension account, including the following.

- Portfolio summary** ••• ● View the total value of your account (*'portfolio'*).
- Account transactions** ••• ● View all your transactions including your initial *contribution*, pension payments, *withdrawals* and income distributions.
- Account information** ••• ● View information about your Investment Instructions and other account features.
- Statements** ••• ● View current and historical *Member Statements* online.
- Reports** ••• ● View your portfolio history, Cash Account statement, asset allocation and performance reports.
- Trustee's Annual Report** ••• ● View the Trustee's report to members which contains important facts about the *Fund*, financial statements and general super updates for the previous financial year.

### How can I register for Portfolio Online?

You can register for Portfolio Online once you have received your client number. Simply apply online at [www.ioof.com.au](http://www.ioof.com.au) and we will send you an email allowing you to create your own password.

Once you have activated your online access, you will see that your pension account operates like this.



Your balance is the value of your Pursuit Core Allocated Pension account and you can view it online.

## Your Cash Account

### Why do I have a 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 and all fees, taxes, pension payments and lump sum withdrawals are paid out of this account.

### Competitive investment returns from your Cash Account

The Cash Account provides you with exposure to a mix of Australian short-term money market securities and cash. Interest generated by these investments (less bank fees and charges) is calculated daily and credited monthly to your Cash Account.

The Cash Account provides competitive returns (when compared to cash funds) and if you wish to pursue a very low risk investment strategy, you can nominate a higher percentage allocation to the Cash Account.

Any income distributed by your chosen investment options is deposited into your Cash Account. From there it can then be re-invested back into the same investment option that made the income distribution (see 'Re-investing income distributions' on page 15).

### Surplus cash

We will review your Cash Account on the 20th day (or nearest *business day* after the 20th) of February, May, August and November. If your Cash Account exceeds your minimum balance plus \$200, we will invest the excess according to your Primary Instruction if you have provided one. The excess (if applicable) will normally be invested within five business days following our review of your Cash Account balance.

### Minimum allocation to your Cash Account

You are required to allocate a percentage of your *initial contribution* to your Cash Account and at least three per cent of your pension account balance always needs to be held in your Cash Account. The total percentage allocated to each investment option and your allocation to the Cash Account, must equal 100 per cent. Where no nomination is made, the 'default' cash allocation is three per cent of the value of your *initial contribution* (net of fees).

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

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 the balance by redeeming the necessary amount from your investment option with the highest balance. In making our determination we will take into consideration any fees, pension payments and taxes that will be deducted from your Cash Account.

## Your Investment Instructions

Your Investment Instructions outline how you would like your *initial contribution* (less any Adviser Service Fee – Upfront<sup>10</sup>) to be invested.

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

You provide your Investment Instructions on the Investment Instructions form (Form B) located in the Pursuit Core Allocated Pension 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 investment option(s) you wish to invest in;
- the percentage of your initial contribution to be invested in each investment option; and
- the allocation to the Cash Account (which must adhere to the 'minimum allocation' requirement).

To confirm your allocation to each investment option you can view your current Primary Instruction via Portfolio Online or you can call a **Client Services Officer** on **1800 062 963**.

#### 2. Specific Instruction

This is a one-off instruction for an *initial contribution* made by cheque. When provided it will override the use of the Primary Instruction for that particular contribution.

<sup>10</sup> For more information regarding the Adviser Service Fees available refer to page 22 of this PDS.

## Re-investing income distributions

Income distributions may be paid from your investment option(s).

Any income distributions that you receive from your investment option(s) are automatically credited to your Cash Account. The entire amount of this income distribution is then re-invested back into the same investment option that made the income distribution. The re-investment will normally be completed within 5 business days following receipt of your income distribution into your Cash Account.

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

**Re-investment of income distributions will involve the purchase of new units in one or more investment options.**

## Changing your Investment Instructions

To update your Primary Instruction, please complete the Investment Instructions form (Form B) located in the Pursuit Core Allocated Pension Forms Booklet and send it to us.

Where we have suspended or stopped investments in an investment option or where an investment option is redeemed in full (except where an investment option is no longer held due to the requirement to top up your Cash Account), that investment option will be removed from any Investment Instruction and the Instruction will be re-weighted. We will do this automatically and you will not be advised of the change.

### For example

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

Managed fund	Existing holding	Withdrawal request	Primary Instruction before	Primary Instruction after
Cash Account	3%		3%	3%
Fund A	17%		17%	22%
Fund B	60%		60%	75%
Fund C	20%	100%	20%	

## Changing your investment options (switching)

Pursuit Core Allocated Pension gives you the ability to change your selected investment options. The decision is yours. Changing your investment option selection generally requires you to redeem units from one or more of your existing managed funds and purchase units in one or more managed funds selected by you. This process is often referred to as a *switching* instruction.

We currently do not charge a separate fee for switching between investment options in your account. A switching instruction can be made by completing the Investment Instructions form (Form B) located in the Pursuit Core Allocated Pension Forms Booklet.

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

- the minimum amount that must be redeemed from a managed fund is \$100; and
- the minimum amount that must be retained in a managed fund is \$100.

If you select a new managed fund you must invest a minimum of \$100.

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

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 fund may be updated or replaced by the investment 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 fund before making your switch request. IOOF provides electronic versions of product disclosure statements for the available managed funds via Portfolio Online. You can also obtain a copy free of charge by contacting a financial adviser or by calling a **Client Services Officer** on **1800 062 963**.

