The Portfolio Service Super Essentials

1 July 2014

Supplementary Product Disclosure Statement

Issuer: Questor Financial Services Limited ABN 33 078 662 718 AFS Licence No. 240829 as the Trustee of The Portfolio Service (TPS) Retirement Fund ABN 92 861 884 632.

This Supplementary Product Disclosure Statement (SPDS) supplements and updates the information contained in the TPS Super Essentials Product Disclosure Statement dated 1 January 2014 (PDS) and is to be read in conjunction with the PDS. All terms in this SPDS have the same meaning as in the PDS. The purpose of this SPDS is to update the PDS to:

- Add information about the availability of the Plan.
- Add additional information about the requirement for financial planners to provide clients with a product disclosure statement for the investment options they select.
- Add additional information about the payment of member advice fees.
- Add information about Family Law fees.
- Replace the insurance commission disclosure for group life insurance and add information about retail insurance.
- Replace the Operational Risk Financial Reserve disclosure.
- Remove all references to credit unions (in relation to term investments) and investment reports.
- Add additional information regarding investment manager payments.

Plan availability

1. Insert the following sentence after the first sentence in paragraph 7 in the inside front cover of the PDS:

The Plan is generally only available to you through a licensed financial planner.

Investment options – product disclosure statements

2. Replace the heading and first paragraph of the **Investment options – product disclosure statements and investment reports** section on page 5 with the following:

Investment options – product disclosure statements

A separate product disclosure statement is available for each of the investment options in the current list of investment strategies. If you have a financial planner, they are required to provide you with a product disclosure statement for the investment options you choose to invest in. You can also access the product disclosure statements for the available investment option through our website (www.theportfolioservice.com.au). These documents will help you evaluate each investment option and include:

- the investment objectives and risk profile
- information about the investment manager
- historical performance (where applicable)
- investment risks
- details of the indirect cost ratio, fees and expenses charged.

Member advice fees

3. Replace the third paragraph in the **Important note** text box on page 12 with the following:

The member advice fees will be payable to your financial planner's AFSL licensee until you instruct us to cease payment or when you change your nominated financial planner.

Family Law fees

4. Insert the following paragraph after the **Expense Recovery Fee** section on page 13:

Family Law fees

Legislation allows the Trustee to impose reasonable fees and pass on any expenses incurred, where your retirement savings are affected by superannuation requirements under the *Family Law Act 1975* or related legislation. The Trustee currently charges a $95.00 fee for a request of information from a non-member spouse.

Insurance

5. Replace the sixth paragraph in the inside front cover of the PDS with the following:

Insurance cover is available through the Plan under two types of policies, the group life and income protection insurance policies or a separate retail insurance policy.

Insurance under the group life and income protection policies is provided by TAL Life Limited (TAL) ABN 70 050 109 450, AFS Licence No. 237848, and any other insurance provider approved by the Trustee. The term 'the Insurer' in this PDS refers to TAL and any other insurance provider approved by the Trustee.

Insurance under a separate retail policy is provided by one of our approved insurers. The available insurers and products are listed on our website.

6. Replace the **Insurance** section on page 13 with the following:

Insurance premiums

Group life and income protection premiums

Premium payments will be deducted from your Cash Management Account on or about the 15th of each month to cover premiums for that month. A portion of the premium will be payable in advance and a proportion in arrears. The insurance premium deducted will be shown on your annual statement. We receive an Administration Fee of up to 11 per cent (including GST) of the insurance premium deducted from your Cash Management Account. This fee is to cover the costs associated with administering the insurance arrangement.

A copy of the insurance premium rates is available on our website.

Retail insurance

Premium payments will be deducted from your Cash Management Account and vary according to the type and amount of the insurance cover you select.

