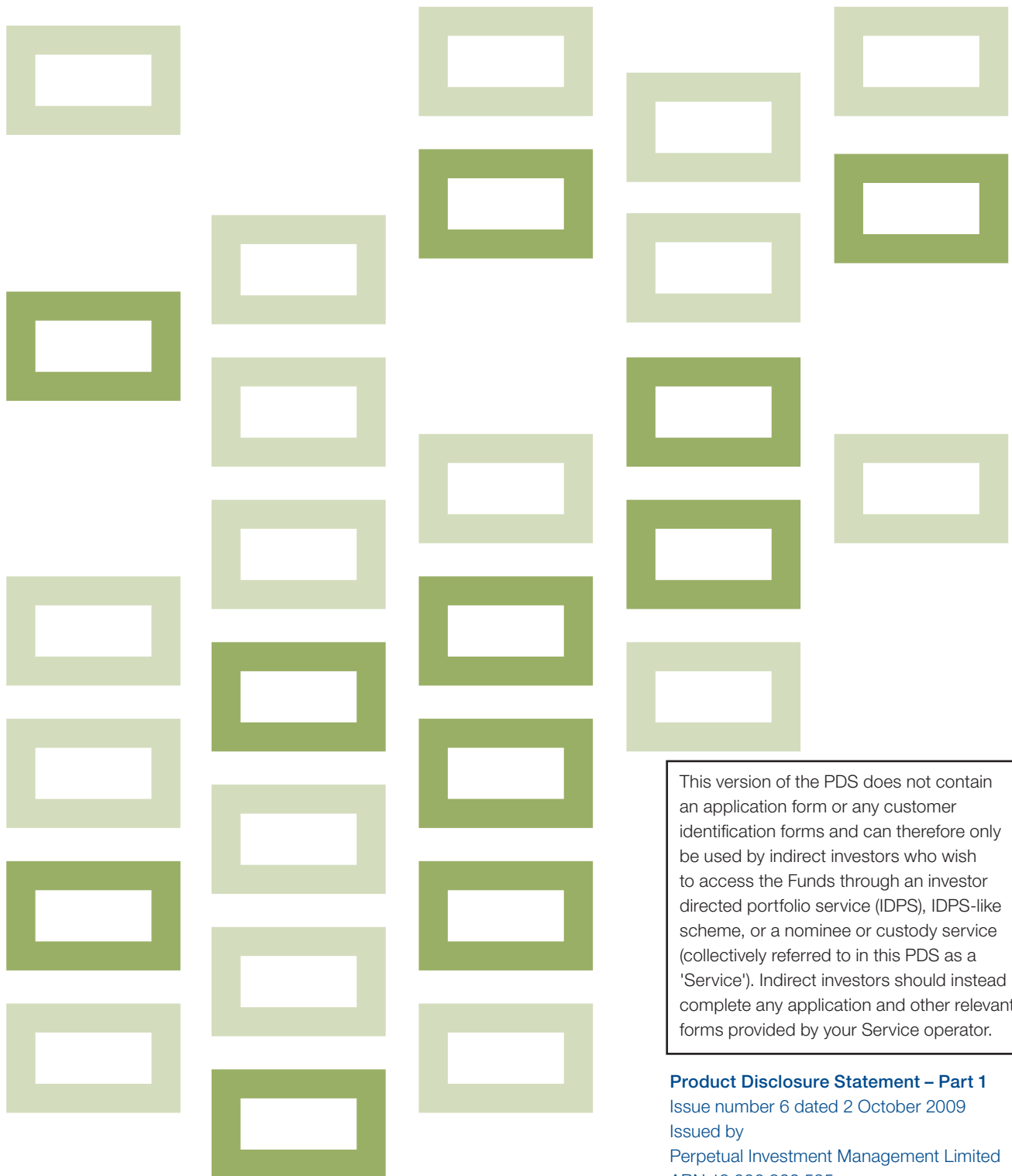


Perpetual WealthFocus Investment Funds Features Book



This version of the PDS does not contain an application form or any customer identification forms and can therefore only be used by indirect investors who wish to access the Funds through an investor directed portfolio service (IDPS), IDPS-like scheme, or a nominee or custody service (collectively referred to in this PDS as a 'Service'). Indirect investors should instead complete any application and other relevant forms provided by your Service operator.

Product Disclosure Statement – Part 1
Issue number 6 dated 2 October 2009
Issued by
Perpetual Investment Management Limited
ABN 18 000 866 535
AFSL 234426

Important notes

This Product Disclosure Statement (PDS) is provided in two parts:

- **Part 1** – Perpetual WealthFocus Investment Funds Features Book (Features Book)
- **Part 2** – Perpetual WealthFocus Investment Funds Investment Book (Investment Book).

You should read both Part 1 and Part 2 carefully before making a decision to invest. If you haven't received both parts, please contact us (see inside back cover for contact details).

In this PDS, 'Funds' means Perpetual WealthFocus Investment Funds collectively and 'Fund' means one of the Funds, or a particular Fund within Perpetual WealthFocus Investment Funds, as the context requires. Each Fund is a managed investment scheme that is registered with the Australian Securities and Investments Commission (ASIC) – see our website or contact us for Fund details.

References in this PDS to 'we', 'us', 'our', 'Perpetual Investments' and 'Perpetual' are to Perpetual Investment Management Limited as the responsible entity of the Funds and the issuer of units in the Funds and this PDS.

Perpetual Investment Management Limited is a wholly owned subsidiary of Perpetual Limited (ABN 86 000 431 827).

'Perpetual Group' means Perpetual Limited and its subsidiaries.

We authorise the use of this PDS as disclosure for both investors investing directly in the Funds and indirect investors who wish to access the Funds through an investor directed portfolio service (IDPS), IDPS-like scheme, or a nominee or custody service (collectively referred to in this PDS as a 'Service').

If you are an investor gaining exposure to the Funds through a Service, you do not yourself become an investor in the Fund. Instead it is the Service operator, which invests for you, that has the rights of a member. Certain provisions of the Funds' constitutions are not relevant to indirect investors. For example, indirect investors cannot attend member meetings or transfer or mortgage units in a Fund. You can request reports on your investment from the Service operator and you should direct any inquiries to them.

'You' or 'your' refers to direct (including Service operators) and/or indirect investors in the Funds, as the context requires.

This PDS describes the important features of the Funds. You should read it carefully before you decide to invest as it will help you to decide whether the Funds are appropriate for you. It contains general information only and doesn't take into account your specific investment goals. This PDS will also help when comparing the Funds to others you may be considering.

We recommend that you seek financial advice before making an investment decision. If you have questions about investing in the Funds, you should speak to your financial adviser. You should consider the tax implications of investing in the Funds, which your financial and/or tax adviser will be able to help you with.

We may update this PDS (including the terms and features of the Funds where we can according to the Funds' constitutions and the law) with changes that are not materially adverse without issuing a supplementary PDS. The PDS and updated information will be available at our website and you can also obtain a paper copy free of charge, on request. If we become aware of any change that is materially adverse, we'll replace this PDS or issue a supplementary PDS. If there is an increase in fees or charges (other than government fees or charges), we'll give you or your Service operator (as applicable) at least 30-days' prior written notice.

You should keep a copy of the current PDS and any supplementary PDS for future reference. You can access further information that has been made publicly available, that might influence your decision, by contacting us. We'll tell you if there is a charge for this information.

Visit our website or contact us for the most up-to-date past investment returns for the Funds. Past investment returns are not indicative of future returns, so you shouldn't base your decision to invest in the Funds on past investment returns.

Neither we nor any company in the Perpetual Group guarantee that you will earn any return on your investment or that your investment will gain in value or retain its value. Investment in the Funds is subject to investment risk, including possible delays in repayment and loss of income and capital invested.

This PDS can only be used by investors receiving it (electronically or otherwise) in Australia or New Zealand. If you give this PDS to another person, you must give them the entire document.

All amounts in this PDS are in Australian dollars and all times quoted are Sydney time (unless otherwise specified). A business day is a working day for Perpetual in Sydney.



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Welcome to WealthFocus Investment Funds

The key benefits of investing

A high quality, diverse investment menu

You can tailor a diversified investment portfolio by choosing from an investment menu that provides access to a wide range of asset classes, with underlying investment funds managed by Perpetual or, if you are an Australian investor, one of more than 25 other highly rated investment managers.

Features to save you time

You can easily keep track of your investments with our consolidated reporting and online access to correspondence and other information relating to your investment, regardless of the number of Funds you choose. You can also take advantage of other convenient features, such as:

- a savings plan for making regular investments
- making investments under direct debit authority or using BPAY®
- a dollar cost averaging plan or auto-rebalancing
- a regular withdrawal plan.

All of these features are designed to help you save time and money and manage your investments more effectively.

® Registered to BPAY Pty Ltd ABN 69 079 137 518.

A competitive and simple fee structure

Our fees are competitive and our fee structure is simple and easy to understand.

An organisation you can trust

Perpetual Investments is one of Australia's leading investment managers, with \$26.2 billion in funds under management (as at 30 June 2009). Perpetual Investments is part of the Perpetual Group, which has been in operation for more than 120 years.

WealthFocus Investment Funds at a glance

Perpetual WealthFocus Investment Funds offer a practical solution for building and managing your investment portfolio.

Choice of Funds	Summary information	Further information
A range of managed funds	Australian investors – over 65 Funds from more than 25 investment managers to choose from New Zealand investors – more than 15 Perpetual Funds to choose from	Investment Book
Current minimum amounts	Summary information	Further information
Initial investment per Fund	\$2,000 (\$1,000 with savings plan)	page 12
Additional investment per Fund	\$1,000 (\$100 by savings plan)	page 12
Switch per Fund	\$1,000 (\$100 for dollar cost averaging plan)	page 13
Withdrawals	\$1,000 (\$100 for regular withdrawal plan)	page 14
Balance per Fund	\$1,000	page 14
Optional features	Summary information	Further information
Direct debit	For authorising us to debit your nominated account directly to make your initial and/or additional investments	page 12
BPAY	For making investments electronically	page 12
Savings plan	For making regular investments by direct debit	page 13
Switching	For restructuring your investment portfolio	page 13
Dollar cost averaging plan ¹	For gaining exposure to investments gradually over time	page 14
Auto-rebalancing ¹	For maintaining your investment strategy	page 14
Regular withdrawal plan	For receiving regular payments from your investment	page 15
Phone transactions	For making withdrawals, switches and various changes	page 15
Online Account Access	For transacting online and easy online access to information about your investments	page 16
Reporting	Summary information	Further information
Initial investment statement	For your initial investment	page 20
Additional investment statement	For each additional investment (except savings plan)	page 20
Investment restructure statement	For every one-off Fund switch	page 20
Partial withdrawal statement	For every partial withdrawal (except regular withdrawal plan)	page 20
Withdrawal (exit) statement	When you make a full withdrawal from a Fund	page 20
Distribution statement	Generally following the payment of any distributions	page 20
Annual statement	Yearly as at 30 June	page 20
Annual report	Provided online (copy by mail available on request)	page 20
Tax statement	Yearly (after the end of the financial year)	page 20

¹ You can't choose both a dollar cost averaging plan and auto-rebalancing.

Understanding investment risk

The risks of investing

All investments are subject to risk which means the value of your investment may rise or fall and/or you may not be able to redeem your investment quickly.

Before making an investment decision, it's important to understand the risks that can affect the value of your investment. While it's not possible to identify every risk relevant to investing in the Funds, we have detailed below the significant risks that may affect your investment. An investment within a Fund may not necessarily be exposed to each of the risks.

Volatility is an important measure of overall investment risk. It generally refers to the fluctuation in the value of an asset, index or other type of security over a given period. The greater the volatility of an asset, index or security, the larger the fluctuations between its high and low values and the greater the fluctuations in its returns.

Your financial adviser can assist you in determining which Funds are suited to your financial needs.

Type of risk	Description of risk
Investment risk	The value of your investment may fall for a number of reasons, including the risks set out below, which means that you may receive back less than your original investment when you withdraw.
Market risk	Certain events may have a negative effect on the price of all types of investments within a particular market. These events may include changes in economic, social, technological, political, legal, tax or accounting conditions, as well as market sentiment.
Asset risk	A particular asset that a fund invests in may fall in value, which can result in a reduction in the value of your investment.
Currency risk	For investments in international assets, which have currency exposure, there is potential for adverse movements in exchange rates to reduce their Australian dollar value. For example, if the Australian dollar rises, the value of international investments expressed in Australian dollars can fall.
Interest rate risk	Changes in interest rates may have a negative impact, either directly or indirectly, on investment returns.
Credit risk	The issuer or party to a transaction may not repay the principal, make interest payments or fulfil other financial obligations in full and/or on time. The market value of an investment can also fall significantly when the perceived risk of a note or bond increases or its credit rating declines.
Liquidity risk	The absence of an established market or shortage of buyers for an investment can result in a loss if the holder of the investment needs to sell it within a particular timeframe. A shortage of liquidity can also result in delays in the payment of withdrawals from a fund – see 'Liquidity risk' on page 5 for further information.
Derivatives risk	Losses can occur if there is an adverse movement in the asset underlying the derivative or where a derivative is costly to reverse – see 'Use of derivatives' on page 6 for further information about how derivatives may be used by the investment managers.
Counter-party risk	A loss may occur if the other party to a contract, including derivatives contracts or lending arrangements (cash or stocks), defaults on their obligations under the contract.
Foreign law and regulatory risk	Investing in foreign markets with different legal and regulatory systems means that foreign investments are exposed to more risk than Australian assets because of potential changes in legal and regulatory policies.
Portfolio concentration risk	Investing in a fund with a smaller number of investments may lead to more volatile returns than investing in a fund with a more diversified portfolio.
Investment strategy risks	A fund's investment strategy may involve specific risks. These include gearing risk, short-position risk and prime broker risk – see page 5 for details.

Liquidity risk

In the absence of an established market or shortage of buyers for certain investments, such as unlisted property funds, mortgages and fixed income, a Fund may not be liquid from time to time. This means there is a risk you will have difficulty withdrawing your investment. While we generally strive to make proceeds from your withdrawal request available within seven business days from when we have accepted the request, in certain circumstances we may not be able to meet your entire withdrawal request when received (see 'Suspension of applications, switches and withdrawals' on page 22 for further details).

Gearing risk

With gearing, the investment manager borrows money to increase the amount it can invest. While this can result in larger investment gains in a rising market, it can also magnify losses in a falling market.

Gearing increases the volatility of a fund's investment returns. Consequently, a geared fund is considered to have a higher investment risk than a comparable fund that is ungeared.

The returns of a geared fund depend on the types of investments in it as well as the level of gearing and the costs of borrowing, including interest rates. The cost of borrowing will reduce the returns of a geared fund.

The greater the level of gearing in a geared fund, the greater the potential for loss of capital. As the following example shows, a 10 per cent fall in the market value of assets in an ungeared fund could translate into a 20 per cent fall in the value of the same portfolio in a geared fund with a gearing level of 50 per cent (excluding any borrowing costs).

Example

Your investment amount	\$1,000	\$1,000
Fund gearing level	nil	50%
Amount borrowed by fund	n/a	\$1,000
Amount invested in the market	\$1,000	\$2,000
If the value of the fund's assets falls by 10%:		
Fall in value of fund's assets	\$100	\$200
Value of fund's assets after fall	\$900	\$1,800
Outstanding loan	n/a	\$1,000
Value of your investment	\$900	\$800
Loss of investment capital	\$100	\$200
Effective rate of loss	10%	20%

Consequently, the greater the level of gearing in a geared fund, the less the fall in asset value needs to be for a total loss of your investment capital.

The gearing level for a geared fund may change regularly due to factors such as market movements, applications, withdrawals or changes to the amount borrowed. In certain circumstances, it may be necessary to suspend withdrawals to manage the fund's gearing position within its approved limits and protect the interests of all investors in the fund.

The lender may have the right to reduce the gearing level set for the geared fund or terminate the lending facility. This means that a geared fund may need to promptly reduce the gearing level by selling assets, which may force the sale of assets at unfavourable prices. To control this risk, the investment manager may establish alternate sources of funding to limit the exposure to any one lender to an acceptable level.

Short-position risk

Where permitted, a short position can be created when a fund sells a borrowed security before buying it back from the open market to return to the securities lender. If the security falls in value, the fund makes a profit because it buys it back for less than it was sold. However, if the security rises in value, the fund will incur a loss when buying it back for more than it was sold.

Establishing a short position in a security involves a higher level of risk than investing in a security. This is because when you invest in a security, the maximum loss is generally limited to the amount invested. With short positions there is no limit on the maximum loss because there is no upper limit on the security's price. In other words, the loss will continue to increase as the security's price rises.

A further risk is that the securities lender may recall a borrowed security, so the fund will have to find another securities lender willing to lend the security, or may have to buy the security quickly at an unfavourable price.

Prime broker risk

Perpetual engages a prime broker to provide financing for gearing and stock for the borrowing and lending of securities in Perpetual Geared Australian Fund and Perpetual SHARE-PLUS Long-Short Fund, as well as settlement services for these Funds and any other services agreed between the parties.

When one of these Funds borrows securities or cash, the prime broker is entitled to take collateral from the assets of the particular Fund. Any assets taken by the prime broker may be used by the prime broker for its own purposes (including lending those assets to third parties) for the period that the Fund retains the relevant liability. Therefore, there is a risk that if the prime broker becomes insolvent whilst the Fund remains indebted to the prime broker, the assets of the Fund may not be returned in full.

Other underlying fund managers may also use prime brokers.

Other risks

The following risks are inherent within any managed investment scheme:

- The investment professionals employed by a fund's investment manager may change, which may affect the future performance of that fund.
- Investing in a fund may have a different tax outcome than investing directly because of the application of tax laws to the fund and the impact of investments and withdrawals by other investors. One result is that you may receive back some of your capital as income in a distribution.
- Transactions may be suspended, which may result in delays in paying withdrawal requests (see 'Suspension of applications, switches and withdrawals' on page 22 for further information).
- A fund may be terminated.

Managing the risks

How we manage risk

We can't eliminate investment risks, however the underlying investment managers aim to manage the impact of these risks by setting consistent and carefully considered investment guidelines.

Use of derivatives

A derivative is a financial instrument that derives its value from the price of a physical security or market index. Derivatives may be used by the investment managers in the management of their funds to:

- protect against changes in the market value of existing investments
- achieve a desired investment position without buying or selling the underlying physical asset
- manage actual and anticipated interest rate and credit risk for mortgages, cash and fixed income asset classes and/or
- protect against adverse currency movements.

Derivatives may also be used for broader purposes to increase returns.

How you can manage your investment risk

The most significant risk in investing is that you don't reach your financial goals. It's important to consider your investment timeframe, your investment goals and your risk tolerance and we recommend you consult a financial adviser to assist you in determining these.

Flexibility to change

After you have made your investment selection you still have the flexibility to change your mind. It's easy to restructure your investment at any time, giving you the ability to concentrate or diversify your portfolio as you require (see 'Switches' on page 13 for more details).

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 fund 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 us or your financial adviser.

To find out more

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

Fees and other costs

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

Tax information, including goods and services tax (GST), is set out on pages 17-18. Unless otherwise stated, all fees and other costs disclosed in this PDS are inclusive of the net effect of GST.

You should read all information about fees and costs because it's important to understand their impact on your investment.

Fees and other costs for particular Funds are set out in the Investment Book. If you are an indirect investor, any additional fees that you may be charged by your Service operator for investing in the Funds via their Service will be set out in your Service operator's disclosure document.