### Important note

A buy/sell spread may be incurred when *switching* between investment options. See 'Transaction costs' on page 21 and **Pursuit fact sheet 202: Pursuit Core investment options menu**.

# Section 4 - Pension options explained

Pursuit Core Allocated Pension is an easily understood and very flexible retirement product.

## How is my 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 and each following 1 July.

You are able to select any amount of pension income above this minimum that you wish.

Age at 1 July or commencement	Minimum annual payment as a percentage of your account balance
55 – 64	4%
65 – 74	5%
75 – 79	6%
80 – 84	7%
85 – 89	9%
90 - 94	11%
95+	14%

## Selecting your annual pension income

You can nominate your annual pension payment to be:

- 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 income at any time provided your pension payments meet the minimum annual pension payment above. 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).

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

### Example - age-based minimum payment as a percentage of your account balance

Diana is aged 60 and invests \$200,000 in a Pursuit Core Allocated Pension to commence on 1 July 2009. She nominates her pension level to be her age-based minimum annual payment as a percentage of her account balance, which as per the table above is four per cent. Consequently, her annual pension payment is \$8,000.

On 1 July 2010, Diana's pension account balance was \$204,000, after allowing for her pension payments, account fees and growth in the value of her investments<sup>11</sup>. As she has not elected to change her level of pension, based on her age-based minimum payment percentage of four per cent, her new annual pension will be \$8,160 (i.e. four per cent of \$204,000).

### 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; or
- 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 'How do the taxes work?' on pages 24 - 25 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 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.

### Example - fixed dollar nomination

Graeme is aged 76 and invests \$200,000 in a Pursuit Core Allocated Pension to commence on 1 July 2009. He nominates a fixed dollar annual pension payment of \$20,000, to be indexed by five per cent per annum. This figure exceeds Graeme's age-based minimum payment percentage of six per cent required to be paid each year as per the table on page 16. Graeme receives an annual pension of \$20,000 during the first year of his pension.

On 1 July 2010, Graeme's annual pension payment is automatically indexed to \$21,000 (i.e. \$20,000 plus five per cent of \$20,000). This increase occurs irrespective of changes in Graeme's account balance, provided this revised annual pension exceeds Graeme's age-based minimum payment percentage.

## Can I make a lump sum withdrawal?

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

You can transfer your benefit at any time:

- to purchase a *super product* within the *Fund*;
- to purchase a super product in another *super fund*; or
- to purchase a super pension or annuity<sup>12</sup>.

If you make a withdrawal (either as a lump sum in cash or as a *transfer*), part of your withdrawal may be paid to you as a pension payment. This will apply if you have not already received the minimum pension income 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 income to be made, taking into account any payments made before the withdrawal. Otherwise withdrawal requests will be treated as lump sum withdrawals unless you specify that the payment is a pension payment.

## Anti Money Laundering and Counter Terrorism Financing legislation

We are required to carry out 'proof of identity' procedures before establishing a pension. These requirements arise under the Government's *AML/CTF Law*.

Where you have not already provided us with appropriate identification (or are exempt from doing so), we will be required to collect customer identification information and to verify it by reference to a reliable independent source. You will be notified of these procedures when you request a pension payment. If you do not provide the information or we are unable to verify the information, payment of your pension may be delayed or refused.

<sup>11</sup> Depending on your investment selection, nominated level of pension payments and the amount of any lump sum withdrawals, your pension account balance may rise or fall. This example is for illustrative purposes only and does not in any way indicate an expected level of performance.

<sup>12</sup> If you have a Transition to Retirement Allocated Pension under the Pursuit Select model and have not met a *condition of release*, you can only transfer to another *income stream* that also applies restrictions on cash *withdrawals*.

# Section 5 - The nuts and bolts

## What will this cost me?

Pursuit Core Allocated Pension is competitively priced and easy to understand. A benefit of this approach is that we only charge you one *Administration Fee* regardless of how many times you transact on your account.

You are able to negotiate the remuneration structure payable to a financial adviser for financial advice and other services provided in relation to your investment.

The following is a consumer advice warning that the Commonwealth Government requires all super providers to include in their PDS. It is actually a great tool to help you compare the relative costs of our competitors using the same format.

### 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 per cent of your account balance rather than 1 per cent could reduce your final return by up to 20 per cent 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 may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser\*.**

#### **TO FIND OUT MORE**

**If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) web site ([www.fido.asic.gov.au](http://www.fido.asic.gov.au)) has a superannuation fee calculator to help you check out different fee options.**

\* Only the Adviser Service Fee(s) and ongoing commission can be negotiated with a financial adviser.

This section shows fees and other costs that you may be charged. These fees and costs may be deducted directly from your account, from the returns on your investment or from the fund assets as a whole.

Taxes are set out under 'How do the taxes work?' on page 24.

You should read all of the information about fees and costs as it is important to understand their impact on your investment.

Fees and costs for particular investment options are set out in [Pursuit fact sheet 202: Pursuit Core investment options menu](#).