Insurance commission

Group life and income protection

Your financial planner may be paid a commission of up to 33 per cent per annum (including GST) of the premiums of any insurance arrangements established prior to 1 July 2014 or transferred from another product within the Fund. This commission is included in the premiums deducted from your Cash Management Account. If your planner agrees to reduce their commission, this will reduce the premium payable. Any commission that may be payable to a financial planner for insurance cover is not a separate charge to you. It is included in the insurance premium deducted from your Cash Management Account. If you no longer have a financial planner, we retain the commission.

Retail insurance

Any commission that may be payable to a financial planner for insurance cover is factored into the cost of your cover. Any amount paid is as agreed between you, your financial planner and the relevant insurer.

7. Replace the first paragraph of the **Insurance** section on page 18 with the following:

You can purchase individual life insurance effectively through the group life and income protection insurance policies we have arranged with the Insurer or via a separate retail insurance policy. Either way, this can be achieved tax-effectively by paying the premiums for the life insurance you need with pre-tax dollars through your super account.

Applications for insurance cover via a retail insurance policy are made under a specific product disclosure statement for the retail policy. Your financial planner can assist you with this process.

The following information relates to insurance purchased via group life and income protection insurance policies.

Operational Risk Financial Reserve

8. Replace the **Operational Risk Financial Reserve** section on page 14 with the following:

Operational Risk Financial Reserve

Under legislative requirements applying from 1 July 2013, trustees are required to maintain adequate financial resources to address losses arising from operational risk. Trustees must determine the target amount to be set aside for these purposes, based on guidelines provided by APRA. The target amount of 0.25 per cent of the value of the assets of the Fund must be achieved by the end of a three year period. In order to reach the target amount for the Fund, an amount will be levied against each member's account and will be deducted for the 2013/14 year and the following two financial years.

Should an operational risk event occur post 1 July 2013, additional deductions against each member's balance may be required to restore the Operational Risk Financial Reserve back to the target amount.

Credit unions, building societies and investment reports

9. Remove all references to **credit unions and building societies (in relation to term investments)** and **investment reports** throughout the PDS.

Investment manager payments

10. Replace the **Investment manager payments** section on page 14 with the following:

Investment manager payments

Either the IOOF group or Questor (collectively IOOF) may receive a fee from the investment manager of certain investment options for administration and/or investment related services. This fee (up to 0.40 per cent per annum plus GST and/or up to $10,000 per annum plus GST, as at the date of this PDS) is generally based on the total amount of funds IOOF has invested in each investment option and is paid to IOOF from the investment manager's own resources. The fee is retained by IOOF and is **not** an additional cost to you. Any arrangements that have been entered into on or after 1 July 2013 are in line with government reforms and will be charged on a flat dollar basis.

If this information changes, we will notify you in a product information update on our website (www.theportfolioservice.com.au).

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The Portfolio Service Super Essentials

The Portfolio Service

Product Disclosure Statement

Dated: 1 January 2014

Issuer: Questor Financial Services Limited ABN 33 078 662 718 AFSL No. 240829 as Trustee of The Portfolio Service Retirement Fund ABN 92 861 884 632.

Part of the IOOF group

For further information, please contact Questor:

Telephone

Client Advisory Services: 1800 221 151 (freecall)
Monday to Friday, 9am to 5pm (Sydney time)

Postal address

Questor Financial Services Limited
Locked Bag 4004
Queen Victoria Building NSW 1230

This Product Disclosure Statement (PDS) relates to The Portfolio Service – Super Essentials (Plan), offered through The Portfolio Service Retirement Fund ABN 92 861 884 632 (Fund). This PDS is issued by Questor Financial Services Limited (Questor) ABN 33 078 662 718 AFSL No. 240829 as Trustee of the Fund (Trustee). The directors of Questor have authorised its issue.

The Plan is offered through the Fund which is a complying superannuation fund. Questor is referred to in this PDS as 'we', 'us' or 'our'.

IOOF Investment Management Limited (IIML) ABN 53 006 695 021 AFS Licence No. 230524 is the Responsible Entity of the IOOF MultiMix Trusts, the IOOF Multi Series Balanced Trust and the Cash Management Fund (collectively referred to as the Trusts), and IIML receive fees under the Constitutions of the Trusts. These are the investment options offered in the Plan (as listed in the The Portfolio Service investment guide).