Type of fee or cost	Amount	How and when paid
Fees when your money moves in or out of a Fund		
Establishment fee The fee to open your investment	Nil.	Not applicable.
Contribution fee¹ The fee on each amount contributed to your investment	Up to 4.00%. ^{2,3}	A contribution fee is charged when you make an initial or additional investment into the Funds. This fee is deducted directly from your initial or additional investment. Any initial commission payable to your financial adviser is paid out of the contribution fee. The amount of initial commission and the contribution fee can be negotiated with your financial adviser.
Withdrawal fee The fee on each amount you take out of your investment	Nil. ^{2,3}	No withdrawal fee is currently charged.
Termination fee The fee to close your investment	Nil.	Not applicable.
Management costs^{1,4}		
The fees and costs for managing your investment The management fee for each Fund is shown in the 'Funds profiles' in the Investment Book.	Management fee: Currently 1.05%-2.75% pa of your account balance within a Fund, depending on the Fund. ³ Expenses of the Funds, excluding abnormal operating expenses and transaction costs, are included in this amount. Performance fees: Some underlying funds may also charge a performance fee. ⁵	The management fees, which are expressed as a percentage of the value of a Fund, are calculated and accrued daily and generally paid to us monthly. They are deducted directly from a Fund's assets and reflected in the unit price of the Fund each day. Performance fees are generally calculated daily and accrued in the underlying fund's unit price.
Service fees⁶		
Investment switching fee The fee for changing Funds	Nil. ²	No switching fee is charged. You also don't incur a contribution fee when you switch between WealthFocus Investment Funds.

1 This fee includes an amount payable to an adviser (see 'Adviser remuneration' on page 9 for details).

2 A buy/sell spread will generally apply (see 'Transaction costs' on page 8 for details).

3 See 'Maximum fees and charges' on page 9 for details of the maximum fee amounts allowed under the Funds' constitutions.

4 See 'Management costs' on page 8 for further details.

5 See 'Performance fees' on page 8 for further information and the 'Funds profiles' in the Investment Book for details.

6 An adviser service fee may also be payable (see 'Adviser service fees' within 'Adviser remuneration' on page 10 for further details).

Additional explanation of fees and costs

Management costs

Management costs include:

- the management fee
- expense recoveries
- abnormal operating expenses
- performance fees (if applicable).

Management fee

We receive a management fee for managing your investments in the Funds, which includes providing administration and custodian services. We currently pay the Funds' expenses (other than abnormal operating expenses, performance fees and transaction costs) out of our management fee.

Perpetual Geared Australian Fund

The management fee for Perpetual Geared Australian Fund is based on its investment in Perpetual Wholesale Geared Australian Fund (and the value of associated borrowings in that fund). Under Perpetual Wholesale Geared Australian Fund's constitution, we can elect to be issued with units for management services provided by us to that fund.

Perpetual Diversified Income Fund

The management fee for Perpetual Diversified Income Fund is based on its investment in Perpetual Wholesale Diversified Income Fund. Under Perpetual Wholesale Diversified Income Fund's constitution, we can elect to be issued with special fixed-priced units in that fund (that have no entitlement to income) for management services provided by us to that fund. The election gives the fund flexibility to optimise its distributable income for investors.

Expense recoveries

The expense recoveries represent the operating expenses incurred in the day-to-day operation of the Funds.

There is no limit in the Funds' constitutions on the amount that can be reimbursed for expense recoveries but we currently choose to pay these out of our management fee.

Expense recoveries can be paid directly from a Fund's assets or if the expenses are incurred by us for the proper performance of our duties and obligations as responsible entity of the Fund, we're entitled to be reimbursed for these amounts from the Fund.

Expense recoveries do not include abnormal operating expenses.

Abnormal operating expenses

We can be reimbursed from a Fund for abnormal operating expenses incurred in performing our duties and obligations in administering the Fund.

These abnormal operating expenses aren't generally incurred during the day-to-day operation of a Fund and aren't necessarily incurred in any given year. They're due to abnormal events like the cost of running an investor meeting, or legal costs incurred by changes in a Fund's constitution.

Performance fees

Some underlying funds may charge performance fees. Where payable, the performance fee is an additional cost to a Fund, which you will incur automatically as it is charged by the underlying fund against its income and/or deducted from its assets and incorporated in the unit price of the underlying fund according to the underlying fund's constitution (see the 'Funds profiles' in the Investment Book for further information).

Transaction costs

In managing the investments of the Funds, transaction costs such as brokerage, settlement costs, clearing costs and government charges may be incurred by changes in a Fund's investment portfolio, or when a Fund experiences cash flows in or out of it.

When a Fund incurs transaction costs from changing its investment portfolio, they are paid out of the Fund's assets and reflected in its unit price.

Transaction costs that are incurred because investors buy or sell units in a Fund are also paid from the Fund's assets, but they are offset by the transaction cost allowances that are included in the calculation of the Fund's entry and/or exit unit prices, where relevant, as described under 'Buy/sell spread' below.

Buy/sell spread

Estimated transaction costs are allocated when an investor buys or sells units in a Fund by incorporating a buy/sell spread between the Fund's entry and exit unit prices, where appropriate. This aims to ensure that other investors aren't impacted by the transaction costs associated with a particular investor buying or selling units in the Fund. We have discretion to waive the buy/sell spread on applications or withdrawals where no transaction costs are incurred.

A buy/sell spread is an additional cost to you. The spread, if applicable, is based on our estimates of the average transaction costs incurred by a Fund. However, it is not a fee paid to us and is retained in the Fund to cover the actual transaction costs as they are incurred.

The buy/sell spread will impact the return on your investment. As it is built into a Fund's unit prices, it won't be recorded separately on investor statements.

The buy/sell spread for each Fund, which forms part of the PDS is publicly available at our website (see 'Incorporation by reference' on page 23 for details) or can be obtained free of charge by contacting us.

GST is not applicable to any buy/sell spread when you buy or sell units in the Funds.

Underlying manager fees and costs

Managers of underlying funds may also charge expense recoveries, which will impact the unit prices of the underlying fund. These indirect expense recoveries are additional to the fees and costs we charge you in relation to your investment in the Funds.

Miscellaneous fees

If we incur a fee because a cheque or direct debit for your investment in the Funds is dishonoured by your financial institution, the amount will be charged to your investment.

Government charges

Government charges will be applied to your account as appropriate.

Maximum fees and charges

Each Fund's constitution allows us to charge maximum fees as outlined below.

Fee or cost	Maximum
Contribution fee	Up to 6.00 per cent of the application amount
Withdrawal fee	Up to 5.00 per cent of the withdrawal proceeds
Management fee	Up to 3.00 per cent per annum of total assets of the Funds
Expense recoveries	Unlimited

Amounts disclosed are inclusive of 10 per cent GST.

Increases or alterations to the fees

Fees may change for many reasons including changes in the competitive, industry and regulatory environment or simply from changes in costs. We won't increase our fees, or introduce withdrawal fees, without giving you or your Service operator (as applicable) at least 30-days' written notice except for government fees or charges.

Differential fees

We may negotiate a rebate of all or part of the contribution fee or our management fee with wholesale clients (as defined by the Corporations Act) and employees of the Perpetual Group. Where permitted by law, we may also waive the contribution fee for other investors in respect of whom no commissions are paid by us.

The payment and terms of rebates or waivers are negotiated with wholesale clients but are ultimately at our discretion, subject to the Corporations Act and ASIC policy. Please contact us or your adviser for details of any fee rebates or waivers that may have been negotiated.

Financial adviser commissions

Commission	Funds	Amount ¹	Cost per \$100,000 invested	How and when paid
Initial commission	All	Up to 4.29%	Up to \$4,290.00	Calculated on the amount of your initial or additional investments and paid at the end of the month out of the contribution fee.
Ongoing commission	Cash	Up to 0.275% pa	Up to \$275.00 pa	Calculated on the average daily balance of your investment and paid monthly out of our management fee.
	Fixed income	Up to 0.440% pa	Up to \$440.00 pa	
	All other	Up to 0.600% pa	Up to \$600.00 pa	

¹ These amounts include 10% GST and are the amounts we pay to your financial adviser from the contribution fee and/or management fee we receive from the Funds (see the table within 'Fees and other costs' on page 7 for further information about contribution and management fees payable to us for your investment in the Funds). The ongoing commission amount payable is at Perpetual's discretion.

Tax

Tax information, including GST, is set out on pages 17-18.

Adviser remuneration

Financial adviser commissions

The commissions that can be paid to your financial adviser, as summarised in the 'Financial adviser commissions' table on this page, aren't an additional cost to you. They're paid by us to your financial adviser, if applicable, out of the contribution and/or management fees we charge on your investment in the Funds.

For calculating commission, we'll disclose information about your investment to your adviser (see 'Your privacy' on page 20 for details).

Your financial adviser may provide a Financial Services Guide or a Statement of Advice to you that details their remuneration and other benefits.

Initial commission

This is the remuneration we pay to your financial adviser for recommending that you invest in a Fund. It helps your adviser to cover their costs and receive an income for the service they provide. Initial commission is paid out of the contribution fee and isn't an additional cost to you.

Some financial advisers may waive (or rebate) part or all of their initial commission, but aren't obliged to. Any reduction (or rebate) of initial commission will be used to buy additional units for the value of the rebate on your behalf.

Ongoing commission

This is the ongoing remuneration we pay to your financial adviser for providing ongoing service and investment advice to you in relation to your investment in the Funds. Ongoing commission is paid out of our management fee and isn't an additional cost to you.

Some financial advisers may waive (or rebate) part or all of their ongoing commission, but aren't obliged to. A reduction (or rebate) of ongoing commission may result in additional units for the value of the rebate being purchased on your behalf.

Adviser service fees

You can authorise us to pay adviser service fees to your financial adviser on your behalf out of your investment. Any adviser service fee you authorise us to pay is additional and separate to the fees we charge in respect of your investment in the Funds. The available options are shown in the 'Adviser service fees' table below.

You can nominate the Fund from which the adviser service fee is to be deducted. If you don't make a nomination or if the balance in your nominated Fund is reduced to zero, the adviser service fee will be deducted proportionately from your investment in the various Funds held at the time of payment.

We can refuse a request to pay an adviser service fee.

Adviser service fees

Frequency	Payment basis ¹	How and when paid
One-off ²	Specified dollar amount only	Units are deducted from your account at the time we receive your instruction and the fee paid to your financial adviser at the end of that month.
Ongoing	Percentage fee option	Calculated on the average daily balance of your investment and paid monthly by withdrawal of units at the end of each month.
	Flat dollar fee option	Paid in equal monthly instalments by withdrawal of units at the end of each month.

¹ All adviser service fee amounts that we deduct from your investment in the Funds and pay to your adviser on your behalf include 10% GST.

² Available from 16 November 2009.

Platform payments to dealer groups

Certain dealer groups, of which your adviser may be a part, may also receive payments based on the volume of business they generate. If these payments are made, they are not paid by you or the Funds, rather they are paid by us. These amounts may be up to 1.0 per cent per annum (including 10 per cent GST, if applicable) of the funds invested via the dealer group.

Other benefits

As a result of your investment in the Funds your financial adviser may qualify for other benefits, which are not an additional cost to you. We maintain a register (in compliance with the Industry Code of Practice on Alternative Forms of Remuneration) summarising alternative forms of remuneration that are paid or provided to certain financial advisers. If you would like to review this register please contact us.

Investment manager payments to us

We may receive payments from certain underlying investment managers for the Funds. These amounts may be up to 2.0 per cent per annum (including 10 per cent GST, if applicable) of the funds invested with the underlying investment manager.

Example of annual fees and costs for Perpetual Balanced Growth Fund

This table gives an example of how the fees and costs in Perpetual Balanced Growth Fund offered via WealthFocus Investment Funds can affect your investment over a one-year period. You should use this table to compare this Fund with other managed investment products.

EXAMPLE – Perpetual Balanced Growth Fund		Balance of \$50,000 ¹ with a contribution of \$5,000 during year
Contribution fees	0.00%-4.00%	For every additional \$5,000 you put in, you will be charged between \$0.00 and \$200.00. ²
PLUS Management costs	1.95%	And , for every \$50,000 you have in the Fund you will be charged \$975.00 each year.
EQUALS Cost of Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of from: \$975.00 to \$1,175.00.² What it costs you will depend on the Fund you choose and the fees you negotiate with us or your financial adviser.

¹ We have assumed a constant value of \$50,000 for the whole year.

² A buy spread of currently 0.31%, equal to \$15.50 on a \$5,000 contribution, will also apply (see 'Transaction costs' on page 8 for further information).

Operating your account

Unless otherwise indicated, the information in this section (pages 11-16) applies to **direct investors**. If you are investing indirectly through a Service, you should refer to your Service operator for details of minimum transaction amounts, processing requirements and timeframes, distribution payment options, etc, as they may vary due to the Service operator's requirements.

You should also use any relevant application and other forms provided by your Service operator.

Feature/transaction	Summary information	Further information
Initial investment	<p>\$2,000 minimum per Fund (or \$1,000 if you are establishing a savings plan – see below). After reading the PDS, complete the application form and send it to us.</p> <ul style="list-style-type: none"> ▪ Investments by cheque – attach a cheque to your application form. ▪ Investments by direct debit – we'll debit your initial investment amount directly from your nominated account once we've accepted your application. ▪ Investments via BPAY (see below) – remit your investment amount to us once you've received your Customer Reference Number (CRN) from us. 	pages 12 and 24
Investment strategy	Unless you specify otherwise on your application form, the proportion of your initial investment allocated to each Fund is recorded by us as your investment strategy for additional investments and auto-rebalancing (see below). You can change your investment strategy at any time.	page 12
BPAY	To use BPAY for making investments, you'll need to quote the Funds' BPAY biller code 636910 and your CRN.	page 12
Additional investments	<p>\$1,000 minimum per Fund (or \$100 by savings plan – see below).</p> <ul style="list-style-type: none"> ▪ Investments by cheque – read the current PDS and send us a cheque (with your instructions if you wish to allocate your additional investment differently to your current investment strategy) quoting your existing account number. ▪ Investments by direct debit: <ul style="list-style-type: none"> – read the current PDS, complete an application form and send it to us or – read the current PDS and submit your additional investment application through Online Account Access (see next page) and – we'll debit your additional investment amount directly from your nominated account once we've accepted your application. ▪ Investments via BPAY – read the current PDS and remit your additional investment amount to us (no application form required). 	pages 12 and 24
Savings plan	\$100 minimum per Fund – If you wish to make regular additional investments by direct debit from your nominated account, complete section 5 of the application form. You can also establish a savings plan through Online Account Access (see next page).	page 13
Switching	\$1,000 minimum – To switch all or part of your investment in a Fund (conditions apply), submit a switch request through Online Account Access (see next page) or send us a completed 'WealthFocus switch' form (available from our website or by contacting us) by mail or fax.	page 13
Dollar cost averaging plan (not available with auto-rebalancing)	\$100 minimum per Fund – You can arrange regular automatic switches from an investment in Perpetual Cash Fund into other selected Funds by completing section 5 of the application form or submitting a request through Online Account Access (see next page).	page 14
Auto-rebalancing (not available with dollar cost averaging plan)	You can request us to regularly rebalance your investment portfolio to maintain your chosen investment strategy by completing section 5 of the application form or through Online Account Access (see next page).	page 14
Withdrawals	\$1,000 minimum per Fund – If you wish to make a withdrawal, send us a completed 'Withdrawal form' (available from our website or by contacting us), write to us stating your request (including your client number and account number) or use our phone (maximum withdrawal of \$50,000 per day) or fax withdrawal facilities.	page 14
Regular withdrawal plan	\$100 minimum per Fund – You can choose to receive regular payments from your investment in the Funds (conditions apply) by completing section 5 of the application form.	page 15

Feature/transaction	Summary information	Further information
Distributions	You can have your distributions in a Fund reinvested in the same Fund, invested in Perpetual Cash Fund or deposited into your nominated account by noting your choice for each Fund in section 6 of the application form.	page 15
New instructions or changes	Please contact us to advise of any changes to your name, address/contact details, bank account and other details/instructions. You can also send us a completed 'Perpetual WealthFocus change of instructions' form (available from our website or by contacting us). Any acceptable changes by phone can only be made after we've confirmed your identity. All changes to bank account details must be made in writing by mail. When requesting any new features or changes/cancellations involving transactions (eg investment strategy, regular savings plan, dollar cost averaging plan, auto-rebalancing, regular withdrawal plan and distribution payments), we must receive your instructions at least five business days before a transaction date for it to apply to the next transaction.	pages 12-16
Authorised representative	You can appoint an authorised representative to act on your behalf in relation to your investment in the Funds by completing section 4 of the application form.	page 16
Online Account Access	Online Account Access allows you to view and transact on your investment online. You should specify the level of access you want in section 5 of the application form.	page 16
Updated information	Go to our website or mail, phone, fax or email us for the latest information on unit prices, buy/sell spreads and investment returns and any other updated information in relation to the Funds. Other general information is also provided in the Funds' annual report, which is also available at our website.	inside back cover

Investments

Depending on your investment goals and the amount you have to invest, you can invest in a single Fund or multiple Funds.

Initial investment

The minimum initial investment in any Fund is \$2,000 (or \$1,000 if you are establishing a savings plan – see below), which may be paid:

- by cheque
- by direct debit (see below) or
- via BPAY (see below).

You should indicate on your application form the amount or proportion of your investment in each Fund.

Investment strategy

The proportion of your initial investment allocated to each Fund is recorded as your default investment strategy for:

- all investments made via BPAY
- any additional investments unless you nominate a particular investment Fund(s) for those investments
- auto-rebalancing (see page 14).

You need to specify on the application form if you want your investment strategy to differ from your initial investment. Your investment strategy will remain the same, even when you perform a future transaction, unless you specifically request a change. You can change your investment strategy at any time by notifying us in writing.

Direct debit

You can authorise us on your application form to debit investment amounts directly from your nominated Australian bank, building society or credit union account.

We are unable to debit a third party account, so you must be a party to the bank account nominated for direct debits. For joint investors, at least one investor must be a party to the nominated account.

Direct Debit Request Service Agreement

If you elect to make investments (including savings plan – see 'Savings plan' on page 13) by direct debit authority, you must read and accept the terms of our Direct Debit Request Service Agreement, which forms part of this PDS and is publicly available at our website (see 'Incorporation by reference' on page 23 for details) or can be obtained free of charge by contacting us.

BPAY

BPAY is a convenient way for you to make investments in the Funds from your cheque or savings account using the phone or online banking facilities provided by most Australian banks, building societies and credit unions.

Unless you indicate otherwise on your application form, we'll send you a Customer Reference Number (CRN) in your welcome letter. You can also apply for a CRN at any other time by contacting us.

When using BPAY, you'll need to quote your CRN and the Funds' **BPAY biller code 636910**.

Additional investments

As the PDS may be updated or replaced from time to time, you should obtain the current PDS (available from our website or by contacting us) before making any additional investment. Additional investments can be made at any time according to the current PDS.

The minimum additional investment in any Fund is \$1,000 (or \$100 by savings plan – see page 13), which may be paid:

- by sending us a cheque (with your instructions if you wish to allocate your additional investment differently to your current investment strategy)

- by direct debit (with an application form or via Online Account Access) or
- via BPAY – no application form required.

Savings plan

With a savings plan, you can make regular investments in the Funds automatically by direct debit from your nominated Australian bank, building society or credit union account.

The minimum savings plan investment is \$100 per Fund, which can be made as follows:

- fortnightly – on alternate Thursdays (as set by us)
- monthly (default frequency) – on the 20th of the month
- quarterly – on the 20th of January, April, July and October.

If any of these days aren't business days, the next business day will apply.