## Fee table

Type of fee or cost	Amount	How and when paid
<b>Fees when your money moves in or out of the Fund<sup>13</sup></b>		
<b>Establishment Fee</b> The fee to open your investment.	Nil	Not applicable
<b>Contribution Fee</b> The fee on each amount contributed to your investment – either by you or your employer.	Nil	Not applicable
<b>Withdrawal Fee<sup>14</sup></b> The fee on each amount you take out of your investment.	Nil	Not applicable
<b>Termination Fee</b> The fee to close your investment.	Nil	Not applicable
<b>Management Costs</b>		
The fees and costs for managing your investment.	<b>Administration Fee<sup>15</sup></b> Up to 1.3% of your account balance.	The Administration Fee is calculated daily on your account balance <sup>16</sup> .  The fee is charged monthly in arrears and it is deducted from your Cash Account <sup>17</sup> at the beginning of each month.
The Management Cost (excluding any Performance-based Fee) you pay for each investment option is listed in <a href="#">Pursuit fact sheet 202: Pursuit Core investment options menu</a> .	The Management Cost (excluding any Performance-based Fee) applied by each investment manager varies across the investment options and can range from 0.00% to 1.54% p.a. <sup>18</sup> (i.e. \$0.00 to \$15.40 p.a. per \$1,000 invested).  No Management Cost applies to term deposits.	The Management Cost (excluding any Performance-based Fee) applied by each investment manager is generally calculated daily as a percentage of the amount that you have invested in each investment option. It is not deducted directly from your account but is generally incorporated into the unit price of the investment option and generally charged monthly or quarterly in arrears. Please refer to the product disclosure statement for the applicable investment option.
<b>Service Fees<sup>19</sup></b>		
<b>Investment Switching Fee<sup>13</sup></b> The fee for changing investment options in your account.	Nil	Not applicable

<sup>13</sup> Buy/sell spreads - when you move money in or out of Pursuit Core Allocated Pension or when you make a *switch*, you may also incur a buy/sell spread which is included in the unit price of the investment option you choose (see 'Transaction costs' on page 21 and [Pursuit fact sheet 202: Pursuit Core investment options menu](#)).

<sup>14</sup> There may be an Exit Fee for members who have transferred from another product in the *Fund* – see 'Transitional fee arrangements' under 'Additional explanation of fees and costs'.

<sup>15</sup> Administration Fee – this fee includes an amount payable to a financial adviser. Where you do not use a financial adviser, the maximum fee specified will be applied and retained by IOOF. (See 'Financial adviser remuneration' under the heading 'Additional explanation of fees and costs').

<sup>16</sup> Account balance - comprises your Cash Account together with the value of your investment options.

<sup>17</sup> Your Cash Account is currently invested in an operating bank account (for day-to-day transactions) and the IOOF/Perennial Cash and Income Fund (ARSN 087 727 277) (Cash and Income Fund), for which IOOF is the responsible entity. Interest generated by this investment is reduced by bank charges and the management costs charged by IOOF, as the responsible entity of the Cash and Income Fund, before it is credited to the Cash Account. You are charged an indirect management cost on your Cash Account balance. As at 30 June 2008, this indirect management cost was 0.57 per cent per annum. We may change the investment of the Cash Account at any time.

<sup>18</sup> Management Costs (excluding any Performance-based Fee) applied by each investment manager – this fee range is an estimate only and is based on the information provided by each investment manager as at the date of this PDS (for further information refer to [Pursuit fact sheet 202: Pursuit Core investment options menu](#)). Investment options and Management Costs may change from time to time. The most recent Management Cost (excluding any Performance-based Fee) applied by each investment manager for a particular managed fund can be obtained from [Pursuit fact sheet 202](#).

<sup>19</sup> Adviser Service Fee(s) - we will acquire and pay for the services of a financial adviser selected by you. You may negotiate the amount of this fee(s) up to a limit set by us. This fee is deducted from your account (see 'Financial adviser remuneration' under 'Additional explanation of fees and costs'). We do not charge this fee if you have not selected a financial adviser.

### Example - annual fees and costs for a balanced investment option

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

IOOF MultiMix Balanced Growth Trust		Balance of \$50,000
Contribution Fees	Nil	Nil
PLUS Management Costs	2.20% <sup>20</sup> p.a.	AND, for every \$50,000 you have in the fund you will be charged \$1,100 each year.
EQUALS cost of fund		If your balance was \$50,000, for that year you will be charged fees of \$1,100 <sup>21</sup> .
<p><b>What it costs you will also depend on the investment option you choose and the fees you negotiate with your financial adviser.</b></p>		

#### Additional fees may apply

There may be an Exit Fee for members who have transferred from another *Fund* product – see ‘Transitional fee arrangements’ under ‘Additional explanation of fees and costs’.

- For this product, you may not negotiate directly with the Fund. You may negotiate with a financial adviser for one or more Adviser Service Fees that is deducted separately from your pension account. You may also be able to negotiate the amount of ongoing commission included in the Administration Fee.
- The example does not take into consideration any market movement in the value of the investment option and assumes that no further transactions were made and no further buy/sell spreads were incurred.
- No withdrawals have been taken into account with this example.

### Additional explanation of fees and costs

This section explains the fees and costs set out in the fee table (page 19) 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, including the ongoing commission that we pay to a financial adviser, but excluding the financial adviser remuneration (outlined below) and the fees and costs charged by the investment managers for each managed fund (i.e. the Management Cost, any buy/sell spread and any Performance-based Fee, see [Pursuit fact sheet 202: Pursuit Core investment options menu](#) for further information).