You should be aware that investment in the Plan is subject to investment risk which may result in loss of capital invested and income. The performance of the Plan, the repayment of your original investment and the payment of income by the Plan is not guaranteed by any person, including Questor and its related companies.

All fees and expenses shown in this PDS include Goods and Services Tax (GST), and where applicable, also take into account any reduced input tax credits (RITCs) reflecting the net payable by you. RITCs are subject to change and any change may affect the fees you pay.

Insurance cover available through the Plan is provided by TAL Life Limited (TAL) ABN 70 050 109 450, AFSL 237848, and any other insurance provider approved by the Trustee. The term 'the Insurer' in this PDS refers to TAL and any other insurance provider approved by the Trustee.

The information contained in this PDS is general information only and does not take into account your individual objectives, financial situation or needs. You should assess whether the information is suitable for you and talk to your financial planner before deciding to invest in the Plan. This offer is only made to persons within Australia, including those receiving this PDS electronically.

Information in this PDS may change from time to time. Where the change is not materially adverse to you, we may update this PDS in the product information update section available on our website (www.theportfolioservice.com.au).

A paper copy of the product information update is available on request, free of charge.

The Portfolio Service - Super Essentials is part of a group of products that also include:

- The Portfolio Service – Investment Essentials
- The Portfolio Service – Personal Investment Plan
- The Portfolio Service – Superannuation Plan
- The Portfolio Service – Retirement Income Plan

Your financial planner will help select the right product for you.

Questor is part of the IOOF group of companies. IOOF is one of Australia's largest financial services companies and offers a full range of products and services, including financial advice, platform management and administration, investment management and trustee services.

When you invest in this Plan you become a member of the Fund.

As a member in the Plan, you have a beneficial interest in the Fund. However, subject to the Trust Deed, you do not have a right to claim an interest in a particular asset within the Fund. You may not participate in the management of the Fund, claim an interest in an asset or require the transfer of an asset to you other than as provided in the Trust Deed.

Contents

About this PDS

This PDS is important because it will help you decide whether The Portfolio Service – Super Essentials will meet your needs. You can use it to compare this superannuation product with any other superannuation product you may be considering.

This PDS describes the key features, risks and purpose of the Plan. It also contains some information we are required to include by law.

You will see that the PDS refers to a number of guides – these contain statements and information we are required by law to disclose to you. The contents of the guides are classified by a unique identifier and a description of what is covered. By law the statements and information in these guides are taken to be included in the PDS. This PDS and the guides can be downloaded from our website (www.theportfolioservice.com.au) or you can contact us and we will send you a paper copy free of charge.

These guides are:

- **TPS general reference guide (TPS.01)**
- **TPS investment guide (TPS.02)**
- **TPS insurance guide (TPS.03)**

About The Portfolio Service – Super Essentials

The Plan is a comprehensive, yet easy to use, investment, research and management service where you can make contributions, invest rollover monies and grow your savings for retirement in a tax-effective environment.

The Plan provides a simple and flexible solution for your superannuation (super) and insurance needs. You and your financial planner can:

- tailor a straight-forward investment portfolio that suits your personal needs
- select investment options from a range of managed investment options, many of which are wholesale-priced
- access exchange traded funds (ETFs) which provide an easy and low-cost alternative to building a diversified direct share investment
- manage and control your super needs simply and conveniently within a single service
- modify your investment portfolio or upgrade to another product if your circumstances change.

Consolidating your investments into the Plan may also reduce the amount of paperwork you receive.

Before investing in the Plan, you should read this PDS carefully and get professional advice from a licensed financial planner.

Benefits of the Plan

Designed for members of all ages, the Plan facilitates wealth creation over time – effortlessly.

A low cost solution for your super, the Plan is suited to those who do not wish to actively trade in investment markets. With access to all the features you require, the Plan facilitates flexible and simple investing for your financial future.