If you also have the auto-rebalancing facility, your investment strategy and your nominated allocation for your savings plan must be the same.

Please contact us if you wish to change the investment amount or frequency, or cancel your savings plan.

The following table shows the impact on your savings plan of any withdrawals or switches from the Investment Options unless you provide alternative instructions at the time of withdrawing or switching.

Impact of withdrawals and switches on existing savings plans

Type of transaction	Impact on future savings plan
Full withdrawal from all savings plan Fund(s)	We'll cancel your savings plan.
Full withdrawal from some savings plan Fund(s)	We'll continue your savings plan for the same dollar amount invested into the remaining Fund(s) in proportion to your previous savings plan allocations to the remaining Fund(s).
Full switch from all savings plan Fund(s)	We'll transfer your savings plan to the Fund(s) that you switched to in the same proportion as the switch.
Full switch from some savings plan Fund(s)	We'll continue your savings plan for the same dollar amount. The allocation of your savings plan that was previously invested into the Fund(s) that you have switched from will be invested into the existing and/or new Fund(s) that you switched to in the same proportion as the switch.
Partial withdrawal or switch from all or some savings plan Fund(s)	No change to your savings plan. ¹

¹ If a partial withdrawal or switch reduces your account balance in a Fund to less than \$1,000 (or another amount that we may set and advise you), your savings plan in relation to that Fund may be cancelled.

We can terminate, suspend or impose additional conditions on the operation of your savings plan at any time with notice to you.

How units are issued

Generally, if our Sydney office receives and accepts your investment application (including investment amounts received via BPAY, where applicable) by 3.00pm on any business day, your investment will be processed using that day's entry price. If received and accepted after 3.00pm it will be processed using the next calculated entry price. If it's a non-working day for Perpetual in Sydney, your investment will be processed using the next available entry price.

For current entry prices, visit our website or contact us.

The number of units issued to you is determined by dividing your investment amount (less fees and taxes) by the applicable entry price. See 'How units are priced and investments are valued' on page 19 for details about asset valuations and unit prices.

Accepting your application includes verifying your identity from your completed 'Customer identification form' and any other information we request from you (see 'Anti-Money Laundering/Counter-Terrorism Financing laws' on page 21 for more information).

We have the discretion:

- not to accept applications and can delay processing them if we believe that's in the best interests of investors or if required by the law (see 'Suspension of applications, switches and withdrawals' on page 22 for further information)
- to accept lower investment amounts
- to accept transactions in our Sydney office up to 5.00pm on 30 June only.

Switches

You can switch all or part of your investment in a Fund into another Fund(s) at any time as long as you meet the withdrawal and application criteria for the nominated Funds, including:

- a minimum switch amount of \$1,000 (or \$2,000 if switching to a new Fund) and
- a minimum balance of \$1,000 in a Fund after any partial switch from that Fund.

The PDS may be updated or replaced from time to time and you should read the current version before you switch. You can obtain a copy of the current PDS, free of charge, at our website or by contacting us.

Generally, if our Sydney office receives and accepts your switch request (including those made via Online Account Access) by 3.00pm on any business day, your switch will be processed using that day's exit and entry prices. If received and accepted after 3.00pm it will be processed using the next calculated exit and entry prices. If it's a non-working day for Perpetual in Sydney, your switch will be processed using the next available unit prices.

For current entry and exit prices, visit our website or contact us.

We have the right to delay processing of switches where we believe that's in the best interests of investors, as well as impose additional conditions (see 'Suspension of applications, switches and withdrawals' on page 22 for further information).

All switches, including those made under the dollar cost averaging plan and auto-rebalancing facility (see below for details on each), involve a withdrawal of money from one Fund at its exit price and an investment in another Fund at its entry price. Consequently, there may be a cost to investors due to the buy/sell spreads on unit prices (see 'Transaction costs' on page 8 for further information).

A switch out of a Fund will generally be a disposal of units for tax purposes, which may have tax implications for you (see 'Tax' on page 17 for details).

Dollar cost averaging plan

The dollar cost averaging plan involves you investing in Perpetual Cash Fund and authorising us to switch a portion of that amount to another nominated Fund(s) at regular intervals. Because units in the nominated Fund(s) are bought at varying prices, the cost of gaining exposure to the particular asset class(es) in the nominated Fund(s) is 'averaged' over time.

The minimum switch amount for the dollar cost averaging plan is \$100 per Fund, which can be made as follows:

- fortnightly – on alternate Thursdays (as set by us)
- monthly (default frequency) – on the 24th of each month
- quarterly – on the 24th of January, April, July and October.

If any of these days aren't business days, the next business day will apply.

Your dollar cost averaging plan will continue until:

- your investment in Perpetual Cash Fund is zero or
- you cancel it.

Please contact us if you wish to change the investment amount or frequency, or cancel your dollar cost averaging plan.

Auto-rebalancing (see below) is not available if you have a dollar cost averaging plan in place.

Auto-rebalancing

The value of your investment in any particular Fund will change over time and this movement may cause your investment portfolio allocation to deviate from your investment strategy.

Auto-rebalancing is another form of automatic switching. This facility provides a simple way for you to maintain your investment strategy by authorising us to withdraw and apply units in your chosen Funds to rebalance your investment portfolio regularly, as follows:

- quarterly (default frequency) – on the 24th of January, April, July and October

- half-yearly – on the 24th of January and July or
- yearly – on the 24th of July.

If any of these days aren't business days, the next business day will apply.

Please contact us if you wish to change the frequency, cancel or restart auto-rebalancing.

A dollar cost averaging plan is not available if you elect to use the auto-rebalancing facility.

Withdrawals

You can withdraw all or part of your investment in a Fund at any time as long as you meet the withdrawal criteria for the nominated Fund, including:

- a minimum withdrawal amount of \$1,000 and
- a minimum balance (currently \$1,000) in a Fund after any partial withdrawal from that Fund, otherwise we may close your account and pay the balance of your investment to you.

All written withdrawal requests must be signed by the authorised signatory.

If our Sydney office receives and accepts your withdrawal request by 3.00pm on any business day, your withdrawal will be processed using that day's exit price. If received and accepted after 3.00pm it will be processed using the next calculated exit price. If it's a non-working day for Perpetual in Sydney, your withdrawal will be processed using the next available exit price.

For current exit prices, visit our website or contact us.

Generally your withdrawal proceeds can be:

- deposited into a nominated Australian bank, building society or credit union account or
- paid to you (or a third party) by cheque.

Withdrawal proceeds that are paid directly into your nominated account or by cheque are subject to clearance by your bank, building society or credit union from the date of deposit into your account.

We will confirm all withdrawals in writing. For your protection, withdrawals will not be paid in cash. Withdrawals of money invested by direct debit request, at our discretion, may be required to be paid back into the account from which it was debited.

The proceeds from your withdrawal will usually be available within seven business days from when we have accepted the request, given normal operating conditions. However, withdrawals from Perpetual Property Income Fund can take up to 180 days and other Funds up to 70 days (depending on the Fund) after we have accepted the request.

We can delay processing withdrawal requests or stagger the payment of large amounts from a Fund according to its constitution if we believe that's in the best interests of investors (see 'Suspension of applications, switches and withdrawals' on page 22 for more information).

If you withdraw your units before the end of a distribution period, you won't receive a distribution for those units in that period. Your withdrawal amount will generally include your share of distributable income accrued in the Funds to the date of withdrawal as capital.

We may determine that part of your withdrawal amount represents a share of the distributable income including realised net capital gains for that distribution period. We will advise you if this happens.

Phone withdrawals

Please complete section 5 of the application form if you wish to be provided with a Personal Identification Number (PIN) for making withdrawals of up to \$50,000 (or another amount that we may set and advise you) per day by phone. You should keep your PIN secure at all times and advise us immediately if you suspect it has been compromised.

For your protection, we won't accept phone withdrawal requests for:

- cheques made payable to third parties
- cheques to be sent to a third party address or
- deposits to accounts that have not been previously nominated by the investor by mail.

Conditions apply to the phone withdrawal facility (see 'Other conditions' on page 23 for details).

Fax withdrawal facility

We currently accept withdrawal requests by fax, provided we have no reason to believe the request isn't genuine. However, for your protection, we won't accept fax requests for:

- cheques made payable to third parties
- cheques to be sent to a third party address or
- deposits to accounts that have not been previously nominated by the investor by mail.

Conditions apply to the fax withdrawal facility (see 'Other conditions' on page 23 for details).

Regular withdrawal plan

The regular withdrawal plan provides a convenient way for you to receive automatic payments from your investment for pre-determined amounts at nominated intervals. For example, if you are relying on your investment to provide you with a regular income (other than distribution payments), this facility eliminates the need for you to lodge a separate withdrawal request each time.

The minimum withdrawal amount for the regular withdrawal plan is \$100 per Fund. To establish a regular withdrawal plan, you must also:

- have a minimum account balance of \$20,000 and
- maintain a minimum balance of \$1,000 for each of your selected Funds.

You can choose regular withdrawals to be paid from your selected Funds:

- monthly – as at the 24th of each month
- quarterly – as at the 24th of January, April, July and October
- half-yearly – as at the 24th of January and July or
- yearly (default frequency) – as at the 24th of July.

If any of these days aren't business days, the next business day will apply.

The proceeds of your regular withdrawal plan withdrawals will:

- only be deposited into your nominated Australian bank, building society or credit union account
- usually be available in your nominated account within seven business days, given normal operating conditions.

Please contact us if you wish to change the frequency or amount, or cancel your regular withdrawal plan.

We will automatically cancel your regular withdrawal plan relating to a nominated Fund if you withdraw your total investment from that Fund. We may also cancel your regular withdrawal plan relating to a nominated Fund if a partial withdrawal (including regular withdrawal plan withdrawal) reduces your account balance in that Fund to less than \$1,000 (or another amount that we may set and advise you).

We can terminate, suspend or impose additional conditions on the operation of your regular withdrawal plan at any time with notice to you.

Distributions

A distribution is the payment of a Fund's distributable income to investors at predetermined intervals. The distributable income may include interest, dividends, foreign income, realised net capital gains and other income (see 'Tax' on pages 17-18 for further information). The components of a distribution will depend on the Fund you invest in and the nature of its underlying assets.

The distribution amount depends on the Fund's distributable income. The amount you receive will be proportionate to the number of units you hold relative to the number of units on issue at the end of the distribution period. The amount will vary from year to year and sometimes there might not be any distribution.

At the end of each distribution period, a Fund's unit price will typically fall as it is adjusted to reflect the amount of any distribution paid. As the distribution amount you receive is based

on the entire distribution period and not just the period since you invested, the closer you invest before the end of a distribution period the greater the possibility is that you may receive back some of your capital as income in the distribution paid for that period.

Distribution frequencies and effective dates for distributions for each Fund are shown in the 'Funds profiles' in the Investment Book. Proceeds are generally paid within 21 days but no later than 90 days after the end of the distribution period. Any delays in receiving distributions from external underlying funds may result in delays in our payment of distributions.

Each Fund's constitution lets us make special distributions on an interim basis without prior notice to you. However, at 30 June each year, investors will be entitled to all distributable income that hasn't been distributed.

Any realised net capital gains are generally included in the 30 June distribution.

You still have to pay tax on the distribution even if you choose to reinvest it – see 'Distributions' under 'Tax' on page 17 for details.

Distribution payment options

You can choose to have your distributions for each Fund:

- reinvested in the same Fund
- invested in Perpetual Cash Fund or
- deposited into your Australian bank, building society or credit union account.

If you don't make a choice or if we're unable to credit your nominated account (if applicable), we'll reinvest your distribution.

If you choose to reinvest your distribution in the same Fund, it will be reinvested as at the first business day of the month following the end of the distribution period. The reinvestment price will be based on the net asset value price (that is, excluding a buy spread) calculated on the last business day of the distribution period, adjusted for any distribution paid for that period.

If you are a New Zealand investor, please also refer to 'Distribution reinvestment plan' on page 23.

Authorised representative

If you are a direct investor, you can appoint a person, partnership or company as your authorised representative by nominating them on your application form and having them sign the relevant section. Your authorised representative will be empowered to act on your behalf in all matters relating to your investment in the Funds.

Conditions apply to the appointment of an authorised representative, as set out under 'Other conditions' on page 23.

Online Account Access

If you are a direct investor, Online Account Access via our website provides easy and convenient online access for you to:

- transact online

- check the total value of your investment in the Funds
- view your account summary, including the Fund(s) you are invested in, the number of units, unit price and current balance of the Fund(s)
- review your recent transaction history
- check your contact details.

You can also elect to receive email notification of new account correspondence (including any notification we are required to provide under the Corporations Act) as it becomes available, so that you can then receive it online (although there may be times when we must also send online correspondence to you in paper form). For security reasons, this email won't include any of your confidential information, nor will it provide a link to our website.

Unless you indicate otherwise on your application form, we'll mail you a Login ID and temporary password (separately for security reasons) together with activation instructions.

We may provide joint investors, trustees of superannuation funds/trusts, companies, partnerships and trustee company accounts with more than one Login ID and temporary password for Online Account Access.

Conditions of use

To be able to use Online Account Access, you must accept the conditions of use (which form part of this PDS and are publicly available at our website (see 'Incorporation by reference' on page 23 for details) or can be obtained free of charge by contacting us) and change the temporary password we've provided to a password of your choice when you first login to Online Account Access.

Access by authorised representatives

If you appoint an authorised representative, you can request us to issue them with a unique Login ID and temporary password for Online Account Access and specify their level of online access to either:

- view your account only or
- view and transact on your account (default access).

Access by your adviser

We'll also give your adviser access to view details about your investment and transact online on your behalf unless you ask us not to.

Interest earned on application, withdrawal and distribution accounts

Application money, proceeds of withdrawal requests and distribution amounts are held in trust accounts prior to being processed. A member of the Perpetual Group retains any interest earned on these accounts.

Tax

The tax consequences of investing in managed investment schemes are particular to your circumstances, so we recommend you see a tax adviser. This information is general only and shouldn't be relied on.

If you are investing indirectly through a Service, you should also refer to your Service operator for further information about the tax treatment of your investment in the Funds

Tax position of the Funds

Generally, Australian income tax won't be payable by the Funds because investors will be 'presently entitled' to all of the distributable income of the Funds each year ending 30 June. If there is net income of a Fund that no investor is 'presently entitled' to, the Fund will be subject to tax at the highest marginal tax rate (plus Medicare levy).

Realised gains

The distributable income of a Fund may be made up of taxable and non-taxable components. The taxable components may include realised gains (capital and/or revenue), which will be distributed as either net capital gains or ordinary income (domestic or foreign).

Gearing

In a geared Fund, the interest expense is expected to be a significant portion of its deductible expenses so its net income may be lower than if it did not borrow.

In some cases, the interest expense and other expenses may reduce the net income to the extent that the Fund can't distribute franking credits to investors.

Tax losses

If a Fund incurs a net revenue tax loss or a net capital loss, it must be carried forward and applied against assessable income or net capital gains in future years, if certain loss recoupment tests are met.

Franking credits

The Funds will receive franking credits from franked dividends received, which will be distributed to investors if certain conditions are met.

It's possible that a Fund won't meet the required conditions because of the investment strategy used (including taking short positions), so some franking credits we receive can't be distributed to you.

Foreign income and foreign tax credits

The Funds may pay foreign tax on foreign source income. This will create foreign tax credits that will be distributed to investors if certain conditions are met.

Foreign Investment Funds (FIF)

Unrealised gains on investments held by the Funds at the end of the financial year in certain foreign companies and trusts may be treated as taxable (FIF income) if one or more foreign investment fund (FIF) exemptions aren't met.

We monitor the FIF position of the Funds and the conditions for exemption. It is our intention that no FIF income will have to be distributed to you.

Withholding tax obligations

We may have to deduct tax from your distributions if you are a non-resident investor (see page 18) or if you don't provide a tax file number (TFN) or Australian business number (ABN).

Australian resident investors

Distributions

For information about the calculation of your distribution entitlement, see 'Distributions' on page 15.

The net income of the Funds allocated to you must be included in your income tax return for the year of the entitlement even if the distribution is received or reinvested in the following year – see 'Annual tax statement' on page 18.

Franking credits

If a Fund is entitled to distribute franking credits, you'll need to include your share of franked dividend income and franking credits in your taxable income.

A tax offset, equal to the amount of franking credits, will be applied to reduce the tax you would otherwise have to pay on your total taxable income. Your entitlement to claim this depends on you satisfying certain conditions.

Individuals and complying super funds may receive a refund for excess franking credits. Corporate investors may be entitled to convert excess franking credits into tax losses.

Foreign income and foreign tax credits

If a Fund is entitled to distribute foreign tax credits, you'll need to include your share of foreign source income and foreign tax credits in your taxable income.

You may be able to use these foreign tax credits to reduce the Australian tax payable on your foreign source income. Foreign tax credits can only be used to offset the tax on the net foreign source income portion of your taxable income. Any foreign tax credits distributed to you that cannot be used are not available to be carried forward for use in later years.

Capital gains tax

In addition to any realised net capital gains distributed to you, any withdrawal (including switching between Funds) or transfer of units in the Funds may create a taxable gain or loss, which will be treated as a capital gain or loss, or as ordinary income, depending on your circumstances.

Non-assessable amounts distributed to you may reduce the cost base of your units, which will cause an increased capital gain or a reduced capital loss on the subsequent disposal of units.

If you have held your units continuously for at least 12 months, individuals and trusts may be entitled to a capital gains tax discount of 50 per cent while complying super funds may be entitled to a capital gains tax discount of 33 $\frac{1}{3}$ per cent. Companies are not entitled to any discount.

Non-resident investors

Australian tax will be deducted from certain Australian sourced income and capital gains distributed to non-resident investors. Non-resident investors may also be subject to tax in the country they reside in, but may be entitled to a credit for some or all of the tax deducted in Australia.

Annual tax statement

Direct investors

We'll issue annual tax statements for the Funds at the end of August each year, or shortly after. It will show the taxable and non-taxable components of your distributions.

Indirect investors

If you are investing indirectly through a Service, your Service operator will use the information we provide to prepare their statements for you.

Tax file number (TFN)/ Australian business number (ABN)

Providing your TFN isn't compulsory but without it or the appropriate exemption information we have to withhold tax from your distributions at the highest marginal tax rate (plus Medicare levy) until your TFN or exemption¹ is provided.

You may prefer to provide an ABN as an alternative to your TFN if your investment is made as part of an enterprise.

Non-residents don't have to provide a TFN or ABN.

We are authorised under tax laws to collect TFNs and ABNs in connection with your investment in the Funds.

After 21 July each year the law prevents us from refunding to you any tax that we have withheld during the previous financial year. After this date you'll need to claim a credit in your income tax return for the tax withheld. If this isn't appropriate, you can apply to the Australian Taxation Office (ATO) for a refund.

¹ See page 25 for details of TFN exemption codes.

Goods and services tax (GST)

GST of 10 per cent generally applies to the fees, costs and expenses payable by the Funds, including management costs and other fees payable to us.

Generally, the Funds can't claim a credit for all of the GST paid but may be entitled to claim a reduced input tax credit (RITC), which represents 75 per cent of the GST applicable to management costs and certain other expenses.

The management costs and other fees specified in the table within 'Fees and other costs' on page 7 show the approximate net cost to the Funds of these amounts payable to us, on the basis that the Fund is entitled to claim RITCs for the GST on these amounts.

Additional information

Your cooling-off rights

Direct investors

If you are a direct investor in a Fund, you have up to 21 days from the day you invest where you can have your investment repaid ('cooling-off period').