The Administration Fee is a flat percentage fee that is charged against your account balance and includes *GST*. A *Reduced Input Tax Credit* (RITC) at the rate of 75 per cent can be claimed against the GST incurred in the Administration Fee. Therefore, the GST in relation to the cost of the Administration Fee charged against your account is reduced by the amount of the RITC.

The amount of the Administration Fee which relates to fees payable to the financial adviser includes GST of 10 per cent. The amount charged against your account referable to this amount however, also takes into account the RITC entitlement on that part of the Administration Fee, and therefore will be less than the amount we pay to the financial adviser. This is illustrated below.

Components of the Administration Fee	Actual amount deducted from your account after RITC benefit (rounded to 2 decimal places)	Including GST of 10%
Our fee for managing your account	0.74% p.a.	0.80% p.a.
Our ongoing commission paid to a financial adviser (this portion of the fee can be negotiated between you and the financial adviser)	Up to 0.56% p.a.	Up to 0.60% p.a.
<b>Total</b>	<b>Up to 1.30% p.a.</b>	

Where you do not use a financial adviser, the maximum fee of 1.30 per cent per annum will be applied and retained by IOOF.

<sup>20</sup> The Management Costs comprise the *Administration Fee* of 1.30 per cent per annum and the Management Cost applied by IOOF MultiMix Balanced Growth Trust of 0.90 per cent per annum. The Management Cost applied by IOOF MultiMix Balanced Growth Trust was based on the fees and other costs attributed to this investment option for the financial year ending 30 June 2008.

<sup>21</sup> The example assumes a constant account balance of \$50,000 for the entire year. Please note you cannot make additional contributions to your existing account once your pension has commenced. However, you can set up a new pension account at any time provided you meet the conditions described on page 8.

Where the financial adviser agrees to waive part or all of the ongoing commission (they are under no obligation to do so), this will result in a reduced Administration Fee.

For example, if you agree with the financial adviser to reduce the ongoing commission received by 50 per cent (i.e. you and the financial adviser have agreed to an ongoing commission of 0.30 per cent per annum), the reduction to the cost of the Administration Fee will be 0.28 per cent per annum (i.e. 50 per cent of 0.56). The total Administration Fee charged against your account (after allowing for RITC) will be 1.02 per cent per annum (i.e. 1.30 per cent per annum less 0.28 per cent per annum).

### Performance-based Fees

We do not charge any Performance-based Fees, however, an investment manager may charge a Performance-based Fee for a particular investment option when the investment return generated by the investment option exceeds a specific criteria or benchmark.

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

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

The investment managers that can charge a Performance-based Fee are outlined in [Pursuit fact sheet 202: Pursuit Core investment options menu](#).

### Transaction costs

Some managed funds 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 investment manager of the particular managed fund.

The buy/sell spread (if applicable) will be applied when you purchase or redeem units in a managed fund (e.g. at the time of a *switch* or when you move money in or out of your account) and is additional to management costs and performance fees. However, the buy/sell spreads are not charged separately to your account; they are generally included in the unit prices of each managed fund. The buy/sell spread that applies to each managed fund is outlined in [Pursuit fact sheet 202: Pursuit Core investment options menu](#).

### Financial adviser remuneration

The fees for remuneration paid to a financial adviser can be structured as:

- an ongoing commission component included in the *Administration Fee*; and/or
- Adviser Service Fee(s).

### Ongoing Commission included in the Administration Fee

The financial adviser selling this product to you will normally receive commission for the sale.

The amount paid to the financial adviser is up to a maximum of 0.60 per cent per annum of your account balance (inclusive of *GST*). This is paid by us from the Administration Fee.

The amount paid to the financial adviser is inclusive of *GST*. The cost to you includes the benefit of *RITCs* for any *GST* included in the Administration Fee.

The financial adviser may agree to waive part or all of the ongoing commission but is under no obligation to do so.

A reduction of ongoing commission will result in a reduced annual Administration Fee.

If you do not have a financial adviser, the full Administration Fee is charged.

### Example - ongoing commission

Jane invests \$50,000<sup>22</sup> in Pursuit Core Allocated Pension.

She agrees with the financial adviser an ongoing commission of 0.60 per cent per annum of her account balance to be paid by us from the Administration Fee. The net cost to Jane is 1.30 per cent per annum. This includes the cost of the portion of the Administration Fee we retain (i.e. 0.74 per cent per annum) and the ongoing commission paid to Jane's financial adviser (i.e. 0.56 per cent per annum).

The difference between the amount paid to the financial adviser (i.e. 0.60 per cent per annum) and the amount deducted from Jane's account (i.e. 0.56 per cent per annum) relates to the *RITC* benefit for that part of the Administration Fee.

This equates in dollar terms to:

- Amount deducted from Jane's account = \$650 (includes the net cost of our portion of the Administration Fee of \$370 and the ongoing commission paid to the financial adviser of \$280).
- Actual amount we pay to the financial adviser = \$300 p.a.

<sup>22</sup> The example assumes a constant account balance of \$50,000 for the entire year.

### Adviser Service Fee(s)

We will acquire and pay for the services of a financial adviser selected by you to provide financial advice in relation to your pension.

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

- Adviser Service Fee – Upfront;
- Adviser Service Fee – Ongoing; and/or
- Adviser Service Fee – Once-Off.