You will enjoy:

- low-cost and transparent fees – a low Administration Fee keeps your base cost down
- one account for all your investment options – comprehensive reporting on your investment portfolio makes keeping track of your investments manageable
- a wide range of investment options, including ETFs, which are selected by the IOOF Advice Division research team and regularly updated as new opportunities become available
- convenience – you can keep your investment strategy and insurance cover when you change jobs or retire
- choice to reinvest income distributions into your investment options or have the money paid into your Cash Management Account
- the ability to establish a Regular Savings Plan and make automatic contributions from your Australian credit union, building society or bank account
- the option to establish a Regular Investment Sweep so that cash in excess of your minimum Cash Management Account balance is automatically invested to your nominated investment option
- flexibility to change your investment options
- the ability to apply for insurance coverage to protect you and your family's financial future.

The Portfolio Service has a range of products built with flexibility in mind, so when your circumstances change and you want to change or upgrade, the transition between products is seamless. Your financial planner will help you choose the right product for you.

Cash Management Account

When you invest in the Plan we will create an investment portfolio that includes a professionally managed Cash Management Account. Your money is initially invested in the Cash Management Account and then in the investment options you select.

All transactions are recorded in the Cash Management Account. These transactions include:

- receipt of contributions, rollovers and transfers
- purchase and sale of investment options
- receipt of dividends, income distributions and interest from your investment options
- investments made through the Regular Savings Plan
- payment of any fees, expenses, government levies and taxes
- payment of insurance premiums
- withdrawals from the Plan.

The Cash Management Account currently provides you with exposure to a mix of Australian short to medium-term debt securities and cash. This may include bank accounts, cash management trusts, term investments, or other cash and income generating investments/securities. Interest generated by these investments (less bank fees and charges) is calculated daily and credited quarterly to your Cash Management Account.

The Cash Management Account aims to provide competitive rates of return.

You must hold a minimum of five per cent of the value of your account in the Cash Management Account. If your balance falls below this minimum (including as a result of the deduction of fees or charges), we will ask your financial planner which investment options are to be sold to restore the minimum balance.

If you do not advise us which investment options are to be sold, we may choose which investment options will be sold, at our discretion. We do not take into consideration any taxation implications when selecting which investment option will be sold.

If your Cash Management Account falls into a negative balance, you may incur a charge until the balance is restored. Please refer to the 'Cash Management Account balance charge' section on page 13 for further information.

Managed investments

The managed investments available to you, including Australian and international shares, property securities, fixed interest and cash allow you to build an investment portfolio specifically designed to meet your current and future needs.

Managed investments (also called managed funds) are portfolios of investments which are managed by professional investment managers. While a managed investment may not be listed on a securities exchange, its underlying investments often are. Managed investments are either diversified (their assets are invested across a range of asset classes) or asset class specific (the majority of their assets are invested into one asset class, such as Australian shares).

Many of the managed investments available through the Plan are wholesale funds which may have lower indirect cost ratios than comparable retail funds.

Listed investments

The Plan provides access to ETFs which are managed funds traded on the Australian Securities Exchange. Replicating a market index such as the Australian shares S&P/ASX 200 index, ETFs provide a low-cost alternative to building a portfolio of direct shares. In addition, they are generally more liquid than managed investments with a trade occurring the day it is placed. If suited to your needs, investing in ETFs will allow you to gain exposure to a select range of markets in your investment portfolio.

Term investments

The IOOF Advice Division research team works closely with Australian credit unions, building societies and banks in order to make competitive term investments available at each monthly offer period. Please speak to your financial planner to find out more about term investments. When investing in a term investment, you will receive an investment report from your financial planner which details:

- the interest rate applicable to your investment
- how the funds are invested
- the investment guidelines
- the maturity date.

The **TPS investment guide (TPS.02)** provides more information about the range of investment strategies and options.

A list of the investment options available is contained in our current list of investment strategies which can be obtained from your financial planner or from our website (www.theportfolioservice.com.au).