The amount repaid will be adjusted for any transaction costs and any increase or decrease in the value of your investment. Any contribution fees or taxes paid will be refunded.

If you have authorised us to pay an adviser service fee to your adviser on your behalf:

- we will reinstate the units previously deducted from your account and refund the amount to you only if we have not yet paid the fee to your adviser or
- you will be responsible for seeking a refund of any adviser service fee from your adviser once it has been paid to your adviser.

Investments repaid may create a taxable gain or loss so we recommend that you see your tax adviser.

Your right to be repaid during the cooling-off period does not apply if:

- you are switching between Funds (including auto-rebalancing and dollar cost averaging plan switches)
- you exercise any of your rights as an investor in the relevant Fund
- you are a wholesale client (as that term is defined in the Corporations Act).

If you'd like to have your investment repaid, write to us stating that you want to be repaid during the cooling-off period (please include your account number). Your request must reach our Sydney office before the end of the cooling-off period.

When we receive your request, we will send you the details about your repayment.

Indirect investors

No cooling-off rights apply in respect of any investment in the Fund acquired by your Service operator on your behalf. For information about any cooling-off rights that may apply to you in respect of the Service that you invest through, please contact your Service operator directly or refer to their disclosure document.

How units are priced and investments are valued

Unit prices for each Fund are calculated by:

- establishing the net asset value of the Fund
- for entry unit prices – adding the applicable transaction costs (buy spread) to the net asset value and then dividing the adjusted net asset value by the number of units on issue to determine the entry unit price
- for exit unit prices – deducting the applicable transaction costs (sell spread) from the net asset value and then dividing the adjusted net asset value by the number of units on issue to determine the exit unit price.

We generally determine the net asset value of each Fund on each business day. Valuations may also be made when money is deposited into, or withdrawn from, the Fund. The net asset value is calculated by deducting the value of a Fund's liabilities from the value of its gross assets.

The net asset value of investments in the Funds includes unrealised gains and losses and any income and realised gains accrued but not yet distributed. If unrealised gains are realised in the future, any assessable portion will be distributed to investors.

Investments of each Fund are valued at their market value, using a calculation method that we determine according to the Fund's constitution. For those Funds investing in other managed funds, it will normally be based on the exit price of units in the underlying fund(s). We generally calculate and apply entry and exit unit prices each business day. However, if necessary, we may use a different method of valuation where the previously calculated price, or next available price, is used.

We can defer the calculation of unit prices where permitted by the relevant Fund's constitution and the law. For example, if significant delays occur where an underlying fund does not calculate or provide a price, transactions requiring the purchase and/or sale of units in the relevant Fund may not be processed until the underlying fund's unit price is determined.

A copy of our unit pricing policy, including details of any discretions that we may exercise in various circumstances, is available without charge on request.

Reporting

Direct investors

Direct investors in the Funds receive:

- an initial investment statement, generally within seven business days of your application being accepted
- an additional investment statement, generally within seven business days of any additional investment (except regular savings plan investments) being accepted
- an investment restructure statement, generally within seven business days of any switch request being processed
- a withdrawal statement, generally within seven business days of any partial or full withdrawal request being processed
- a distribution statement following the payment of any distributions (or sent quarterly for those Funds which pay monthly distributions)
- an annual statement providing details of your investment as at 30 June each year
- an annual report (including financial statements) for each financial year ending 30 June will be available at our website (copy by mail available on request)
- an annual tax statement and tax guide for the financial year, generally sent by the end of August or shortly after to help you prepare your income tax return
- confirmation of any other transactions that we are required to report on.

Indirect investors

All reports will be sent directly to your Service operator. They will use this information to provide you with regular reporting and information to help you complete your annual income tax return. Please contact your Service operator with any investor inquiries.

Continuous disclosure documents

The Funds may be subject to certain regular reporting and disclosure obligations. Copies of documents lodged with ASIC in relation to the Funds may be obtained from, or inspected at, any ASIC office. You may obtain a copy of the following at our website (in accordance with ASIC's good practice guidance for website disclosure) or from us free of charge on request:

- a Fund's annual financial report most recently lodged with ASIC
- any half-yearly financial reports lodged with ASIC by a Fund after lodgement of that annual report
- any continuous disclosure notices given by a Fund after that date of lodgement of that annual report and
- any other material updates.

Inquiries and complaints

Direct investors

We're committed to providing you with the highest level of service and we have established procedures for dealing with any inquiries and complaints relating to your investment in the Funds. If you have an inquiry or complaint, you can either phone Perpetual on 1800 022 033 during business hours or write to:

The Manager, Service & Operations
Perpetual WealthFocus Investment Funds
GPO Box 4171
Sydney NSW 2001

We'll acknowledge any complaint in writing within five business days and make every effort to resolve your issue within 30 days of us being notified.

If a complaint remains unresolved after 45 days you may refer it to the Financial Ombudsman Service (FOS) of which we are a member. FOS is an external dispute resolution scheme that provides assistance to consumers to help resolve complaints relating to financial service providers. Contact details for FOS are as follows:

Address: GPO Box 3
Melbourne VIC 3001
Phone: 1300 78 08 08
Website: www.fos.org.au

Indirect investors

If you are investing indirectly through a Service, any inquiries or complaints about your investment through the Service or about the Service should be directed to your Service operator.

Your privacy

Direct investors

Privacy laws apply to our handling of personal information. We will not be able to process your application or administer your investment if you do not provide us with your relevant personal information.

Our privacy policy, which forms part of this PDS, is publicly available at our website (see 'Incorporation by reference' on page 23 for details) or you can obtain a copy free of charge by contacting us.

Indirect investors

If you are investing indirectly through a Service, we do not collect or hold your personal information in connection with your investment in the Fund. Please contact your Service operator for more information about their privacy policy.

Anti-Money Laundering/ Counter-Terrorism Financing laws

Prospective direct investors must complete the relevant 'Customer identification form' (which is provided with the PDS) so that we can satisfy our obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 to verify your identity. Failure to provide a completed 'Customer identification form' may result in a delay in processing your application or paying you a withdrawal.

We may also require additional information from you to assess your application and after we have accepted your investment.

The section titled 'About AML/CTF legal requirements' in the relevant 'Customer identification form' forms part of the PDS. These forms are also publicly available at our website (see 'Incorporation by reference' on page 23 for details) or can be obtained free of charge on request.

You should read the information about our obligations under this legislation (including collecting and verifying personal information about you, monitoring your transactions and reporting certain information to the regulator). We are not liable for any loss you may suffer as a result of our compliance with this legislation.

Investments and social security

If you are a personal investor, your investment in the Funds may affect your social security or pension entitlements. The calculations are complex so we recommend that you seek advice from your financial or tax adviser, or use the Centrelink Financial Information or the Veterans' Affairs Financial Information services.

Mortgage of units

We may, in our absolute discretion, note certain mortgagee interests over an investment (including any distribution reinvestment from that investment), and the following conditions will apply:

- you won't be able to transfer or withdraw your investment (including any distributions reinvested) without the mortgagee's consent
- amounts paid or assets transferred on withdrawal will be forwarded to the mortgagee or paid at the mortgagee's discretion
- the notice of mortgage can be removed only with the mortgagee's consent
- distributions that are not reinvested will be paid according to any instructions in the notice of mortgage, or otherwise according to the investor's instructions on the application form.

Transfer of units

If you are a direct investor, subject to our consent, you may transfer units in a Fund to another person by providing us with a signed and completed standard transfer form (with duty paid, if applicable) and any other documents we consider appropriate.

A transfer of units will generally be a disposal of units for tax purposes, which may have tax implications (see 'Tax' on pages 17-18 for more details).

Our role as responsible entity

Perpetual Investment Management Limited is the responsible entity of the Funds. Our main responsibilities are to manage a Fund according to its constitution and investment policy as well as properly administering it. We have established investment policy committees to set the investment objectives, investment guidelines and investment approach for the Funds. We may change a Fund's investment policy whenever we believe it's in the best interests of investors, without prior notice.

In carrying out our duties, we are subject to the Corporations Act and must:

- act honestly and in the best interests of investors
- exercise care and diligence.

Constitutions

All registered managed investment schemes are governed by a constitution. A Fund's constitution (as amended) governs the Fund's operation and, together with this PDS, the Corporations Act and other laws, regulates the Fund and our legal relationship with investors. The Funds' constitutions have been lodged with ASIC.

We can amend the Funds' constitutions as permitted by the Corporations Act. You may inspect the Funds' constitutions at our offices on any business day, free of charge, or obtain a free copy by contacting us.

Borrowing powers

All of the Funds' constitutions allow the Funds to borrow (limits apply in some cases). Most of the Funds currently don't intend to borrow as part of their investment strategy (see the Investment Book for details of the investment strategy for each Fund), however borrowing may occur in the management of the Funds. To the extent permitted, the Funds may borrow from a variety of sources, including companies associated with the Perpetual Group (in which case the terms are set on a commercial basis).

Our liability

Subject to the Corporations Act, we're not liable to investors for any losses in any way relating to the Funds, except to the extent to which the loss is caused by our fraud, negligence or breach of trust.

Our liability is, subject to the Corporations Act, limited to our ability to be indemnified out of the assets of the Funds.

Rights of direct investors

Each unit you hold in a Fund confers a proportional beneficial interest in the Fund. However, you're not entitled to any particular part of the Fund, its assets or its management or operation (other than through investor meetings).

Each Fund's constitution limits your liability to the value of your interest or units in a Fund. However, the courts are yet to conclusively determine the effectiveness of these provisions so no absolute assurance can be given that your liability is limited in every situation.

Suspension of applications, switches and withdrawals

In certain emergency situations that impact the effective and efficient operation of a market for an asset held by a Fund or in circumstances where we otherwise consider it to be in investors' interests, we may suspend processing all applications, switches or withdrawals for that Fund. This may include situations where:

- we cannot properly ascertain the value of an asset held by the Fund
- an event occurs that results in Perpetual not being able to reasonably acquire or dispose of assets held by the Fund
- an underlying fund suspends applications and withdrawals
- the law otherwise permits us to delay or restrict processing applications or withdrawals.

We may also choose to delay processing applications or withdrawals until we have received the tax components for any distributions paid by the investment managers of the underlying funds during any given financial year.

Applications, withdrawals or switch requests received during the suspension will be processed using the entry and/or exit price applicable when the suspension is lifted.

Non-liquid Funds

If a Fund becomes non-liquid (as defined in the Corporations Act) withdrawals may only be made subject to an offer made according to the Corporations Act. In these circumstances, you will only be able to withdraw from a Fund if we make money available for withdrawals. The Corporations Act requires us to allocate this money on a pro rata basis among investors wanting to withdraw. We're under no obligation to offer you an opportunity to withdraw from a Fund while the Fund is non-liquid.

We will advise investors if a Fund becomes non-liquid and the terms of any withdrawal offer.

Delays in calculating and publishing unit prices

Occasionally there may be delays in receiving unit prices or investment valuations from the underlying investment managers due to their finalisation of distributions or unforeseen circumstances. This restricts our ability to calculate and price the relevant Fund. Importantly, the timing of unit prices impacts processing transactions including applications, withdrawals and

switches. When transactions are processed we'll generally use the applicable unit price you are entitled to, based on the date we received your completed transaction instruction.

Important additional information for New Zealand investors

If you are a New Zealand investor, we are required to provide the following additional information to you under New Zealand law.

General

- (a) This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 and Regulations. In New Zealand, this is Part 5 of the Securities Act 1978 and the Securities (Mutual Recognition of Securities Offerings – Australia) Regulations 2008.
- (b) This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 and Regulations (Australia) set out how the offer must be made.
- (c) There are differences in how securities are regulated under Australian law. For example, the disclosure of fees for collective investment schemes is different under the Australian regime.
- (d) The rights, remedies, and compensation arrangements available to New Zealand investors in Australian securities may differ from the rights, remedies, and compensation arrangements for New Zealand securities.
- (e) Both the Australian and New Zealand securities regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Securities Commission, Wellington, New Zealand. The Australian and New Zealand regulators will work together to settle your complaint.
- (f) The taxation treatment of Australian securities is not the same as for New Zealand securities.
- (g) If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

Currency exchange

- (a) The offer may involve a currency exchange risk. The currency for the securities is not New Zealand dollars. The value of the securities will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.
- (b) If you expect the securities to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

Dispute resolution

The dispute resolution process described in this offer document is only available in Australia and is not available in New Zealand.

Distribution reinvestment plan

Units allotted as a result of distribution reinvestment will be allotted in accordance with the PDS (see 'Distribution payment options' on page 16 for details) and the Funds' constitutions (as amended).

If you elect to reinvest your distributions for a Fund we will send you a statement showing the amount of the distribution and the number of reinvested units that have been allocated to your investment in the Fund within 30 days from when those units were allocated.

The following documents are available from us, free of charge on request:

- the most recent annual report of the Funds (if any)
- the most recent financial statements of the Funds (if any)
- the current PDS relating to units in the Funds
- the constitutions of the Funds and any amendments.

Other conditions

An investor that appoints an authorised representative or uses the phone or fax withdrawal facility:

- acknowledges that they are bound by the acts of their authorised representative
- releases, discharges and agrees to indemnify us and each other member of the Perpetual Group from and against all losses, liabilities, actions, proceedings, accounts, claims and demands arising from instructions we receive under the facility and
- agrees that a payment or purported payment made according to the conditions of the facility shall be in complete satisfaction of our obligations or those of any other member of the Perpetual Group to the investor for a payment, even if it was requested, made or received without the knowledge or authority of the investor.

Incorporation by reference

The law allows us to provide certain information to you separately to the PDS, which is taken to be incorporated into the PDS, provided the PDS identifies this additional information and how you can access it.

The following incorporated information forms part of this PDS:

- the current buy/sell spread for each Fund
- the commencement date for each Fund
- Direct Debit Request Service Agreement
- Online Account Access conditions of use
- our privacy policy
- further details about the Anti-Money Laundering/Counter-Terrorism Financing laws included in the 'About AML/CTF legal requirements' section of the 'Customer identification form'

- details of current underlying investment managers
- additional information about the investment management policies and details of the underlying portfolio of Perpetual Property Income Fund
- registered managed investment scheme details for the Funds.

This information is publicly available by following the links to downloading the PDS from www.perpetual.com.au/investment_funds/default.aspx, or can be obtained free of charge by contacting us.

You should also read this information.

Consents

All companies mentioned in this PDS (including the investment managers of the underlying funds) have consented to the statements made by or about them being included in this PDS, in the form and context that they appear.

The companies that have consented have not withdrawn their consent before the issue date of this PDS and have not authorised or caused the issue of this PDS.

Applying for an investment

Direct investors

New investments

Your initial investment in a Fund must be at least \$2,000 (or \$1,000 if you are establishing a savings plan).

To invest in the Funds:

- if investing by cheque – complete the application form, attach a cheque for your initial investment amount made payable to '**PIML – PWI – [insert name of applicant(s)]**' and send them to us
- if investing by **direct debit** – complete the application form and send it to us (we'll debit the initial investment amount directly from your nominated account once we've accepted your application)
- if investing by **BPAY**:
 1. complete the application form and send it to us
 2. remit your initial investment amount once you've received your Customer Reference Number (CRN) from us, quoting your CRN and **BPAY biller code 636910**.

In all cases, you should complete the relevant '**Customer identification form**' as we must verify your identity before considering your application.

Additional investments

Additional investments in a Fund must be at least \$1,000 (or \$100 by savings plan).

To make an additional investment in an existing Fund:

- if investing by **cheque** – send us a cheque for your additional investment amount made payable to '**PIML – PWI – [insert name of applicant(s)]**' (with your instructions if you wish to allocate your additional investment differently to your current investment strategy) quoting your existing account number
- if investing by **direct debit** – complete the application form and send it to us (we'll debit the additional investment amount directly from your nominated account once we've accepted your application)
- if investing by **BPAY** – simply remit your additional investment amount, quoting your CRN and **BPAY biller code 636910** – no application form required.

Completing the application form

The table on page 25 will assist new investors in completing the 'Investor details' section of the application form, and also explains who should sign the form and where TFN/ABN or exemption details should be recorded.

Lodging your application form

You can lodge your completed application form (including your cheque, if applicable) with your financial adviser or at our Sydney office (see back cover for street address details) or post (no stamp required if posted in Australia) to:

Reply Paid 4171
Perpetual WealthFocus Investment Funds
GPO Box 4171
Sydney NSW 2001
Australia

Contribution fee

Any applicable contribution fee will be deducted from the gross investment amount that we receive. For example, if we receive an amount of \$10,000 and a contribution fee of 4.00% applies, the actual amount invested in the Fund(s) after deducting the contribution fee of \$400 will be \$9,600.

If you wish to invest a specific net amount, please calculate the gross equivalent amount before the contribution fee is deducted, as follows:

Gross amount =
net amount ÷ (100% – contribution fee %)

For example, the gross equivalent of a \$10,000 net amount to be invested in the Fund(s) after a 4% contribution fee is \$10,416.66, as follows:

$$\$10,000 \div (100\% - 4\%) = \$10,416.66.$$

Application conditions

Please note:

- applicants must be at least 18 years of age
- investment amounts need not be in whole dollars
- there is no maximum investment amount
- cash amounts are not accepted, however we can determine other acceptable methods of payment

- for trust investors, only the trustee has rights and obligations under the Funds
- joint applicants will be assumed to be joint tenants (that is, the survivor(s) will be recognised as holding title to the interests of a deceased joint investor), unless you otherwise specify
- if signed under power of attorney:
 - the attorney certifies that he or she has not received notice of revocation of the power
 - the power of attorney, or a certified copy, must be sent to us
- we have absolute discretion to accept, reject or limit any application.

Guide to completing the 'Investor details' section of the application form

Investor type	Section for investor details	Who should sign	Section for TFN/ABN or exemption details ¹
I – Individual	3A	Individual	3A – for individual
J – Joint individuals	3A	Both individuals	3A – for each individual ²
C – Company	3B	For a company: <ul style="list-style-type: none"> ▪ two directors or ▪ a director and company secretary or ▪ if the company has a sole director/secretary, by that person or a representative authorised by the company. Companies can also sign under power of attorney.	3B – for the company
P – Partnership	3B	Partners	3B – for the partnership
T – Trust	3B	If more than one trustee, all trustees should supply their details and sign. See 'Company' investors above.	3B – for the trust or
Individual trustee(s)	3A		(if there is no TFN/ABN for the trust)
Corporate trustee	3B		3A – for each individual trustee ² 3B – for the corporate trustee
S – Superannuation funds	3B	If more than one trustee, all trustees should supply their details and sign. See 'Company' investors above.	3B – for the superannuation fund or
Individual trustee(s)	3A		(if there is no TFN/ABN for the superannuation fund)
Corporate trustee	3B		3A – for each individual trustee ² 3B – for the corporate trustee
O – Other entity	3B	Office bearer(s) – if more than one office bearer, all office bearers should supply their details and sign.	3B – for the entity

¹ See page 18 for further information. TFN exemption codes for personal investors which are relevant in this context include:

- 444 444 441 – where you are a pensioner (eg recipient of Centrelink (age or disability support) pension or Service (veterans) pension)
- 444 444 442 – where you are a recipient of other eligible Centrelink pensions or benefits
- 888 888 888 – where you are a non-resident.

² If there are more than two joint individual investors or more than two individual trustees – please copy section 3A, insert the additional investor or trustee details (as applicable) and attach to your completed application form.

Contact details

For further information, or a copy of any of our product disclosure statements, please contact Perpetual.