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. You and the financial adviser must agree on the amount of each Adviser Service Fee within these relevant limits

The net amount of any Adviser Service Fee(s) (after allowing for *RITCs*) that we pay to the financial adviser, as agreed by you, will be an additional cost to you and charged against your pension account. We shall not charge an Adviser Service Fee unless you tell us to do so.

Any agreed Adviser Service Fee(s) will be charged by us to your pension account and paid in full to the financial adviser until you instruct us to cease payment.

Where you change the nominated financial adviser, the Adviser Service Fee(s) you agreed with the former financial adviser will continue with the new financial adviser.

#### Adviser Service Fee - Upfront

This fee is charged by us and we deduct the net cost from your account. We then pay the full amount of our fee to the financial adviser for financial advice and services provided to you in relation to the establishment of your pension account.

You can agree with the financial adviser on the amount of this fee up to a maximum of 4.4 per cent (inclusive of *GST*) of your *initial contribution*. The net cost charged to your account can be up to a maximum of 4.1 per cent (which reflects the effect of *RITCs*) of your initial contribution. For example, on an initial contribution of \$50,000, we would pay the financial adviser up to a maximum of \$2,200. The net cost charged to your account would be up to \$2,050.

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

- initial contributions (excluding *transfers* and other *Directed Termination Payments*); and
- transfers and other *Directed Termination Payments*.

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

This fee is not applied to:

- any income distributions credited to your Cash Account; and
- *switching* between investment options.

### Adviser Service Fee - Ongoing

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

- up to a maximum of 2.1 per cent per annum (inclusive of *GST*) of your account balance (calculated daily). The net cost to you can be up to a maximum of 1.96 per cent per annum (which reflects the effect of *RITCs*) of your account balance (calculated daily); or
- up to a maximum of \$1,500 per month (inclusive of *GST*). The net cost to you can be up to a maximum of \$1,397.73 per month (which reflects the effect of *RITCs*).

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 \$1,050 per annum (based on an Adviser Service Fee - Ongoing of 2.1 per cent per annum). The fee charged to your account would be up to \$980 per annum (which reflects the effect of *RITCs*).

#### Adviser Service Fee – Once-off

This fee is charged by us and we deduct the net cost from your account. We then pay the full amount of our fee to the financial adviser for once-off financial advice and services provided in relation to your pension account.

The amount of this fee can be up to a maximum of \$10,000 (inclusive of *GST*) per request. The net cost charged to your account can be up to a maximum of \$9,318.18 per request (which reflects the effect of *RITCs*).

This fee can only be deducted from your Cash Account once in any 12 month period. A new request must be supplied each time you wish this fee to be applied.

### Additional financial adviser benefits

We may pay additional amounts to a financial adviser (or their dealer group) in return for the promotion and marketing of Pursuit Core Allocated Pension. This payment may include both financial and non-financial rewards. Any such amounts are paid from our resources and are not separate or additional charges to you.

The financial adviser should provide you with the details of any such benefit that they may receive. This information will be included in the adviser's Financial Services Guide and/or a Statement/Record of Advice, detailing any recommendations with respect to Pursuit Core Allocated Pension.

### Low account balances

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

Where Adviser Service Fee(s) are waived no further fee(s) will be paid to the financial adviser until there are sufficient funds to meet such fees. Any Adviser Service Fee(s) waived will not be recovered.

### Transitional fee arrangements

If you *transfer* all or part of your account balance to Pursuit Core Allocated Pension from a product within the *Fund* that was established under the Deferred Entry Fee Option, an Exit Fee would usually be payable on the amount transferred (plus a Benefit Payment Fee). However, we will not deduct the Exit Fee or the Benefit Payment Fee at the date the existing account is transferred to the new account, instead any outstanding Exit Fee payable (and any *Additional Administration Fee* of up to 0.98 per cent per annum) will be carried across to your new account.

The outstanding liability in your new account will operate under the same terms and conditions as applied previously except that the liability will not continue beyond five calendar years from the date of transfer.

By agreeing to the transfer you agree that any outstanding Exit Fee will be carried across to your new account in accordance with these terms. For an example of how this works see [Pursuit fact sheet 110: Transitional fee arrangements for allocated pensions](#).

### GST and taxes

The fees quoted in this section are inclusive of *GST* and net of any applicable *Reduced Input Tax Credits* (RITCs). See the 'How do the taxes work?' section on page 24 for more information on tax.

### Netting

We often buy and sell units in a managed fund 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 investment managers of certain investment options. This fee (up to 0.30 per cent per annum plus *GST*, as at the date of this PDS) is generally based on the total amount of funds we have invested with each investment manager and is paid to us from the investment manager's own resources. The fee is retained by us and is **not** an additional cost to you.

### Product access payments

As at the date of this PDS, we may receive a fee of up to \$5,000 p.a. plus *GST* (per investment option) from the investment managers of certain investment options. Payment of this fee is for the inclusion of an investment option on our investment menu in Pursuit Core Allocated Pension and is paid to us from the investment manager's own resources. This fee is retained by us and is **not** an additional cost to you.

### Alternative Remuneration Register

We maintain an Alternative Remuneration Register in accordance with the IFSA/FPA Industry Code of Practice, which outlines the alternative forms of remuneration that are paid and received by us. You can see a copy of this register at IOOF's offices (ground floor, 303 Collins Street, Melbourne VIC 3000) at any time between 9 am and 5 pm on a *business day*.