The Plan at a glance

Investment options	**Managed investments** › Diversified strategies › Share strategies › Property strategies › Fixed interest strategies › Cash strategies **Listed investments** › Exchange traded funds – Australian shares – Australian property – Fixed income – International and regional shares – Other (for example, gold) **Term investments**	Page 3
Eligible contributions	**Include:** › Personal contributions › Employer contributions › Spouse contributions › Government contributions › Rollovers/transfers	Page 15
Contribution methods	› Cheque › Regular Savings Plan (automatic via direct debit)	Page 16
Minimum initial contribution	No minimum initial contribution applies	Page 16
Minimum investment purchase	$1,000 per investment option	Page 16
Minimum Cash Management Account	The minimum allocation to your Cash Management Account is 5% of the value of your account.	Page 2
Minimum switch[1]	$1,000	Page 17
Minimum withdrawal	$1,000	Page 20
Fees and other costs	For details of 'Fees and costs', see pages 8 to 14.	
Member Advice Fees	For details of 'Member Advice Fees', see pages 11 to 12.	
Beneficiary nomination choices	› Binding Death Benefit Nomination › Non-Binding Death Benefit Nomination	Page 18
Life insurance	The following insurance options can be selected (subject to meeting eligibility requirements and underwriting): › Death cover › Death and total & permanent disablement (TPD) cover › Income protection cover Details are available in the **TPS insurance guide (TPS.03)**.	Page 18
Statement frequency	Annually	Page 23

1 Per investment option (including any one-off purchase or sale from an investment option).

About the investment strategies and options

Which investment strategies and options are suitable for you?

Everyone has different financial needs and objectives. When selecting your investment strategy and choosing investment options, the factors that you should consider include:

- the level of risk you are willing to accept
- the level of returns you are seeking
- the period of time over which you expect to hold your investment options
- your personal circumstances, including your financial position.

When considering your investment options, you should take into account that different investment options have different indirect cost ratios.

General information on the available investment strategies is contained in the **TPS investment guide (TPS.02)** available from your financial planner and on our website (www.theportfolioservice.com.au).

Before making any decisions regarding an investment option, please read the relevant product disclosure statement or investment report and **TPS.02**.

Investment options – product disclosure statements and investment reports

A separate product disclosure statement or investment report (for term investments) is available for each of the investment options in the current list of investment strategies. These documents will help you evaluate each investment option and include:

- the investment objectives and risk profile
- information about the investment manager
- historical performance (where applicable)
- investment risks
- details of the indirect cost ratio, fees and expenses charged.

Keep your product disclosure statement

For future reference, you should retain a copy of the current product disclosure statement and any other supplementary material or investment report relating to your investment. You should consider all current information when making a contribution in the Plan or selecting an investment option.

Ongoing management of investment strategies and options

Our investment committee regularly reviews the investment strategies and investment options, such as diversified, share or fixed interest strategies, and investment options made available for investment in the Plan.

The current investment strategies and investment options are detailed in our list of investment strategies available from your financial planner or our website.

Over time, investment strategies and investment options may be added to, and removed from, the list. We will not always notify you when investment strategies or investment options are added or removed, but we will notify you of matters that may materially affect your investment holding.

We may terminate an investment strategy or investment option and dispose of all investments. If this happens, we may direct your investment option proceeds for the affected investment option to your Cash Management Account or an alternative investment option if we believe this is appropriate.

If you have a Regular Investment Sweep or reinvest income distributions in an investment option that becomes unavailable for investment, we will automatically invest your money into your Cash Management Account until we receive updated instructions from you.

If you do not provide alternative instructions for your Regular Investment Sweep facility, your excess cash will over time be swept to your remaining managed investment options.

Your financial planner will be able to assist you in determining what you should do in these circumstances.

Risks of investing

Risk and return

There is a relationship between the amount of risk associated with an investment option and its potential return. By 'risk', we mean the extent to which the actual return of an investment option may vary from its expected return. By 'return', we mean the total income and the increase or decrease in the value of an investment option.