Website

www.perpetual.com.au

Email

investments@perpetual.com.au

Phone

During business hours (Sydney time)

Within Australia:

Investor service

1800 022 033

Adviser service

1800 062 725

From New Zealand:

Investor service

0800 442 261

Adviser service

0800 441 656

Fax

Within Australia:

02 8256 1427

From New Zealand:

0800 441 096

Postal address

No stamp required if posted in Australia

Reply Paid 4171

Perpetual WealthFocus Investment Funds

GPO Box 4171

Sydney NSW 2001

Australia

Australian Capital Territory

Level 4
10 Rudd Street
Canberra ACT 2601

New South Wales

Angel Place
Level 12
123 Pitt Street
Sydney NSW 2000

Queensland

Level 6
260 Queen Street
Brisbane QLD 4000

South Australia

Level 11
101 Grenfell Street
Adelaide SA 5000

Victoria

Level 28
360 Collins Street
Melbourne VIC 3000

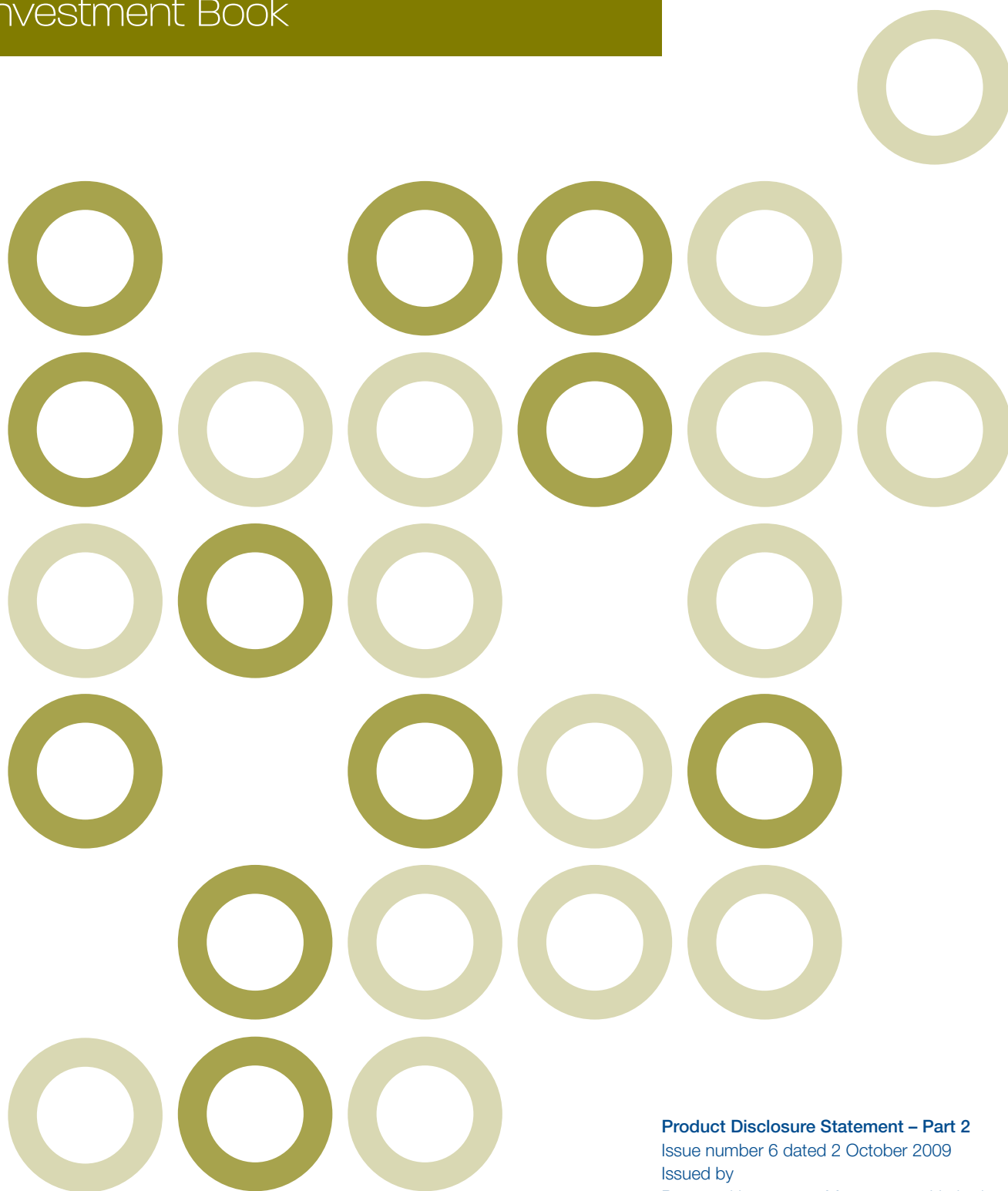
Western Australia

Exchange Plaza
Level 29
2 The Esplanade
Perth WA 6000

www.perpetual.com.au



Perpetual WealthFocus
Investment Funds
Investment Book



Important notes

This Product Disclosure Statement (PDS) is provided in two parts:

Part 1 – Perpetual WealthFocus Investment Funds Features Book (Features Book)

Part 2 – Perpetual WealthFocus Investment Funds Investment Book (Investment Book).

You should read both Part 1 and Part 2 carefully before making a decision to invest. If you haven't received both parts, please contact us (see inside back cover for contact details).

All terms used in this Investment Book have the same meaning as in the Features Book.

The information in this PDS is of a general nature only and does not take into account any investor's particular investment objectives, financial situation or needs. Before you invest, you should read this PDS and assess whether a particular Fund is appropriate for you.



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Asset classes available

The main asset classes in which you can invest via WealthFocus Investment Funds are summarised in the following table.

The main asset classes

Asset class	Risk/potential return ¹	Description of investment
Cash	Low	Cash investments include discount securities (eg bank bills), short-term deposits and money market funds which may invest in fixed income instruments and loans. Cash provides a relatively consistent rate of return in the form of regular interest payments, generally in line with short-term interest rates and is widely considered the lowest investment risk.
Enhanced cash	Low	Enhanced cash investments include cash investments, fixed income instruments, hybrids, loans and other income generating securities. The maturity dates of investments are typically longer than cash and they may have a lower credit rating than those in a money market fund, however, they are usually managed to short interest rate exposures.
Mortgages (including mezzanine mortgages)	Low to moderate	A mortgage investment involves lending money to a borrower to buy property. The borrower must offer adequate collateral to secure the loan. Typically, the borrower will rent out the property to receive rental income to cover the interest payments on the loan, with the interest payments representing the return on the mortgage investment. Mortgage investments can be in first-registered and second-registered (mezzanine) mortgages. Second-registered mortgages are subordinate to first-registered mortgages and have a higher loan-to-value ratio (up to 95 per cent). They're paid only after all amounts owed on a first-registered mortgage have been paid in full.
Fixed income	Low to moderate	Fixed income instruments involve investing in securities issued by an issuer for a pre-determined period. The issuers may include governments, banks, corporations and asset backed trusts. The instruments when issued usually provide a return in the form of defined periodic income payments and the return of principal at maturity. These income payments are either fixed when issued or set periodically against a benchmark.
Property	Moderate to high	A property investment involves buying shares that represent a portion of ownership in a property related company, buying units in an unlisted property trust or buying property directly. Property investments can be in a range of sectors including commercial, industrial, residential and retail. Returns are usually generated from rental income and changes in the value of the underlying properties.
Infrastructure	Moderate to high	Involves investing by purchasing equity or debt securities in large projects that provide facilities and services needed by the community (eg transport, power, roads, telecommunications or water supply), or in other capital intensive assets (eg timberland and regional infrastructure). The return on an infrastructure equity investment generally includes capital growth (or loss) and income. Alternatively, infrastructure debt securities pay regular interest similar to that of other fixed income investments.
Shares	High	Shares represent a portion of ownership in a company. Shareholders can benefit if a company passes on some of its profits to them through dividends and/or from capital growth if the share price rises.

¹ For further information on the risks of investing, in particular asset risk, please refer to the Features Book.

Funds offered through WealthFocus Investment Funds

Eligibility to invest in the Funds

The following table identifies which WealthFocus Investment Funds are offered to which investors through this PDS.

Funds	Australian investors	New Zealand investors
Perpetual managed Funds	✓	✓
Externally managed Funds	✓	✗

Summary of Funds

Asset class	Fund	Page
Cash	Perpetual Cash	5
Fixed income	BlackRock Monthly Income	5
	Credit Suisse Global Income	5
	ING Diversified Fixed Interest	6
	Macquarie Income Opportunities	6
	Perpetual Diversified Income	6
	Schroder Fixed Income	7
	Vanguard® Australian Fixed Interest Index	7
Property	Barclays Property Securities Index	7
	BT Property Securities	8
	Perpetual Property Income	8
	Perpetual Property Securities	8
	RREEF Global Property Securities	9
	Vanguard® Australian Property Securities Index	9
Infrastructure	Goldman Sachs JBWere Australian Infrastructure	9

Asset class	Fund	Page
Australian shares	Advance Imputation	10
	AMP Capital Sustainable Share	10
	Ausbil Australian Active Equity	10
	Ausbil Australian Emerging Leaders	11
	Barclays Australian Share	11
	BT Australian Share	11
	Challenger Australian Share	12
	Fidelity Australian Equities	12
	Fortis Investments Australian Equity	12
	Intech Australian Shares Active	13
	Investors Mutual Australian Share	13
	Investors Mutual Future Leaders	13
	Perennial Value Shares	14
	Perpetual Australian Share	14
	Perpetual Concentrated Equity	14
	Perpetual Ethical SRI	15
	Perpetual Geared Australian	15
	Perpetual Industrial Share	15
	Perpetual SHARE-PLUS Long-Short	16
	Perpetual Smaller Companies	16
Quantitative Investments Alpha Core	16	
Schroder Australian Equity	17	
Solaris Core Australian Equity	17	

Asset class	Fund	Page
International shares	Aberdeen Actively Hedged International Equities	17
	AXA Global Equity Value	18
	Barclays International Share	18
	BlackRock Global Small Cap	18
	BT International Share	19
	DWS Global Equity Thematic	19
	GMO Global Equity	19
	Intech International Shares Active (Unhedged)	20
	Perpetual International Share	20
	Platinum Asia	20
	Platinum International	21
	Templeton Global Equity	21
	T. Rowe Price Global Equity	21
Vanguard® International Shares Index (Hedged)	22	
Diversified – conservative	Barclays Diversified Stable	22
	Intech Conservative Growth	22
	Perpetual Conservative Growth	23
	UBS Defensive Investment	23
Diversified – balanced	Colonial First State Balanced	23
	Intech Balanced Growth	24
	Perpetual Diversified Growth	24
Diversified – growth	Barclays Diversified Growth	24
	BlackRock Balanced	25
	ING Managed Growth	25
	ING Tax Effective Income	25
	Intech Growth	26
	Perpetual Balanced Growth	26
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	Schroder Balanced	27

Investment structure

All Funds invest in managed investment schemes (underlying fund) that in turn invest in various asset classes in accordance with the Fund's investment guidelines, except Perpetual Industrial Share Fund which makes investments directly.

Each Fund mirrors the objective and investment approach of its corresponding underlying fund, where applicable (please refer to 'Asset allocations and investment performance' on page 31 for further information).

Funds profiles

The Funds profiles on pages 5-28 provide a summary of the Funds offered within WealthFocus Investment Funds. For more details and any updated information about the Funds, visit our website or contact us.

The following information explains certain terms and concepts detailed in the Funds profiles.

Investment manager

This is the specialist investment manager(s) that manages the underlying fund's assets (see 'Investment managers' on page 29 for further information).

Management fee

The management fee represents all of the management costs (except for any abnormal operating expenses) associated with managing and administering the Fund (see 'Management costs' in the Features Book for details). Management costs may vary in the future.

Suggested length of investment

This is a guide only and not a recommendation. The timeframes are provided by each of the relevant investment managers, which is why they may differ between similar Funds managed by different investment managers. You should discuss your investment in the Fund(s) with your financial adviser to ensure that it meets your needs.

Distribution frequency and dates

The distribution frequency is how often the Fund usually makes a distribution. The distribution dates are the effective dates for distributions. The actual payment of distributions occurs after the distribution date (see 'Distributions' in the Features Book for details).

Objective

The objective is a summary of what the Fund aims to achieve.

Investment approach

This is the method or principles that the investment manager uses, either directly or indirectly, to manage the Fund to meet its objectives.

Investment guidelines

This provides an indication of what the Fund will invest in directly or indirectly.

Footnotes

You should refer to page 28 for details of any footnotes.

Additional information

The following additional information, which forms part of the PDS, is available at our website (see 'Incorporation by reference' in the Features Book for details) or can be obtained free of charge by contacting us:

- the commencement date for each Fund (that is, the month and year when the Fund received its first investment)
- the buy/sell spread for each Fund (see the Features Book for further information).

Funds profiles

	CASH	FIXED INCOME	FIXED INCOME
	Perpetual Cash	BlackRock Monthly Income	Credit Suisse Global Income
Investment manager	Perpetual	BlackRock Investment Management (Australia) Limited	Credit Suisse Asset Management (Australia) Limited
Management fee (pa)	1.05%	1.65%	1.65%
Suggested length of investment	Any period	Three years or longer	Three years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Monthly – end of each calendar month	Monthly – end of each calendar month
Objective	Aims to provide capital stability and regular income by investing in deposits, money-market and fixed income securities.	Aims to generate monthly income in excess of that available from short-term money market securities and cash rates.	Aims to provide exposure to high yielding investments primarily in the fixed income and hybrid markets, to generate income with some potential for capital growth over the medium-to-long term. The fund aims to outperform its composite benchmark (50% UBSA Composite Bond Index and 50% UBSA Bank Bill Index) over the suggested investment time frame.
Investment approach	Investments are made in deposits, money market and fixed income securities that Perpetual considers to have a low risk of capital loss.	BlackRock aims to achieve its objective primarily through the management of credit exposure using research-based knowledge and fundamental credit analysis to identify securities with superior risk-adjusted return characteristics in both the domestic and international debt markets.	The fund will obtain exposure to both domestic and international hybrid securities, corporate and bank debt and floating rate notes. The portfolio will diversify risk, avoiding company and industry concentration.
Investment guidelines	Cash 100%	Australian and international fixed interest 0-100% Cash 0-100%	Domestic hybrid securities 0-50% Global hybrids (global/euro convertible bonds) 0-40% Global loans 0-50% Global high yield bonds 0-30% Investment grade credit (includes global corporates) 0-75% Cash ¹ 0-30%

You should refer to page 28 for details of footnotes.

Funds profiles

	FIXED INCOME	FIXED INCOME	FIXED INCOME																														
	ING Diversified Fixed Interest	Macquarie Income Opportunities	Perpetual Diversified Income																														
Investment manager	ING Investment Management Limited	Macquarie Investment Management Limited	Perpetual																														
Management fee (pa)	1.60%	1.40% (plus performance fee ²)	1.65%																														
Suggested length of investment	Three years or longer	One year or longer	Three years or longer																														
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Monthly – end of each calendar month	Quarterly – 31 March, 30 June, 30 September and 31 December																														
Objective	Aims to provide income and provide returns (before fees, charges and taxes) that exceed the UBS Australian Composite Bond Index (all Maturities) over periods of three years or more.	Aims to provide higher income returns than traditional cash investments and has some volatility over short time periods.	Aims to provide regular income and consistent returns above the UBS Bank Bill Index over rolling three-year periods (before fees) by investing in a diverse range of income generating assets.																														
Investment approach	The fund invests predominantly in a diversified mix of Australian and international defensive assets (see below). The fund is actively managed in accordance with INGIM's investment processes.	The fund invests in an income focussed portfolio, seeking to add value consistently through interest rate and economic cycles, by investing across the full spectrum of domestic and global credit investments. The fund includes a core income portfolio supplemented by opportunistic allocations to high quality international fixed income securities (above a minimum credit rating by a recognised ratings agency), high yield and emerging market debt.	The fund's approach to delivering returns and managing risk is through an active and risk aware investment process which invests in a diversified core portfolio of liquid investment grade credit securities. Perpetual believes these assets provide investors with protection in times of market stress. When the environment is supportive Perpetual seeks to enhance returns by taking more risk whether that be in maturity, credit rating, subordination or gearing. The fund can also invest in alternative income generating securities such as mortgages, infrastructure debt and private debt. This approach to portfolio construction is Perpetual's preferred method to deliver investors the highest possible risk adjusted returns. Derivatives may be used in managing each asset class. ³																														
Investment guidelines	<table border="0"> <tr> <td>Cash and Australian fixed interest</td> <td>0-90%</td> </tr> <tr> <td>International fixed interest</td> <td>0-90%</td> </tr> <tr> <td>Australian and international high yield debt</td> <td>0-20%</td> </tr> </table>	Cash and Australian fixed interest	0-90%	International fixed interest	0-90%	Australian and international high yield debt	0-20%	<table border="0"> <tr> <td>Residential and commercial mortgage-backed securities, floating rate notes, asset-backed and fixed-rate corporate debt securities</td> <td>20-100%</td> </tr> <tr> <td>Hybrid securities</td> <td>0-50%</td> </tr> <tr> <td>Global investment-grade debt securities</td> <td>0-40%</td> </tr> <tr> <td>Global high-yield securities</td> <td>0-15%</td> </tr> <tr> <td>Emerging market debt securities</td> <td>0-10%</td> </tr> </table>	Residential and commercial mortgage-backed securities, floating rate notes, asset-backed and fixed-rate corporate debt securities	20-100%	Hybrid securities	0-50%	Global investment-grade debt securities	0-40%	Global high-yield securities	0-15%	Emerging market debt securities	0-10%	<table border="0"> <tr> <td>Investment grade securities</td> <td>0-100%</td> </tr> <tr> <td>Sub-investment grade and non-rated securities</td> <td>0-50%</td> </tr> <tr> <td>– Sub-investment grade rated securities</td> <td>0-25%</td> </tr> <tr> <td>– Hybrid securities</td> <td>0-50%</td> </tr> <tr> <td>– Mortgages⁴</td> <td>0-40%</td> </tr> <tr> <td>– Private debt</td> <td>0-25%*</td> </tr> <tr> <td>– Other income generating securities</td> <td>0-25%</td> </tr> </table> <p>*Maximum limit is 50% when the net asset value of the fund is less than \$100 million.</p>	Investment grade securities	0-100%	Sub-investment grade and non-rated securities	0-50%	– Sub-investment grade rated securities	0-25%	– Hybrid securities	0-50%	– Mortgages ⁴	0-40%	– Private debt	0-25%*	– Other income generating securities	0-25%
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– Hybrid securities	0-50%																																
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– Private debt	0-25%*																																
– Other income generating securities	0-25%																																

You should refer to page 28 for details of footnotes.