### Alteration to fees

We are able to alter any of the fees and costs applied to your pension account, but you will receive 30 days notice of any change. We also have the right to introduce new fees. There are no maximum fees specified in the *Trust Deed* for Pursuit Core Allocated Pension.

Under the *Trust Deed*, we might decide to recover the costs and expenses incurred as a result of operating the product. As at the date of this PDS, we will not recover these amounts directly from your pension account. However the *Fund* has a historical reserve, which we use to pay certain regulatory costs, professional fees and other expenses authorised under the *Trust Deed*. No amounts are paid into this historical reserve, which means there is no effect on your returns.

We may also impose reasonable fees and pass on any expenses we incur, where your account is affected by requirements under the Family Law Act or related legislation. These may include fees for providing information to an eligible person, implementing the splitting of, or the application of a payment flag on your pension account. You will be notified of any fees and expenses that may be charged.

### 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 Core Allocated Pension.

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.

*Continues...*

## The nuts and bolts

Other key risks that may adversely affect your investment in Pursuit Core Allocated Pension 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.

For further information on these risks and others, see [Pursuit fact sheet 104: More about risks with allocated pensions](#).

## How do the taxes work?

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

- how will my pension payments be taxed;
- how will my super benefits be taxed if I make a cash withdrawal; and
- how will my earnings be taxed in Pursuit Core 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 on the consequences 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 [Pursuit fact sheet 107: Taxation information relating to allocated pensions](#).

### Tax on pension earnings

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.

Once you convert your accumulated super into an *income stream* through an allocated pension, the news gets even better. No tax is payable on your investment earnings (interest, income distributions or realised capital gains). Plus, as your pension investments are held within a tax-exempt environment, no *CGT* applies if you choose to switch your investments or redeem any investments to provide for pension payments or cash lump sums.

### Contributions to commence your pension

You cannot claim a tax deduction for any personal or *spouse contributions* used to directly purchase an allocated pension<sup>23</sup>. You can, however, make personal contributions to super; claim a tax deduction for those contributions if you are eligible (e.g. if you are self employed); and then transfer your benefits to a pension.

Non-deductible personal contributions and spouse contributions are called *non-concessional contributions* and an annual cap applies. A separate cap (the *concessional contributions* cap) applies to deductible personal contributions (along with employer contributions) made to super. Contributions over these caps are heavily taxed. It is your responsibility to ensure that you do not exceed the caps.

These caps do not apply to rollovers or transfers into your pension account from other super accounts or funds. However, 15 per cent tax may apply if you are transferring a *Directed Termination Payment* or an 'untaxed element' from an unfunded public sector scheme into your pension account.

See [Pursuit fact sheet 107: Taxation information relating to allocated pensions](#) for full details of the contributions caps and the exemptions to those caps to ensure you do not end up paying more tax than you expected. The fact sheet also contains information on how to claim a tax deduction for your personal contributions and the special arrangements for larger contribution amounts.

### Transferring from another IOOF super product to a Pursuit Core Allocated Pension

If you transfer investment options from another super product within the Fund to the Pursuit Core Allocated Pension, no realisation of capital gains occurs on the transfer of your investments and your investments will be held in a tax-exempt environment. Therefore, if you redeem any of these investments from your pension account, no *CGT* liability will arise, even on capital gains that accrued while in the previous product.

### 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*. The tax components are calculated on a proportional basis<sup>24</sup> as follows.

<sup>23</sup> You may be entitled to a tax offset on the spouse contribution.

<sup>24</sup> The proportion of tax-free component and taxable component of the pension is determined at commencement and applies to all payments from the pension account.

Component	Pension payment	Lump sum withdrawal
Tax-free	Tax-exempt and not included in assessable income.	
Taxable	Included in assessable income. 15% tax offset applies if received after reaching preservation age (currently age 55) or if totally and permanently disabled.	<b>Under preservation age (currently age 55):</b> <ul style="list-style-type: none"> <li>· 20% (+ Medicare Levy)</li> </ul> <b>Preservation age to age 59:</b> <ul style="list-style-type: none"> <li>· Up to \$145,000<sup>25</sup> threshold: 0%</li> <li>· Excess over threshold: 15% (+ Medicare Levy).</li> </ul>

Tax is not payable when you transfer your benefit to another *super fund* or to another product within the *Fund*.

If you are transferring into Pursuit Core from another *pension product* within the *Fund*, and choose to continue your current pension, the tax treatment of your pension will not change. Therefore if the tax-free amount of your pension is being calculated on the basis of the pre 1 July 2007 tax rules, this will continue until you turn age 60, or earlier if you make a withdrawal. If you make a withdrawal, the *tax-free component* of your pension will be recalculated on the proportional basis above.

For more detailed information regarding the tax on pension payments and withdrawals see [Pursuit fact sheet 107: Taxation information relating to allocated pensions](#).

## Death Benefits

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

### Death Benefit pensions

These are either reversionary pensions or new pensions paid to a nominated beneficiary on the death of the original pensioner. A Death Benefit pension is tax-free if either the deceased pensioner or the beneficiary is aged 60 or over. Death Benefit pensions paid where both the deceased pensioner and the beneficiary are under age 60 are taxed on the same basis as pensions paid to members under age 60. However, the 15 per cent offset applies even if the beneficiary is under *preservation age*. When the beneficiary turns age 60 the pension becomes tax-free.