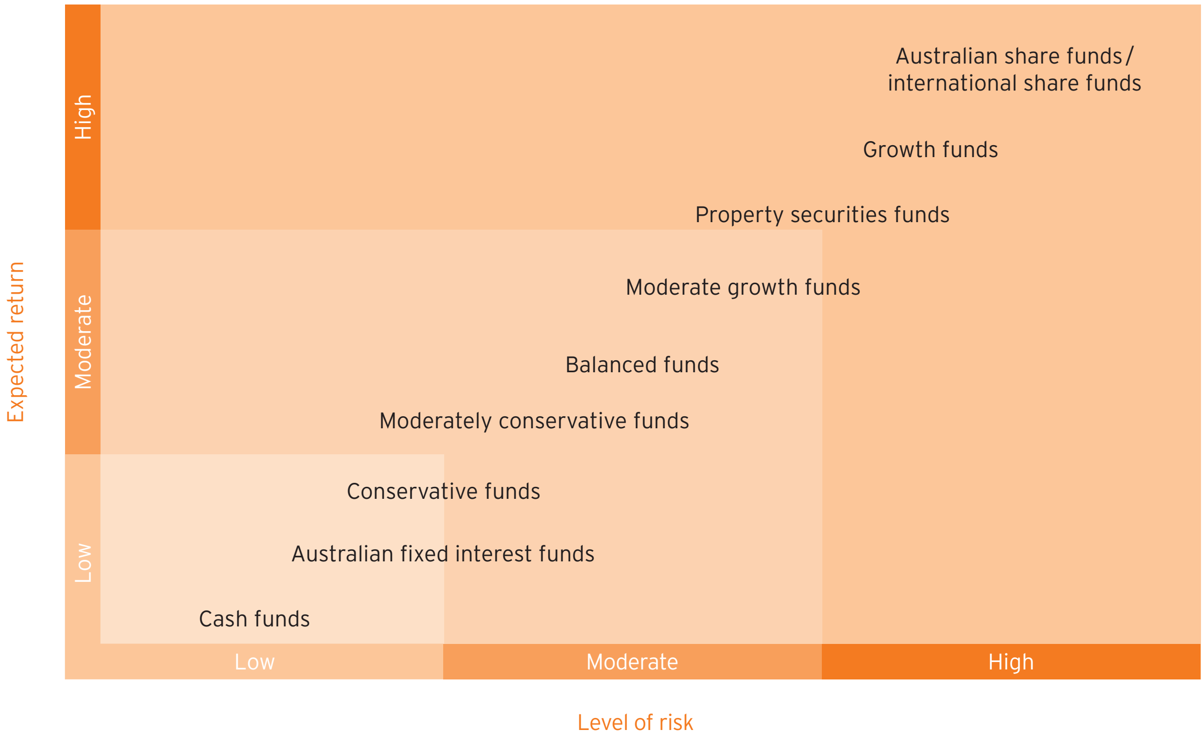
Returns may vary from year to year and the value of an investment option may rise and fall.

Returns can be affected by many factors, including when the investment is made, the period for which it is held and the performance of investment markets during this period.

The diagram below shows the usual relationship between the expected return and the level of risk of several investment strategies.

The risk profiles of the investment strategies are described in the **TPS investment guide (TPS.02)**.

Usual relationship between expected return and level of risk



General risks

All investing involves risk. The higher the return you seek, the more risk you should expect to take. For example, investing in shares may provide the highest potential return over the longer term, but may also have the highest risk of capital loss in the short-term. Fixed interest and cash investments are less risky and will generally produce lower average returns over the long-term.

The value of an investment option can rise or fall for a variety of reasons. Further information on these risks and others, is available in the 'More about risks' section of the **TPS general reference guide (TPS.01)**.

How you can manage your risk

Risk management is an important part of meeting your financial goals. We recommend that you discuss your investment strategy with your financial planner to make sure that your investment in the Plan is appropriate given your investment objectives, financial situation and risk tolerance.