Funds profiles

	FIXED INCOME	FIXED INCOME	PROPERTY																				
	Schroder Fixed Income	Vanguard® Australian Fixed Interest Index	Barclays Property Securities Index																				
Investment manager	Schroder Investment Management Australia Limited	Vanguard Investments Australia Ltd	Barclays Global Investors Australia Limited																				
Management fee (pa)	1.40%	1.30%	1.50%																				
Suggested length of investment	Three years or longer	Three years or longer	Three to five years or longer																				
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December																				
Objective	Aims to obtain exposure to a diversified range of domestic and international fixed income securities with the principal aim of outperforming the UBS Composite Bond Index over the medium term.	Seeks to match the return (income and capital appreciation) of the UBS Australian Composite Bond Index before taking into account fund fees and expenses.	Aims to provide investors with the performance of the market, before fees, as measured by the S&P/ASX 300 Property Accumulation Index.																				
Investment approach	Schroder focuses on the following four key drivers of risk and return to deliver unique investment solutions that will achieve higher absolute returns at lower risk than traditional benchmark indices: <ul style="list-style-type: none"> – market return – active return (relative to the market) – active return (security selection) – portfolio management/ implementation. 	Vanguard employs 'optimisation techniques' to select a representative sample of bonds from the UBS Australian Composite Bond Index with the objective of matching the risk and return characteristics of this Index.	The fund employs a full replication strategy as well as low-risk enhancement techniques in order to replicate more closely the return of the Index.																				
Investment guidelines	<table border="0"> <tr> <td>Australian bonds</td> <td>20-100%</td> </tr> <tr> <td>Australian hybrids</td> <td>0-20%</td> </tr> <tr> <td>International bonds</td> <td>0-50%</td> </tr> <tr> <td>Asian bonds (ex Japan)</td> <td>0-15%</td> </tr> <tr> <td>Emerging market debt</td> <td>0-15%</td> </tr> <tr> <td>Absolute return strategies</td> <td>0-30%</td> </tr> <tr> <td>Cash</td> <td>0-50%</td> </tr> </table>	Australian bonds	20-100%	Australian hybrids	0-20%	International bonds	0-50%	Asian bonds (ex Japan)	0-15%	Emerging market debt	0-15%	Absolute return strategies	0-30%	Cash	0-50%	<table border="0"> <tr> <td>Australian fixed interest</td> <td>100%</td> </tr> </table>	Australian fixed interest	100%	<table border="0"> <tr> <td>Property securities</td> <td>0-100%</td> </tr> <tr> <td>Cash</td> <td>0-5%</td> </tr> </table>	Property securities	0-100%	Cash	0-5%
Australian bonds	20-100%																						
Australian hybrids	0-20%																						
International bonds	0-50%																						
Asian bonds (ex Japan)	0-15%																						
Emerging market debt	0-15%																						
Absolute return strategies	0-30%																						
Cash	0-50%																						
Australian fixed interest	100%																						
Property securities	0-100%																						
Cash	0-5%																						

You should refer to page 28 for details of footnotes.

Funds profiles

	PROPERTY	PROPERTY	PROPERTY
	BT Property Securities	Perpetual Property Income	Perpetual Property Securities
Investment manager	BT Investment Management Limited	Perpetual	Perpetual
Management fee (pa)	1.85%	1.95% ⁵	1.80%
Suggested length of investment	Five years or longer	Five years or longer	Five years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December
Objective	Aims to provide a return (before fees, costs and taxes) that exceeds the S&P/ASX 300 Property Accumulation Index over the medium-to-long term.	Aims to provide stable income and long-term capital growth by investing in both listed property related securities and unlisted property funds.	Aims to provide long-term capital growth and income by investing in listed property related securities.
Investment approach	The fund is actively managed and primarily invests in listed property-related investments including listed property trusts, developers and infrastructure investments, both directly and indirectly. The fund invests primarily in Australia but at times it may have some overseas exposure. Up to 15% of the fund can be invested in international listed property-related investments. Up to 5% of the fund will generally also be invested in unlisted property investments.	Perpetual focuses on selecting property investments that represent the best quality and value relative to other property investments in the market. Perpetual will seek to identify investments that demonstrate: <ul style="list-style-type: none"> – sound management – recurring earnings and distribution growth – quality portfolios – sound capital management. The fund may invest in listed property trusts, listed real estate management and development companies, unlisted direct property funds or other property related vehicles. The fund invests primarily in Australia but may have up to 20% exposure to Asian listed property related investments. Derivatives may be used in managing the fund. ⁶	Perpetual focuses on selecting listed property related securities that represent the best investment quality and value relative to other property securities in the market. Perpetual will seek to identify property securities that demonstrate: <ul style="list-style-type: none"> – sound management – recurring earnings and distribution growth – quality portfolios – sound capital management. The fund may invest in listed property trusts and listed real estate management and development companies. The fund invests primarily in Australia but may have up to 20% exposure to Asian listed property related investments. Derivatives may be used in managing the fund. ⁶
Investment guidelines	Property investments 80-100% Cash 0-20%	Unlisted property 20-80% Listed property 20-80% Other property 0-5% Cash 0-20% The fund's asset profile may vary outside the above ranges if the fund size is \$50 million or less.	Listed property 90-100% Cash 0-10%

You should refer to page 28 for details of footnotes.

Funds profiles

	PROPERTY	PROPERTY	INFRASTRUCTURE
	RREEF Global Property Securities	Vanguard® Australian Property Securities Index	Goldman Sachs JBWere Australian Infrastructure
Investment manager	Deutsche Asset Management (Australia) Limited	Vanguard Investments Australia Ltd	Goldman Sachs JBWere Managed Funds Limited
Management fee (pa)	2.10%	1.50%	2.05%
Suggested length of investment	Five years or longer	Five years or longer	Five years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Half-yearly – 30 June and 31 December
Objective	Aims to outperform the benchmark, the UBS Global Real Estate Investors Index (hedged to A\$), after fees, over rolling three-year periods.	Seeks to match the return (income and capital appreciation) of the S&P/ASX A-REIT Index before taking into account fund fees and expenses.	Aims to achieve a balance of income and medium-to-long term capital growth by investing primarily in Australian listed infrastructure and utilities securities.
Investment approach	The fund invests in property securities listed on recognised stock exchanges around the world (including Australia). The fund may also invest in Initial Public Offering securities, provided these securities are expected to be listed within three months.	Vanguard employs 'optimised replication techniques' to select securities. That is, holding all securities in the Index (at most times) but allowing individual security weightings to vary marginally from the index from time to time – to form the fund's portfolio.	The fund invests in infrastructure and utilities securities, the majority of which are listed on the Australian Securities Exchange. A minimum of 80% is invested in Australian listed infrastructure and utilities securities at all times with a strong focus on companies with regulated assets or long-term contracts/concessions.
Investment guidelines	Global property securities (including property trusts and property related companies) 90-100% Cash 0-10%	Australian property securities 100%	Infrastructure securities ⁷ 80-100% Cash 0-20%

You should refer to page 28 for details of footnotes.

Funds profiles

	AUSTRALIAN SHARES	AUSTRALIAN SHARES	AUSTRALIAN SHARES
	Advance Imputation	AMP Capital Sustainable Share	Ausbil Australian Active Equity
Investment manager	Advance Asset Management Limited	AMP Capital Investors Limited (AMP Capital)	Ausbil Dexia Limited
Management fee (pa)	1.95%	1.95%	1.95%
Suggested length of investment	Five years or longer	Five to seven years or longer	Five years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December
Objective	Aims to provide a tax-effective income stream and long-term capital growth from a wide range of shares listed, or expected to be listed, on the Australian Securities Exchange. The fund aims to provide investors with a total investment return (before fees and taxes) that outperforms the S&P/ASX 200 Accumulation Index over periods of five years or longer.	Aims to achieve a total return (capital growth and income), after costs and before tax, above the fund's performance benchmark (S&P/ASX 200 Accumulation Index) on a rolling three-year basis.	Aims to outperform the S&P/ASX 300 Accumulation Index over the medium-to-long term with moderate tax-effective income by investing in a portfolio of listed Australian equities that are generally chosen from the S&P/ASX 300 Index.
Investment approach	Individual companies are analysed (including prospective earnings, cash flow, gross dividend yield) to identify stocks that offer relatively good long-term value as measured by a number of financial indicators. Holdings may be reduced or sold once perceived to be over-valued on these criteria.	AMP Capital's Sustainable Alpha investment process is an active, bottom up approach that systematically integrates environmental, social and governance factors with financial measures to gain deeper insights into a company's growth and risk elements (see 'Environmental, social and ethical factors and labour standards – AMP Capital Sustainable Share Fund' on page 29). Derivatives may be used in the fund to reduce risk, or to gain exposure to physical investments where this is consistent with the fund's objectives.	Ausbil employs a four-stage process to provide the framework for portfolio construction consistent with its active management investment philosophy, as follows: <ul style="list-style-type: none"> – macro analysis – sectoral analysis – stock selection – portfolio construction.
Investment guidelines	Australian shares 85-95% Cash 5-15%	Shares listed on the Australian Securities Exchange ⁹ 90-100% Cash and fixed interest securities ⁹ 0-10%	Australian shares 90-100% Cash 0-10%

You should refer to page 28 for details of footnotes.

Funds profiles

	AUSTRALIAN SHARES	AUSTRALIAN SHARES	AUSTRALIAN SHARES
	Ausbil Australian Emerging Leaders	Barclays Australian Share	BT Australian Share
Investment manager	Ausbil Dexia Limited	Barclays Global Investors Australia Limited	BT Investment Management Limited
Management fee (pa)	2.10% (plus performance fee ⁹)	1.95%	1.95%
Suggested length of investment	Five years or longer	Three to five years or longer	Five years or longer
Distribution frequency and dates	Half-yearly – 30 June and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December
Objective	Aims to outperform the benchmark (70% S&P/ASX Mid-cap 50 Accumulation Index and 30% S&P/ASX Small Ordinaries Accumulation Index) over the medium-to-long term. The fund invests in a portfolio of listed Australian equities that are primarily chosen from the S&P/ASX 300 Index, but generally exclude securities from the S&P/ASX 50 Leaders Index. The fund invests in both small and medium sized stocks which possess potential for superior growth.	Aims to achieve a return above the S&P/ASX 300 Accumulation Index over rolling three-year periods.	Aims to provide a return (before fees, costs and taxes) that exceeds the S&P/ASX 300 Accumulation Index over the medium-to-long term.
Investment approach	Ausbil employs a four-stage process to provide the framework for portfolio construction consistent with its active management investment philosophy, as follows: <ul style="list-style-type: none"> – macro analysis – sectoral analysis – stock selection – portfolio construction. 	Barclays applies an active Australian equity strategy that is designed to be highly diversified, providing broad exposure to the Australian share market.	The fund is actively managed and invests primarily in Australian shares that the investment manager believes are trading at a significant discount to their assessed value.
Investment guidelines	Australian small-to mid-cap company shares 90-100% Cash 0-10%	Australian shares 0-100% Cash 0-5%	Australian shares 80-100% Cash 0-20%

You should refer to page 28 for details of footnotes.

Funds profiles

	AUSTRALIAN SHARES		AUSTRALIAN SHARES		AUSTRALIAN SHARES	
	Challenger Australian Share		Fidelity Australian Equities		Fortis Investments Australian Equity	
Investment manager	Challenger Managed Investments Limited		FIL Limited		Fortis Investment Management Australia Limited	
Management fee (pa)	1.95%		1.95%		1.95%	
Suggested length of investment	Five years or longer		Five years or longer		Five years or longer	
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December		Quarterly – 31 March, 30 June, 30 September and 31 December		Yearly – 30 June	
Objective	Aims to outperform its benchmark, the S&P/ASX 300 Accumulation Index, over rolling three-year periods.		Aims to achieve returns in excess of the S&P/ASX 200 Accumulation Index over five years.		Aims to provide investors with capital growth over the medium term (five years) through investments in shares listed on the Australian Securities Exchange.	
Investment approach	<p>Challenger employs an active 'style-neutral' approach, using fundamental research to identify companies that it believes have been mispriced or overlooked by the market.</p> <p>As a 'style neutral' manager, Challenger invests in companies that exhibit both value and growth characteristics. This approach moderates the cyclical swings from growth and value investing and aims to outperform over the full business cycle.</p>		<p>The fund invests in the securities of companies listed in Australia and may also invest in companies located elsewhere that derive a significant proportion of their earnings from Australia ('Australian securities').</p>		<p>The Fortis Investments approach to investing is based on the understanding that long-term equity outperformance is driven by above average sustainable earnings growth. The Fortis Investments strategy revolves around identifying companies that have strong or leading positions in structurally attractive, growing industries. Once Fortis Investments has undertaken this assessment, valuations are examined to ensure that however attractive a particular investment may appear, the risk of overpaying is minimised.</p>	
Investment guidelines	Securities	80-100%	Australian securities	90-100%	Australian shares	95-100%
	Cash	0-20%	Cash	0-10%	Cash	0-5%

You should refer to page 28 for details of footnotes.

Funds profiles

	AUSTRALIAN SHARES	AUSTRALIAN SHARES	AUSTRALIAN SHARES
	Intech Australian Shares Active	Investors Mutual Australian Share	Investors Mutual Future Leaders
Investment manager	Intech Fiduciaries Limited	Investors Mutual Limited	Investors Mutual Limited
Management fee (pa)	1.95%	2.15%	2.15% (plus performance fee ¹⁾)
Suggested length of investment	Five years or longer	Five years or longer	Five years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December
Objective	Aims to out-perform relative to the benchmark, the S&P/ASX 300 Accumulation Index, over rolling five-year periods. ¹⁰	Aims to provide capital growth and some income by investing in quality Australian industrial and resource shares identified by Investors Mutual as being undervalued.	Aims to provide capital growth and some income by investing in quality Australian small to medium sized company securities identified by the Investors Mutual process as being undervalued.
Investment approach	Intech selects specialist and complementary active managers with varying investment styles that are expected to deliver investment returns in excess of their performance benchmarks.	Investors Mutual uses an active bottom-up approach (that is, where research focuses on the returns for individual companies) to identifying and valuing quality companies.	Investors Mutual uses an active bottom-up approach (that is, where research focuses on the returns for individual companies) to identifying and valuing quality companies.
Investment guidelines	Australian shares 100%	Australian shares 90-100% Enhanced cash 0-10%	Australian mid and smaller company shares 80-100% Enhanced cash 0-20%

You should refer to page 28 for details of footnotes.

Funds profiles

	AUSTRALIAN SHARES		AUSTRALIAN SHARES		AUSTRALIAN SHARES	
	Perennial Value Shares		Perpetual Australian Share		Perpetual Concentrated Equity	
Investment manager	Perennial Value Management Limited		Perpetual		Perpetual	
Management fee (pa)	1.95%		1.95%		1.95%	
Suggested length of investment	Five years or longer		Five years or longer		Five years or longer	
Distribution frequency and dates	Half-yearly – 30 June and 31 December		Half-yearly – 30 June and 31 December		Half-yearly – 30 June and 31 December	
Objective	Aims to invest in a diversified portfolio of Australian shares, to provide a return (after fees) that outperforms the S&P/ASX 300 Accumulation Index, measured on a rolling three-year basis.		Aims to provide long-term capital growth and income through investment in quality industrial and resource shares and other securities.		Aims to provide long-term capital growth and income through investment in quality industrial and resource shares and other securities.	
Investment approach	Perennial Value seeks to invest in companies that have sustainable operations and a share price that represents good value.		Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria: <ul style="list-style-type: none"> – conservative debt levels – sound management – quality business and – in the case of industrial shares, recurring earnings. Derivatives may be used in managing the fund. ⁶		Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria: <ul style="list-style-type: none"> – conservative debt levels – sound management – quality business and – in the case of industrial shares, recurring earnings. The fund's investment portfolio will typically consist of between 20 and 45 stocks. Derivatives may be used in managing the fund. ⁶	
Investment guidelines	Australian shares	90-100%	Australian shares ¹²	90-100%	Australian shares ¹²	90-100%
	Cash	0-10%	Cash	0-10%	Cash	0-10%

You should refer to page 28 for details of footnotes.

Funds profiles

	AUSTRALIAN SHARES	AUSTRALIAN SHARES	AUSTRALIAN SHARES
	Perpetual Ethical SRI	Perpetual Geared Australian	Perpetual Industrial Share
Investment manager	Perpetual	Perpetual	Perpetual
Management fee (pa)	2.25%	1.95% (g) / 3.12% (n) ¹³	1.95% for Class A units ¹⁵
Suggested length of investment	Five years or longer	Seven years or longer	Five years or longer
Distribution frequency and dates	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December
Objective	Aims to provide long-term capital growth and income through investment in quality shares and other securities of socially responsible companies.	Aims to enhance long-term capital growth through borrowing (gearing) to invest in quality industrial and resource shares and other securities.	Aims to provide long-term capital growth and income through investment in quality Australian industrial shares and other securities.
Investment approach	<p>Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria:</p> <ul style="list-style-type: none"> – conservative debt levels – sound management – quality business and – in the case of industrial shares, recurring earnings. <p>In addition to the above investment approach, Perpetual utilises a strategy for screening ethical and socially responsible investments (see 'Environmental, social and ethical factors and labour standards – Perpetual Ethical SRI Fund' on page 30). Derivatives may be used in managing the fund.⁶</p>	<p>Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria:</p> <ul style="list-style-type: none"> – conservative debt levels – sound management – quality business and – in the case of industrial shares, recurring earnings. <p>Perpetual aims to ensure that the gearing level is maximised, subject to the cost of borrowing being adequately covered by net income. In addition, the gearing level must be kept within strict pre-determined limits. Derivatives may be used in managing the fund, including for gearing purposes.⁶</p>	<p>Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria:</p> <ul style="list-style-type: none"> – conservative debt levels – sound management – quality business and – recurring earnings. <p>Derivatives may be used in managing the fund.⁶</p>
Investment guidelines	<p>Australian shares¹² 90-100%</p> <p>Cash 0-10%</p>	<p>Australian shares¹² 90-100%</p> <p>Cash 0-10%</p> <p>Gearing level¹⁴ 0-60%</p>	<p>Australian shares 90-100%</p> <p>Cash 0-10%</p>

You should refer to page 28 for details of footnotes.

Funds profiles

	AUSTRALIAN SHARES		AUSTRALIAN SHARES		AUSTRALIAN SHARES	
	Perpetual SHARE-PLUS Long-Short		Perpetual Smaller Companies		Quantitative Investments Alpha Core	
Investment manager	Perpetual		Perpetual		Perpetual (Quantitative Investments)	
Management fee (pa)	1.95% (plus performance fee ¹⁶)		1.95%		1.75%	
Suggested length of investment	Five years or longer		Five years or longer		Five years or longer	
Distribution frequency and dates	Half-yearly – 30 June and 31 December		Half-yearly – 30 June and 31 December		Half-yearly – 30 June and 31 December	
Objective	Aims to provide long-term capital growth and income through investment in quality industrial and resource shares and taking short positions in selected Australian shares.		Aims to provide long-term capital growth and income through investment in quality Australian industrial and resource shares and other securities which, when first acquired, do not rank in the S&P/ASX 50 Index.		Aims to provide long-term capital growth with controlled risk through exposure to Australian industrial and resource shares.	
Investment approach	<p>Perpetual invests in a portfolio of companies using the same approach as Perpetual Australian Share Fund.</p> <p>In addition, Perpetual aims to take short positions in Australian shares that it believes will fall in value. The process for determining short positions involves evaluating the stocks in which Perpetual Australian Share Fund is not currently invested.</p> <p>Derivatives may be used in managing the fund, including to create a short position to a stock.⁶</p>		<p>Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria:</p> <ul style="list-style-type: none"> – conservative debt levels – sound management – quality business and – in the case of industrial shares, recurring earnings. <p>Derivatives may be used in managing the fund.⁶</p>		<p>Quantitative Investments employs a systematic and disciplined investment framework for investing in listed Australian equities. A quantitative model is utilised to identify securities that are undervalued and exhibit improving market sentiment and earnings outlook. Strict risk controls are utilised to ensure that potential returns are commensurate with the risk taken. Discipline is employed to remove the emotional aspects of investing and trading in order to deliver better risk-controlled returns.</p> <p>Derivatives may be used in managing the fund.⁶</p>	
Investment guidelines	Australian shares ¹²	90-125%	Australian smaller company shares	80-100%	Australian shares	90-100%
	Short positions in Australian shares ¹⁷	0-25%	Cash	0-20%	Cash	0-10%
	Australian shares (net) ¹⁸	65-100%				
	Cash	0-35%				

You should refer to page 28 for details of footnotes.