Death Benefit pensions paid to *dependant* children must be commuted to a tax-free lump sum benefit once the child turns age 25 (unless the child is disabled). For other beneficiaries, if a Death Benefit pension is commuted to a lump sum within six months from the original pensioner's death or three months of probate/letters of administration (whichever is the later), the lump sum is treated as a lump sum Death Benefit and taxed as below. If the Death Benefit pension is commuted after this period, the lump sum is no longer treated as a Death Benefit and will be taxed as a normal super payment received by the beneficiary.

## Lump sum death benefits

If the payment is made directly to your *Death Benefits Dependants* it will be tax-free.

If the lump sum benefit is to be paid direct to a beneficiary who is not a Death Benefits Dependant the benefit is taxed on a similar basis to lump sum benefits paid to those under age 60, however the *taxable component* is taxed at 15 per cent. For more detailed information regarding the tax on lump sum death benefits see [Pursuit fact sheet 107: Taxation information relating to allocated pensions](#).

## Tax File Numbers (TFNs)

We require you to provide your TFN in order for your application to be accepted (unless we already hold your TFN). This is because a pension may be purchased with personal and/or *spouse contributions* and the *Fund* cannot accept these contributions without your TFN. Also, without a TFN, we would be required to deduct tax from the taxable component of the pension at the top marginal tax rate for those under age 60.

### How do I provide my TFN?

- **If you are aged 60 or over**

You can notify us of your TFN by completing Step 5 on the Application form (Form A) located in the Pursuit Core Allocated Pension Forms Booklet. If we already hold your TFN (e.g. you are transferring from another super account within the *Fund*), you do not have to submit a new TFN.

- **If you are under age 60**

You need to complete the Tax File Number Declaration accompanying the PDS. Please complete this form even if we already have your TFN, as the form includes additional tax information for us to appropriately deduct tax from your pension.

Under *super law*, the Trustee is required to ask you for your TFN. Although it is not an offence if you do not provide your TFN to us, the consequences relating to non-disclosure can be significant. That is why the Trustee has determined not to accept applications without a TFN. If you provide your TFN, it will only be used for purposes permitted by law, which include disclosure to another super provider if your account balance is transferred and you do not ask us not to disclose your TFN in these circumstances.

## Centrelink/Department of Veterans' Affairs information

The Commonwealth Government determines whether you are eligible for a Centrelink or Department of Veteran's Affairs (DVA) pension or allowance payment. For more information see [Pursuit fact sheet 107: Taxation information relating to allocated pensions](#).

<sup>25</sup> Threshold increases annually with movements in Average Weekly Ordinary Time Earnings rounded down to the nearest \$5,000.

## Section 6 - General information

### Do I have a 'cooling-off' period?

To ensure that you are happy with your pension account in Pursuit Core 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 confirmation letter (i.e. 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.

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 Adviser Service 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 Pursuit Core Allocated Pension, such as if you make an investment *switch* during the 14 day cooling-off period.

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 and communications

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

Instructions must be made in writing. We may accept an instruction to update your address details over the phone (provided you satisfy our identification and verification requirements). This does not apply to requests to update your address to a Post Office Box address which must be made in writing. Your instructions may generally be accepted by fax except, for instance, if they are instructions to join Pursuit Core Allocated Pension, change your name or make an *initial contribution*.

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 instruction (even if not genuine) that we receive bearing your account number and a signature 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; or
- 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.

## 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 may request reports from a Client Services Officer or alternatively, view your account information via Portfolio Online.

### What you will receive from us

#### Welcome Letter including Statement of Membership

- Sent on the establishment of your pension account in Pursuit Core Allocated Pension, normally within 7 business days of joining.
- Your Statement of Membership which confirms your pension account details and your initial Investment Instructions.
- On receipt of all your contributions to commence your pension (other than transfers from one pension account to another pension account within the Fund), we will also send a Centrelink/Department of Veterans' Affairs Schedule.

#### Member Statement and Annual Pension Pack

- 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; and
  - the preservation status of your super benefit.
- You will also receive a **Pension Pack** each year detailing your new annual pension payment for the following financial year, your PAYG payment summary for tax purposes (where required) and Centrelink/Department of Veterans Affairs schedule.
- The Annual Pension Pack is sent to you by 14 July each year.
- A Member Statement is provided within 6 months of the end of each financial year and following the closure of your account.

### 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; and
  - 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.
- Contact one of our **Client Services Officers** on **1800 062 963**.

#### Trustee's Annual Report

- We will provide on our web site the Trustee's Annual Report for the Fund, which covers financial statements, general super updates and managed fund 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.
- Members can register for access to Portfolio Online at [www.ioof.com.au](http://www.ioof.com.au)

You can find all other general information about Pursuit Core in **Pursuit fact sheet 109: Other pension information you may find useful.**

## Electronic communications

You can choose to receive any or all the following communications from the Trustee electronically via Portfolio Online:

- your *Member Statement*;
- the Trustee's Annual Report;
- confirmation of transactions which are required by law to be confirmed;
- notice of any change or event required by law to be given to members; and
- all communications other than those listed above.

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 (Form A) 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.

## Transferring from another product within the Fund

If you apply to *transfer* to Pursuit Core Allocated Pension from another product within the *Fund* (such as IOOF Portfolio Service Personal Superannuation), 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 product that are not currently available in Pursuit Core Allocated Pension, will be redeemed and invested in the Cash Account until you provide us with new Investment Instructions (refer Investment Instructions form [Form B]). If any of those investments are redeemed prior to the transfer, you may incur a CGT liability.

If you have any outstanding Investment or Withdrawal Instructions (including any Regular Contribution Plan, Standing/Investment Instructions) that apply to your existing account, they will be cancelled upon your transfer to Pursuit Core Allocated Pension. In that case, you would need to complete the relevant sections of Application form (Form A) and Investment Instructions form (Form B) 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 into this account.

An Adviser Service 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 account from another product in the Fund, please complete Part D of Step 2 of Application form (Form A) located in the Pursuit Core Allocated Pension Forms Booklet.

For more information on transferring from another product within the Fund, please see [Pursuit fact sheet 107: Taxation information relating to allocated pensions](#) and [Pursuit fact sheet 109: Other allocated pension information you may find useful](#).

### Important note

If your existing product has a 'deferred entry fee', any outstanding Exit Fee applicable will not be deducted from the Cash Account in your existing product but will be transferred to your new pension account together with the *Additional Administration Fee* of up to 0.98 per cent per annum on each contribution. All other fees applicable to your existing product will be cancelled upon transfer. See [Pursuit fact sheet 110: Transitional fee arrangements for allocated pensions](#).

## How can I change my details?

Any changes (or corrections) to your personal details (e.g. 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 a **Client Services Officer** on **1800 062 963** 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 *Binding Nomination* or *Non-Binding 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 [Pursuit fact sheet 106: Dependant nominations for allocated pensions](#), by completing the relevant form. To obtain a copy of these forms, visit our web site at [www.ioof.com.au](http://www.ioof.com.au) see a financial adviser or call a **Client Services Officer** on **1800 062 963**.

Please contact us directly for further instructions if you want to make any other changes to your pension account (e.g. changing your selected investment options).

## Financial Adviser Authority

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

This authority does not authorise your financial adviser to:

- withdraw any funds from your account;
- change the name on your account; or
- 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 three things listed above. IOOF 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.

## What if I have a complaint?

If you have a complaint about Pursuit Core Allocated Pension, please contact the **Manager, Customer Care** on **1800 062 963** or write to:

**Manager, Customer Care**  
**IOOF Investment Management Limited**  
**GPO Box 264C**  
**MELBOURNE VIC 3001**

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; and
- a detailed description of the facts surrounding your complaint.

Where possible, concerns will be resolved straightaway.

We will consider and deal with your complaint as quickly as possible and are required by law to deal with your complaint within 90 days.

If you are not satisfied with our handling of the complaint or a decision we have made in relation to your complaint, you may contact the Superannuation Complaints Tribunal (SCT) by calling 1300 780 808, or by writing to the SCT at Locked Bag 3060, GPO Melbourne VIC 3001.

The SCT is an independent body set up by the Government to help resolve certain complaints relating to super.

## Your privacy

The Trustee recognises the importance of protecting your privacy. The main reason we collect, use and/or disclose your personal information, is to provide you with the products and services that you request. This may also include the following related purposes:

- to help your financial adviser provide you with financial advice and ongoing services in relation to your pension account;
- to facilitate internal administration, accounting, research, risk management, compliance and evaluation of IOOF Group products and services; and
- to provide you with information about other products and services that we or other members of the IOOF Group have that may interest you.

We may also disclose your information (or parts thereof) to external parties some of whom act on your or our behalf. These parties can include:

- your financial adviser;
- your employer;
- banks or other *financial institutions*;
- medical practitioners and other relevant professionals;
- legal and accounting firms, auditors, mail houses, contractors, or other consultants involved with the *Fund*;
- the ATO; and
- other companies in the IOOF Group.

If you do not provide the information requested in your application form, we may not be able to accept and process your application. We are also permitted to collect and disclose your personal information when required or authorised to do so by law.

If you have concerns about the accuracy and completeness of the information we hold, you may request access to your personal information by writing to:

**Privacy Officer**  
**IOOF Investment Management Limited**  
**GPO Box 264C**  
**MELBOURNE VIC 3001**

Depending upon the nature of the request, we have the right to impose a reasonable charge for providing access to that information. If you have provided us with information about another person (e.g. a family member to whom you have granted a power of attorney to deal with your pension account), you must advise them that we collect, hold and use the information for the purposes set out above.

To obtain a copy of the IOOF Group Privacy Policy or to elect not to receive marketing information about other IOOF Group products and services, please contact a **Client Services Officer** on **1800 062 963** or visit us at **www.ioof.com.au**

# Section 7 – How do I apply?

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## Application procedure

Joining is simple. All you have to do is complete the Application form (Form A) and any other relevant forms within the Pursuit Core Allocated Pension Forms Booklet.

You can obtain a copy of this booklet:

- from your financial adviser;
- by downloading one from our web site at [www.ioof.com.au](http://www.ioof.com.au) or
- by calling a **Client Services Officer** on **1800 062 963**.





## Contact us

### POSTAL ADDRESS

Client Services  
GPO Box 264C  
Melbourne VIC 3001

### TELEPHONE

1800 062 963

### FAX

1800 558 539

### EMAIL

[clientservices@ioof.com.au](mailto:clientservices@ioof.com.au)

### WEB SITE

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

### TRUSTEE

IOOF Investment Management Limited  
Level 29, 303 Collins Street  
Melbourne VIC 3000