Funds profiles

	AUSTRALIAN SHARES	AUSTRALIAN SHARES	INTERNATIONAL SHARES
	Schroder Australian Equity	Solaris Core Australian Equity	Aberdeen Actively Hedged International Equities
Investment manager	Schroder Investment Management Australia Limited	Solaris Investment Management Limited	Aberdeen Investment Management Australia Limited
Management fee (pa)	1.95%	1.95%	2.15%
Suggested length of investment	Three to five years or longer	Five years or longer	Five years or longer
Distribution frequency and dates	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December	Yearly – 30 June
Objective	Aims to outperform the S&P/ASX 200 Accumulation Index over the medium-to-long term.	Aims to outperform the benchmark S&P/ASX200 Accumulation Index by 3.0% pa over rolling three-year periods.	Aims to provide investors with high capital growth over the medium to long term by seeking exposure to companies listed on securities exchanges around the world.
Investment approach	Schroders is an active manager of Australian equities that seeks to invest primarily in growth stocks. Schroders define growth companies as those that grow or are likely to grow shareholder value in the longer term.	The fund will hold between 40 and 70 securities with a tracking error (a measure of how a portfolio's returns deviate from the index's returns) target of 2.0-4.0% pa. The fund can invest in listed Australian securities, as well as in securities expected to be listed on an Australian exchange.	The fund invests primarily in a concentrated portfolio of global listed securities that have the potential for capital growth and increased earning potential. Currency hedging of the fund's assets may vary between 0-50%.
Investment guidelines	Australian and New Zealand equities 95-100% Cash 0-5%	Australian shares 95-100% Cash 0-5%	International shares 90-100% Cash 0-10%

You should refer to page 28 for details of footnotes.

Funds profiles

	INTERNATIONAL SHARES	INTERNATIONAL SHARES	INTERNATIONAL SHARES
	AXA Global Equity Value	Barclays International Share	BlackRock Global Small Cap
Investment manager	AXA Australia Investment Management Limited	Barclays Global Investors Australia Limited	BlackRock Investment Management (Australia) Limited
Management fee (pa)	2.15%	2.15%	2.20%
Suggested length of investment	Five years or longer	Three to five years or longer	Five years or longer
Distribution frequency and dates	Yearly – 30 June	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December
Objective	Aims to provide investors with long-term capital growth and to outperform the MSCI World Index (net Dividends Reinvested) in A\$, after costs and over rolling five-year periods.	Aims to achieve a return above the MSCI World ex-Australia Index (unhedged in A\$ with net Dividends Reinvested) (the 'Index') over rolling three-year periods.	The primary aim of the fund is to maximise capital growth through exposure to a globally diversified portfolio of shares of quality small and mid capitalisation companies listed on international stock exchanges.
Investment approach	AXA Australia utilises Bernstein Value Equities (Bernstein), a unit of AllianceBernstein Australia Limited, as the manager of the underlying fund. Bernstein is responsible for market research, stock selection and the buying and selling of the fund's investments.	Barclays uses a combination of stock selection, country and currency allocation strategies.	The fund's investment universe is all emerging stocks that fall within the market capitalisation range of the benchmark S&P Citigroup EMI Global Index. The average market capitalisation of the portfolio is typically between US\$300 million to US\$10 billion. While investment is generally in the bottom 20% of market by capitalisation, there is flexibility in the investment approach to invest in small and mid size companies.
Investment guidelines	International shares 95-100% Cash 0-5%	International shares 0-100% Cash 0-5%	Listed international shares 85-100% Cash and liquid assets 0-15%

You should refer to page 28 for details of footnotes.

Funds profiles

	INTERNATIONAL SHARES	INTERNATIONAL SHARES	INTERNATIONAL SHARES
	BT International Share	DWS Global Equity Thematic	GMO Global Equity
Investment manager	BT Investment Management Limited	Deutsche Asset Management (Australia) Limited	GMO Australia Limited
Management fee (pa)	2.15%	2.15%	2.15%
Suggested length of investment	Five years or longer	Five years or longer	Five years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Half-yearly – 30 June and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December
Objective	Aims to provide a return (before fees, costs and taxes) that exceeds the MSCI World ex Australia (Standard) Index (Net Dividends) in AUD over the medium-to-long term.	Aims to outperform the MSCI World ex-Australia Index (\$A), after fees, over rolling three-year periods by investing in securities listed on a range of sharemarkets.	Aims to outperform the MSCI World Index (ex-Australia) with net dividends reinvested by 2.5-3% pa over a full market cycle, before fees and expenses.
Investment approach	The fund is actively managed and seeks what the investment manager perceives to be the best investment opportunities within a broad portfolio of international investments. Whilst the fund can invest in any international sharemarket that offers attractive opportunities, most investments will be located in the United States, Europe and Japan.	The fund invests in around 90 to 130 global listed securities, with some exposure to cash investments. Investment in emerging markets is allowed but will generally not exceed 30% of the fund.	Quantitative investment techniques are used to identify attractive stocks on the basis that they are 'good value' (value models) and stocks that are favoured by the market (momentum models).
Investment guidelines	International shares 80-100% Cash 0-20%	Global listed securities 95-100% Cash 0-5%	International shares 95-100% Cash 0-5%

You should refer to page 28 for details of footnotes.

Funds profiles

	INTERNATIONAL SHARES	INTERNATIONAL SHARES	INTERNATIONAL SHARES
	Intech International Shares Active (Unhedged)	Perpetual International Share	Platinum Asia
Investment manager	Intech Fiduciaries Limited	Perpetual	Platinum Investment Management Limited
Management fee (pa)	2.15%	2.15% ¹⁹	2.75%
Suggested length of investment	Five years or longer	Five years or longer	Five years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Yearly – 30 June	Yearly – 30 June
Objective	Aims to outperform relative to the benchmark, the MSCI World ex-Australia Index Unhedged (net Dividends Reinvested), over rolling five-year periods. ¹⁰	Aims to provide long-term capital growth through investment in international shares and other securities.	Aims to provide capital growth over the long term through searching out undervalued listed (and unlisted) investments in the Asian region.
Investment approach	Intech selects specialist and complementary active managers with varying investment styles that are expected to deliver investment returns in excess of their performance benchmarks.	Perpetual adopts a fundamental, bottom-up approach to stock selection focusing on quality companies (strong balance sheets, earnings visibility and competitive position) with attractive valuations within a global framework. Currency exposure may be hedged (using derivatives) up to 30% of the value of the fund. Derivatives may be used in managing the fund. ⁶	The fund primarily invests in Asian companies' listed securities. The portfolio will ideally consist of 50 to 100 securities that Platinum believes to be undervalued by the market. Cash may be held when undervalued securities cannot be found. Platinum may short sell securities that it considers overvalued. The fund's portfolio will typically have 50% or more net equity exposure. Currency exposures are actively managed.
Investment guidelines	International shares 100%	International shares 90-100% Cash 0-10%	International shares ²⁰ 0-100% Cash 0-100%

You should refer to page 28 for details of footnotes.

Funds profiles

	INTERNATIONAL SHARES	INTERNATIONAL SHARES	INTERNATIONAL SHARES
	Platinum International	Templeton Global Equity	T. Rowe Price Global Equity
Investment manager	Platinum Investment Management Limited	Franklin Templeton Investments Australia Limited	T. Rowe Price Global Investment Services Limited
Management fee (pa)	2.75%	2.15%	2.15%
Suggested length of investment	Five years or longer	Five years or longer	Five to seven years or longer
Distribution frequency and dates	Yearly – 30 June	Quarterly – 31 March, 30 June, 30 September and 31 December	Yearly – 30 June
Objective	Aims to provide capital growth over the long term through searching out undervalued listed (and unlisted) investments around the world.	Aims to outperform the MSCI All Country World Free (ex-Australia) Index, in Australian dollar terms, over the medium-to-long term after fees and taxes.	Aims to provide long-term capital appreciation by investing primarily in a portfolio of securities of companies which are listed, or due to be listed, on recognised exchanges and/or markets throughout the world. The portfolio may include investments in the securities of companies traded, listed or due to be listed, on recognised exchanges and/or markets, of developing countries.
Investment approach	The fund will ideally consist of 100 to 200 securities that Platinum believes to be undervalued by the market. Cash may be held when undervalued securities cannot be found. Platinum may short sell securities that it considers overvalued. The portfolio will typically have 50% or more net equity exposure. Currency exposures are actively managed.	The fund invests in equity securities that are considered undervalued by the investment manager based on fundamental company analysis using a global industry focus and a long-term investment horizon.	The fund aims to invest in a portfolio of approximately 50-120 securities and may invest in securities listed on the stock markets of countries which the investment manager considers to be developing countries. The fund's foreign currency exposure is currently unhedged.
Investment guidelines	International shares ²¹ 0-100% Cash 0-100%	International securities 90-100% Cash 0-10%	International securities 90-100% Cash 0-10%

You should refer to page 28 for details of footnotes.

Funds profiles

	INTERNATIONAL SHARES	DIVERSIFIED – CONSERVATIVE	DIVERSIFIED – CONSERVATIVE
	Vanguard® International Shares Index (Hedged)	Barclays Diversified Stable	Intech Conservative Growth
Investment manager	Vanguard Investments Australia Ltd	Barclays Global Investors Australia Limited	Intech Fiduciaries Limited
Management fee (pa)	1.70%	1.75%	1.75% ²³
Suggested length of investment	Five years or longer	Three years or longer	Three years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December
Objective	Aims to match the return (income and capital appreciation) of the MSCI World ex Australia Index (with net Dividends Reinvested), hedged to A\$ before taking into account fund fees and expenses.	Aims to achieve superior investment performance through providing returns that exceed those of the neutral portfolio benchmark over rolling three-year periods.	Aims to earn a rate of return that exceeds CPI increases by at least 1% pa over rolling three-year periods. ¹⁰
Investment approach	The fund gains its exposure to shares in the index by investing in the Vanguard® International Shares Index Fund. The fund uses forward foreign exchange contracts to hedge its international currency exposures. The Vanguard® International Shares Index Fund will hold most of the shares in the index allowing for individual share weightings to vary marginally from the index from time to time. The Vanguard® International Shares Index Fund may invest in securities that have been or are expected to be included in the index.	Barclays invests in various asset classes primarily via actively managed sector funds. Each sector fund utilises a disciplined active approach to investment management that aims to add value while controlling active risk.	Intech selects specialist and complementary investment managers that are capable of generating portfolio returns in excess of their performance benchmarks.
Investment guidelines	International shares 100%	Australian shares 10-20% International shares 5-15% Listed property 0-10% Australian fixed interest 25-40% International fixed interest 2-15% Global listed infrastructure (unhedged) 0-3% Global listed infrastructure (hedged) 0-10% Commodities 0-5% Global inflation-linked bonds ²² 0-10% Cash 20-30%	Australian shares 0-27% International shares (unhedged) 0-20% International shares (hedged) 0-15% Australian property securities 0-14% International property securities 0-14% Australian bonds 0-27% International bonds (hedged) 0-32% Global inflation-linked securities 0-16% Alternative investment strategies 0-25% Cash 12-38%

You should refer to page 28 for details of footnotes.

Funds profiles

	DIVERSIFIED – CONSERVATIVE	DIVERSIFIED – CONSERVATIVE	DIVERSIFIED – BALANCED																																		
	Perpetual Conservative Growth	UBS Defensive Investment	Colonial First State Balanced																																		
Investment manager	Perpetual	UBS Global Asset Management (Australia) Ltd	Colonial First State Investments Limited																																		
Management fee (pa)	1.75%	1.75%	1.95%																																		
Suggested length of investment	Three years or longer	Three years or longer	Four years or longer																																		
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December																																		
Objective	Aims to provide moderate growth over the medium term and income through investment in a diversified portfolio with an emphasis on cash and fixed income securities.	The fund is managed against a long-term performance objective of delivering CPI plus 4.5-6.5% pa on average over a full investment cycle of 3-5 years.	Aims to provide a balance of income and capital growth from investments in cash, fixed interest, property and shares over the medium term.																																		
Investment approach	Perpetual invests in a diverse mix of assets (such as Australian shares, international shares, fixed income, property, enhanced cash and other investments) ²⁴ . Tactical asset allocation strategies (using derivatives) may be applied to shares, fixed income and cash (the fund may adjust its exposure to these asset classes on a regular basis). Perpetual may outsource the investment management of one or more asset classes in whole or in part to external managers. Currency hedges may be used from time to time. Derivatives may be used in managing each asset class. ^{3, 6}	UBS normally gains its asset sector exposure by investing in other relevant UBS managed funds. The fund may also invest directly. ³ The long-term average (or neutral) exposure to traditional growth and income assets is expected to be 30% and 60% respectively of the total portfolio. The remaining 10% is expected to be allocated to various multi-manager alternative asset strategies which are likely to be a combination of both income and growth.	The broad asset allocation is to be 50% invested in growth assets (shares and property) and 50% in defensive assets (fixed interest and cash). Allocations are reviewed regularly although changes are infrequent, and a reallocation would only be considered in response to a fundamental change in long-term expectations or market demand. Colonial First State seeks to add value through a disciplined approach to the selection of shares and the other assets held by the fund. For risk management purposes the fund may hedge some of its currency exposure.																																		
Investment guidelines	<table border="0"> <tr> <td>Australian shares²⁵</td> <td>0-25%</td> </tr> <tr> <td>International shares²⁶</td> <td>0-20%</td> </tr> <tr> <td>Property</td> <td>0-10%</td> </tr> <tr> <td>Fixed income</td> <td>25-55%</td> </tr> <tr> <td>Enhanced cash²⁷</td> <td>15-45%</td> </tr> <tr> <td>Other investments²⁴</td> <td>0-30%</td> </tr> </table>	Australian shares ²⁵	0-25%	International shares ²⁶	0-20%	Property	0-10%	Fixed income	25-55%	Enhanced cash ²⁷	15-45%	Other investments ²⁴	0-30%	<table border="0"> <tr> <td>Australian shares</td> <td>0-40%</td> </tr> <tr> <td>International shares</td> <td>0-40%</td> </tr> <tr> <td>Property securities/real estate investment trusts</td> <td>0-20%</td> </tr> <tr> <td>Bonds</td> <td>0-80%</td> </tr> <tr> <td>Alternative strategies</td> <td>0-40%*</td> </tr> <tr> <td>Foreign currency exposure</td> <td>0-65%</td> </tr> <tr> <td>Cash</td> <td>0-50%</td> </tr> </table> <p>*May exceed the upper limit of this range for extended periods due to market movements or significant cash flows.</p>	Australian shares	0-40%	International shares	0-40%	Property securities/real estate investment trusts	0-20%	Bonds	0-80%	Alternative strategies	0-40%*	Foreign currency exposure	0-65%	Cash	0-50%	<table border="0"> <tr> <td>Australian fixed interest and cash</td> <td>42-58%</td> </tr> <tr> <td>Australian shares</td> <td>22-28%</td> </tr> <tr> <td>International shares</td> <td>17-23%</td> </tr> <tr> <td>Property securities</td> <td>3-7%</td> </tr> </table>	Australian fixed interest and cash	42-58%	Australian shares	22-28%	International shares	17-23%	Property securities	3-7%
Australian shares ²⁵	0-25%																																				
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You should refer to page 28 for details of footnotes.

Funds profiles

	DIVERSIFIED – BALANCED		DIVERSIFIED – BALANCED		DIVERSIFIED – GROWTH	
	Intech Balanced Growth		Perpetual Diversified Growth		Barclays Diversified Growth	
Investment manager	Intech Fiduciaries Limited		Perpetual		Barclays Global Investors Australia Limited	
Management fee (pa)	1.85% ²³		1.85%		1.95%	
Suggested length of investment	Five years or longer		Three years or longer		Three to five years or longer	
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December		Quarterly – 31 March, 30 June, 30 September and 31 December		Quarterly – 31 March, 30 June, 30 September and 31 December	
Objective	Aims to earn a rate of return that exceeds CPI increases by at least 2.5% pa over rolling five-year periods. ¹⁰		Aims to provide long-term capital growth and regular income through investment in a diversified portfolio of growth and income assets.		Aims to achieve superior investment performance through providing returns that exceed those of the neutral portfolio benchmark over rolling three-year periods.	
Investment approach	Intech selects specialist and complementary investment managers that are capable of generating portfolio returns in excess of their performance benchmarks. The portfolio is invested across shares, property securities, fixed interest securities and alternative strategies.		Perpetual invests in a diverse mix of assets (such as Australian shares, international shares, fixed income, property, enhanced cash and other investments) ²⁴ . Tactical asset allocation strategies (using derivatives) may be applied to shares, fixed income and cash (the fund may adjust its exposure to these asset classes on a regular basis). Perpetual may outsource the investment management of one or more asset classes in whole or in part to external managers. Currency hedges may be used from time to time. Derivatives may be used in managing each asset class. ^{3, 6}		Barclays invests in various asset classes primarily via actively managed sector funds. Each sector fund utilises a disciplined active approach to investment management that aims to add value while controlling active risk.	
Investment guidelines	Australian shares	10-36%	Australian shares ²⁵	10-35%	Australian shares	25-45%
	International shares (unhedged)	0-22%	International shares ²⁶	10-30%	International shares	20-40%
	International shares (hedged)	0-17%	Property	0-15%	Listed property	0-15%
	Australian property securities	0-15%	Fixed income	15-45%	Australian fixed interest	10-30%
	International property securities	0-14%	Enhanced cash ²⁷	0-30%	International fixed interest	0-10%
	Australian bonds	0-25%	Other investments ²⁴	0-30%	Global listed infrastructure	0-10%
	International bonds (hedged)	0-28%			Commodities	0-5%
	Global inflation-linked securities	0-16%			Global inflation-linked bonds ²²	0-5%
	Alternative investment strategies	0-25%			Cash	0-15%
	Cash	0-23%				

You should refer to page 28 for details of footnotes.

Funds profiles

	DIVERSIFIED – GROWTH	DIVERSIFIED – GROWTH	DIVERSIFIED – GROWTH																																								
	BlackRock Balanced	ING Managed Growth	ING Tax Effective Income																																								
Investment manager	BlackRock Investment Management (Australia) Limited	ING Investment Management Limited	ING Investment Management Limited																																								
Management fee (pa)	1.85%	1.95%	2.00%																																								
Suggested length of investment	Five years or longer	Five years or longer	Five years or longer																																								
Distribution frequency and dates	Half-yearly – 30 June and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December																																								
Objective	Aims to provide investors with the highest possible returns consistent with a 'balanced' investment strategy.	Aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 5% pa, over periods of five years or more.	Aims to provide income and achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 5% pa over periods of five years or more.																																								
Investment approach	The fund currently invests in the BlackRock Wholesale Balanced Fund, which invests in: <ul style="list-style-type: none"> – physical instruments – derivatives and – structured instruments. 	The fund invests in a diversified mix of Australian and international assets with a bias towards growth assets. The fund is actively managed in accordance with INGIM's investment process.	The fund invests in a diversified mix of Australian assets with a bias towards income producing growth assets. The fund is actively managed in accordance with INGIM's investment process.																																								
Investment guidelines	<table border="0"> <tr> <td>Australian shares</td> <td>38%</td> </tr> <tr> <td>International shares</td> <td>26%</td> </tr> <tr> <td>Property</td> <td>6%</td> </tr> <tr> <td>Australian fixed income</td> <td>15%</td> </tr> <tr> <td>International fixed income</td> <td>10%</td> </tr> <tr> <td>Cash</td> <td>5%</td> </tr> <tr> <td>(Foreign currency</td> <td>20%)</td> </tr> </table>	Australian shares	38%	International shares	26%	Property	6%	Australian fixed income	15%	International fixed income	10%	Cash	5%	(Foreign currency	20%)	<table border="0"> <tr> <td>Australian shares</td> <td>20-50%</td> </tr> <tr> <td>International shares</td> <td>10-40%</td> </tr> <tr> <td>Property securities</td> <td>2-18%</td> </tr> <tr> <td>Global property securities</td> <td>0-10%</td> </tr> <tr> <td>Alternative assets (growth)</td> <td>0-5%</td> </tr> <tr> <td>Alternative assets (defensive)</td> <td>0-10%</td> </tr> <tr> <td>Diversified fixed interest</td> <td>0-30%</td> </tr> <tr> <td>International fixed interest</td> <td>0-20%</td> </tr> <tr> <td>Cash</td> <td>0-30%</td> </tr> </table>	Australian shares	20-50%	International shares	10-40%	Property securities	2-18%	Global property securities	0-10%	Alternative assets (growth)	0-5%	Alternative assets (defensive)	0-10%	Diversified fixed interest	0-30%	International fixed interest	0-20%	Cash	0-30%	<table border="0"> <tr> <td>Australian shares</td> <td>30-50%</td> </tr> <tr> <td>Property securities</td> <td>20-40%</td> </tr> <tr> <td>Australian fixed interest</td> <td>0-40%</td> </tr> <tr> <td>Cash</td> <td>0-25%</td> </tr> </table>	Australian shares	30-50%	Property securities	20-40%	Australian fixed interest	0-40%	Cash	0-25%
Australian shares	38%																																										
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Property securities	2-18%																																										
Global property securities	0-10%																																										
Alternative assets (growth)	0-5%																																										
Alternative assets (defensive)	0-10%																																										
Diversified fixed interest	0-30%																																										
International fixed interest	0-20%																																										
Cash	0-30%																																										
Australian shares	30-50%																																										
Property securities	20-40%																																										
Australian fixed interest	0-40%																																										
Cash	0-25%																																										

You should refer to page 28 for details of footnotes.

Funds profiles

	DIVERSIFIED – GROWTH		DIVERSIFIED – GROWTH		DIVERSIFIED – GROWTH	
	Intech Growth		Perpetual Balanced Growth		Perpetual Split Growth	
Investment manager	Intech Fiduciaries Limited		Perpetual		Perpetual	
Management fee (pa)	1.95% ²³		1.95%		2.10%	
Suggested length of investment	Seven years or longer		Five years or longer		Five years or longer	
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December		Quarterly – 31 March, 30 June, 30 September and 31 December		Yearly – 30 June	
Objective	Aims to earn a rate of return that exceeds CPI increases by at least 3.5% pa over rolling seven-year periods. ¹⁰		Aims to provide long-term capital growth and income through investment in a diversified portfolio with an emphasis on Australian and international share investments.		Aims to provide long-term capital growth through investment in a mix of international shares and in quality Australian industrial shares and other securities with lower risk than 100% exposure to either asset class.	
Investment approach	Intech selects specialist and complementary investment managers that are capable of generating portfolio returns in excess of their performance benchmarks. The portfolio is invested across shares, property securities, fixed interest securities and alternative strategies.		Perpetual invests in a diverse mix of assets (such as Australian shares, international shares, fixed income, property, enhanced cash and other investments) ²⁴ . Tactical asset allocation strategies (using derivatives) may be applied to shares, fixed income and cash (the fund may adjust its exposure to these asset classes on a regular basis). Perpetual may outsource the investment management of one or more asset classes in whole or in part to external managers. Currency hedges may be used from time to time. Derivatives may be used in managing each asset class. ^{3, 6}		Perpetual invests in a mix of Australian and international shares. Perpetual adopts a fundamental, bottom-up approach to stock selection focusing on quality companies (strong balance sheets, earnings visibility and competitive position) with attractive valuations within a global framework. Currency hedges may be used from time to time. Perpetual's priority is to select companies that it determines represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria: – conservative debt levels – sound management – quality business and – in the case of industrial shares, recurring earnings.	
Investment guidelines	Australian shares	21-46%	Australian shares ²⁵	10-50%	International shares and Australian industrial shares	90-100%
	International shares (unhedged)	0-26%	International shares ²⁶	10-50%	Cash	0-10%
	International shares (hedged)	0-20%	Property	0-15%		
	Australian property securities	0-17%	Fixed income	5-35%		
	International property securities	0-14%	Enhanced cash ²⁷	0-30%		
	Australian bonds	0-18%	Other investments ²⁴	0-30%		
	International bonds (hedged)	0-19%				
	Global inflation-linked securities	0-13%				
	Alternative investment strategies	0-25%				
	Cash	0-15%				

You should refer to page 28 for details of footnotes.

Funds profiles

	DIVERSIFIED – GROWTH	
	Schroder Balanced	
Investment manager	Schroder Investment Management Australia Limited	
Management fee (pa)	1.95%	
Suggested length of investment	Three to five years or longer	
Distribution frequency and dates	Half-yearly – 30 June and 31 December	
Objective	Aims to deliver returns after fees and expenses of 5% pa above inflation (as measured by headline CPI) over the medium-to-long term.	
Investment approach	The fund is a multi-asset portfolio investing in a selection of growth, defensive and balanced assets comprising Australian and international equities, property trusts, high yielding credit, fixed interest and cash. The composition of assets is balanced so that the overall portfolio can perform well across diverse economic and market conditions and not just rising markets.	
Investment guidelines	Australian and New Zealand equities	28-45%
	International equities	10-30%
	Property trusts	0-15%
	Fixed income	10-35%
	Higher yielding credit	0-15%
	Alternatives	0-15%
	Inflation Indexed bonds	0-10%
	Cash	0-20%

You should refer to page 28 for details of footnotes.

Footnotes to Funds profiles

- 1 Includes the market value of foreign exchange and interest rate hedging positions.
- 2 A performance fee may be payable if the underlying fund has exposure (maximum 10%) to the emerging markets debt sector. A performance fee of 20% (pre-GST) of the return above the JP Morgan Emerging Market Bond Index Global Diversified denominated in USD is payable to the manager of the externally managed emerging markets fund. If it arises, the performance fee is payable in arrears after the end of each 12-month calculation period, and is subject to a high watermark which is reset every 12 months in June.
- 3 Derivatives may be used to manage actual and anticipated interest rate and credit risk, currency and credit exposure. They may also be used for hedging, arbitrage, as a replacement for trading a physical security and for managing the duration of the fund.
- 4 Mortgages may include up to 25% in mezzanine mortgages.
- 5 Perpetual Property Income Fund's underlying fund may also invest in unlisted property funds which charge a performance-based fee. If these performance fees occur, they will be an additional cost to you.
- 6 Derivatives may be used to:
 - adjust currency exposure (where appropriate)
 - hedge selected shares or securities against adverse movements in market prices
 - gain exposure to relevant indices
 - gain short-term exposure to the market
 - build positions in selected companies or issuers of securities as a short-term strategy to be reversed as the physical positions are built up
 - create a short exposure to a stock for underlying funds authorised to take net negative positions.
- 7 Up to 10% may be invested in non-listed infrastructure and utilities assets and global listed infrastructure and utilities securities.
- 8 Where it is consistent with the Fund's objective, the underlying fund may also have a small exposure to unlisted companies that AMP Capital believes are likely to be listed. The underlying fund may also invest up to 3% in international shares. The assessment of environmental, social and governance standards does not apply to cash and fixed interest securities.
- 9 Ausbil Dexia Limited charges a performance fee of 15% (exclusive of GST) of any return of the underlying fund greater than the return of the underlying fund's benchmark. The benchmark is 70% S&P/ASX Mid-cap 50 Accumulation Index and 30% S&P/ASX Small Ordinaries Accumulation Index. As the return is based on the return of an index it can be a positive or negative return. The performance fee will apply to any benchmark out-performance and will be paid monthly.
- 10 Investment objective is expressed before the management fee, expense recoveries and taxation (that is, performance is measured relative to the benchmark before fees and costs and taxes are deducted).
- 11 A performance fee of 15% of any return of the underlying fund greater than the return of the underlying fund's benchmark is charged by Investors Mutual Limited to the underlying fund if its return exceeds its benchmark, the S&P/ASX 300 Accumulation Index (excluding S&P/ASX 50 and excluding Property Trusts). As the return is based on the return of an index, it can be a positive or negative return. The performance fee is payable only if the underlying fund's one year return is positive and any prior underperformance has been recouped.
- 12 The Fund's investment universe allows it to invest, directly or indirectly, in stocks listed or to be listed on sharemarket exchanges outside Australia. Exposure to stocks listed outside Australia is limited to 20% and is generally hedged to the Australian dollar to the extent reasonably practicable.
- 13 If the average gearing level is 50%, the ongoing fee will be 3.12% of net asset value. If the average gearing level over the year is higher than 50%, the ongoing fee will be higher than 3.12%.
- 14 The gearing level is the Fund's borrowings divided by the total gross value of assets. It will depend on the present levels and future expectation of the underlying fund's net income (income after fees and expenses and excluding franking credits) and the cost on borrowings.
- 15 See 'Perpetual Industrial Share Fund – multiple unit classes' on page 31 for details.
- 16 Perpetual charges the underlying fund a performance fee if its return exceeds a hurdle return. The performance fee is equal to 13.98% of the difference between the underlying fund's return and the hurdle return. The hurdle return is the return on the S&P/ASX 300 Accumulation Index plus 2% pa. As the hurdle return is based on the return of an index it can be a positive or negative return. The performance fee is payable only if the performance fee is a positive amount and the underlying fund's six month return is positive.
- 17 The underlying fund will pay the securities lender a management cost on borrowed stocks. The management cost varies on a stock by stock basis but is usually within the range of 0.50% pa to 3.00% pa of the market value of the stock.
- 18 The net market exposure is the value of Australian shares, adjusted for the value of short positions in Australian shares.
- 19 The management fee for this Fund does not include expense recoveries – see Features Book for details.
- 20 Derivatives may be used to increase the effective exposure of the Fund to 150% of the Fund's net asset value.
- 21 May invest in Australian shares. Derivatives may be used to increase the effective exposure of the Fund to 150% of the Fund's net asset value.
- 22 The funds will gain exposure to the BGI Global Inflation-Linked Bond Fund, which gains exposure to inflation-linked bonds and tracks the Barclays Capital World Government Inflation-Linked Bond Index, hedged to AUD. The index is designed to include only those markets in which a global government linker fund is likely to invest. The countries that the funds gain exposure to include the USA, UK, France, Italy, Japan, Canada, Sweden, Germany, Greece and Australia.
- 23 This fund currently has exposure to underlying managers (including Intech) which charge performance fees. These managers typically charge between 10% and 30% pa of performance in excess of the relevant benchmark index although they can be higher. For the funds operated by Intech which charge a performance based fee, the performance fee is currently 10.25% pa of performance in excess of the relevant benchmark. Performance based management fees are an additional cost to you and impact the returns you may receive.
- 24 Perpetual may allocate up to 30% of the portfolio to other investments, which may include infrastructure, mortgages (including mezzanine mortgages) and alternative investments such as private equity, opportunistic property, hedge funds, specialist credit, commodities and diversified beta funds. The additional exposure to other investments enhances the Fund's diversification and may help reduce volatility.
- 25 The Fund gains its exposure to Australian shares by investing in an underlying Australian share fund which has an investment universe that allows it to invest in stocks listed or to be listed on sharemarket exchanges outside Australia. Exposure to stocks listed outside of Australia is limited to 20% and is generally hedged to the Australian dollar to the extent reasonably practicable. The investment guidelines showing the Fund's maximum investment in international shares do not include this potential additional exposure.
- 26 International shares may also include emerging market shares.
- 27 This Fund may invest in enhanced cash funds that allow gearing.

Additional investment information

Investment managers

The investment manager in the Funds profiles on pages 5-27 is the investment manager of the underlying fund as at the issue date of this Investment Book. We review the investment managers regularly and may replace them at any time. We will advise you in writing if this affects you.

As a result, the investment managers may vary during the life of this Investment Book. Details about the current investment managers at any time are available at our website or can be obtained free of charge by phoning us.

Environmental, social and ethical factors and labour standards

AMP Capital Sustainable Share Fund

AMP Capital systematically addresses labour standards, together with environmental, social and governance standards, when deciding whether to buy, hold or sell shares on behalf of the underlying fund.

AMP Capital rates companies on a matrix which considers:

- industries by sustainability and
- a company's environmental, social and governance (ESG) performance with each factor weighted according to AMP Capital's assessment of the importance of these factors to each industry.

In selecting companies, AMP Capital requires higher ESG performance for companies that have lower levels of sustainability.

Characteristics of AMP Capital's sustainability approach

- **Seeking out 'industry of the future' companies** within sectors with the most socially and environmentally sustainable performance outcomes. These sectors include education and training, health care, renewable energy, waste management and mass transport.
- **Exclusion of industries judged to be least sustainable** on their social and environmental performance outcomes. This results in exclusions of companies with material exposure to the production or manufacture of alcohol, armaments, gambling, nuclear power (including uranium), pornography and tobacco. 'Material exposure' is considered to be where a company has an exposure of more than 10 per cent based on financial criteria such as revenue.

- **Identify leaders in traditional sectors** who take a leading and pro-active approach to community, workplace, governance, environmental and business ethics issues.
- **Higher hurdles for less sustainable industries.** In less sustainable industries such as oil and mining, AMP Capital expects companies to take a proactive and leading approach to corporate social responsibility.
- **Active financial analysis** is used with the aim of identifying those stocks, from the approved 'universe' of stocks, which are expected to outperform.

In addition, AMP Capital engages constructively with companies to manage social and environmental challenges.

Standards for assessment

When considering companies in which to invest, the fund draws on a range of general and industry specific standards including:

- **labour standards** including occupational health and safety (OH&S) and employment laws, international labour standards (eg International Labour Organisation Core Standards, UN Declaration of Human Rights), the level of development of OH&S and employment management systems and OH&S and employment performance outcomes
- **environmental standards** including domestic and international environmental law, a company's level of development of environmental management systems (eg the ISO 14001 environmental management standard), and environmental performance outcomes
- **social standards** including consultation and involvement with the local and broader community, and the level and quality of sustainability reporting to shareholders
- **ethical standards** including corporate governance practices and specific industry and company law, and best practice regarding relationships with suppliers, customers and competitors.

Retention and realisation policies

If a company falls below AMP Capital's sustainability standards, under normal circumstances it is sold within six months. A company may also be sold at any time for financial reasons.

Application of ESG standards

The assessment of environmental, social and governance (ESG) standards only applies to the underlying fund's equity component, which makes up at least 90 per cent of the fund's assets, and not to the cash and fixed interest securities component.

Perpetual Ethical SRI Fund

Perpetual evaluates companies that meet the investment approach, set out in the Funds profiles on page 15 of this Investment Book, on a range of social and ethical issues to determine their suitability for inclusion in this Fund's portfolio. We seek to invest in quality companies that have satisfied our range of ethical and socially responsible investment criteria.

We take into account environmental, social and ethical considerations for the purpose of selecting, retaining or realising the investments in the portfolio. There are two main steps to the process, namely ethical exclusions and socially responsible investments (SRI) screening, utilising research from external specialists.

Ethical exclusions

We don't invest in companies that (in our opinion) derive a material proportion of their revenue from the manufacture or sale of alcohol or tobacco, the operation of gaming facilities or the manufacture of gambling equipment, uranium extraction or the manufacture of weapons or armaments.

SRI screening

Companies that pass the ethical assessment are then subject to SRI screening that involves three steps:

1. Companies are generally excluded from the investment universe if they do not meet required standards on human rights, the environment, animal rights and genetically modified organisms.
2. Companies are included in the investment universe if they meet one of a range of criteria showing they have above average standards or are committed to improving their business practices or reducing the detrimental impact of their practices. These socially responsible criteria cover the following areas: environment, human rights, industrial relations, corporate governance, corporate ethics, animal rights, regulatory compliance and community awareness.
3. Companies that are not automatically included under step 2 are assessed in more detail to make sure there are no areas of concern that make the company unsuitable from a socially responsible perspective. If no areas of concern are identified, the company is also included in the investment universe.

The Fund's investments are reviewed to determine whether they continue to pass the ethical SRI screening process when updated information is received. If we become aware that the Fund is invested in a company that no longer passes the ethical SRI screening process, the investment will be sold as soon as practical, in an orderly, price-sensitive manner.

In certain circumstances the Fund may hold an investment which has not yet passed the ethical SRI screening process. If the investment fails the ethical SRI screening process, it will be sold as soon as practical in an orderly, price-sensitive way.

Although general labour standards are taken into account for the purpose of selecting, retaining or realising the investments in the portfolio, there are no specific standards for company inclusion. We can modify the screening process for Perpetual Ethical SRI Fund at any time without notifying you.

Other Funds

Increasingly underlying investment managers for the Funds (including Perpetual) are developing their own policies regarding their method for considering environmental, social (including labour standards) and governance (ESG) factors which may influence the purchase, sale or retention of an individual investment.

As the responsible entity of the Funds, we consider these policies when choosing investment managers only to the extent that they may have an effect on an investment manager's style and investment performance. We don't consider these factors by attempting to apply ethical standards, but rather we look to ensure that managers maintain an investment framework that will take all relevant factors into account when assessing the current and potential future value of individual investments. We will neither choose nor exclude a manager solely on their ESG policies/practices but it will contribute to our overall assessment of a manager's style and capability.

Where Perpetual is the investment manager (except for Perpetual Ethical SRI Fund) we will only take ESG factors into account to the extent that we believe they may impact the current and potential future quality or value of an individual investment (either positively or negatively).

Additional information about Perpetual Property Income Fund

You can obtain information about the investment management policies and details of the underlying portfolio of Perpetual Property Income Fund, which has significant exposure to unlisted property. This additional information, which forms part of this PDS, is available at our website (see 'Incorporation by reference' in the Features Book for details) or you can obtain a copy free of charge by contacting us.

Changes to the Funds

Features of the Funds (including investment manager, investment approach, strategy and guidelines for the underlying funds) can change.

We can also open, close or terminate Funds.

Asset allocations and investment performance

An investment in an externally managed Fund is not a direct investment in the underlying fund operated by the external investment manager. Consequently, the following may differ from that of the underlying fund:

- asset allocations – the cash holding in a Fund may be greater than that of the corresponding underlying fund as we may retain cash to ensure more timely processing of withdrawals
- investment performance – due to factors such as valuation timing differences, differences in fees and charges, retention of distributions (for liquidity purposes) and higher cash holdings, the performance of a Fund may not track that of the corresponding underlying fund.

Registered managed investment schemes

Each WealthFocus Investment Fund is a managed investment scheme that is registered with the Australian Securities and Investments Commission (ASIC). In some cases, a Fund's registered name (as stated in its constitution) differs from the marketing name used in this Investment Book. The following details for each WealthFocus Investment Fund, which form part of this PDS, are publicly available at our website (see 'Incorporation by reference' in the Features Book for details) or can be obtained free of charge by contacting us:

- marketing name
- registered name
- Australian Registered Scheme Number (ARSN).

Perpetual Industrial Share Fund – multiple unit classes

The constitution for Perpetual Industrial Share Fund allows for multiple unit classes. This PDS offers investment in the 'Class A' units for this Fund.

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Contact details

For further information, or a copy of any of our product disclosure statements, please contact Perpetual.

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