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

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

Fees and other costs

Consumer advisory warning

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 two per cent of your account balance rather than one 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.

TO FIND OUT MORE

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

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

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

The fees quoted in this section may be different from the amount deducted from your account as the amounts deducted will include effects of any applicable reduced input tax credits (RITCs).

Taxes, insurance fees and other costs relating to insurance are set out in another part of this document. You should read all the information about fees and other costs because it is important to understand their impact on your investment.

The fees and costs for each underlying investment option offered by the entity are set out in a product disclosure statement or investment report for those investments (which your planner will give you).

Fee table

The Portfolio Service – Super Essentials		
Type of fees or cost	Amount	How and when paid
Investment Fee	Nil.	Not applicable.
Administration Fee	**Administration Fee** 0.40% pa.	The Administration Fee is the percentage-based component calculated based on your daily balance and will be charged at the end of the quarter. The fee is deducted quarterly in arrears and is deducted from your Cash Management Account[2].
	Account Keeping Fee $24.00 per quarter.	The Account Keeping Fee is the dollar-based component deducted quarterly in arrears from your Cash Management Account.
Buy-sell spread	The buy-sell spreads vary depending on the investment option you choose. Please refer to the current list of investment strategies on our website or the relevant product disclosure statement for specific details.	The buy-sell spread is added to, or deducted from (as applicable), the unit price of the relevant managed investment.
Switching fee	Nil.	Not applicable.
Exit fee	Nil.	Not applicable.
Advice fees Relating to all members investing in a particular investment option.	› Member Advice Fee – Upfront › Member Advice Fee – Transaction › Member Advice Fee – Transfer › Member Advice Fee – One-off › Member Advice Fee – Ongoing	A range of advice fees are available (see pages 11 to 12 for details). No advice fees will be charged unless you request us to do so.
Other fees and costs	Refer to the 'Additional explanation of fees and costs' section on pages 11 to 14.	
Indirect cost ratio	The indirect cost ratio (excluding any performance-based fee) varies across the underlying managed investments available and can range from 0.00% to 2.40% pa[3] ($0.00 to $24.00 pa per $1,000 invested). No indirect cost ratio applies to annuity funds and term investments.	Generally calculated daily as a percentage of the amount you have invested in each managed investment. It is not deducted directly from your account but is generally reflected in the unit price of that investment option and generally charged monthly or quarterly in arrears.

The total fees and charges you will pay include the cost of the Plan as well as the cost of any investment you choose. It is important that you understand the total fees that you pay will be determined by the costs of the investment options you choose, the fees we charge for the Plan and transaction and account costs incurred on your behalf. The cost of the investments you choose are set out in the product disclosure statement or investment report for those investment options, which are available from your financial planner.

Your fees may be different

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

2 Your Cash Management Account is currently invested in an operating bank account (for day-to-day transactions) and the Cash Management Fund (ARSN 089 508 636) (Cash Management Fund), of which IIML is the Responsible Entity. Interest generated by this investment is reduced by bank charges and the management costs charged by IIML before it is credited to your Cash Management Account. You are charged an indirect management cost on your cash account balance. The estimated indirect management cost on the Cash Management Fund is 0.65 per cent per annum. We may change the investment of the Cash Management Account at any time.

3 The indirect cost ratio (excluding any performance-based fee) applied by each investment manager - this fee range is an estimate only and is based on the information provided by each investment manager. Investment options and the indirect cost ratio may change from time to time. The most recent indirect cost ratio (excluding any performance-based fee) applied by each investment manager for each managed investment appears on our website in the current list of investment strategies and in the relevant product disclosure statement for each managed investment.

Example of annual fees and costs for a balanced investment option

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

Example – IOOF Multi Series Balanced Trust		Balance of $50,000,
Investment Fee	Nil.	For every $50,000 you have in the investment option you will be charged $0 each year.
PLUS Administration Fees	Administration Fee 0.40% and Account Keeping Fee $96 ($24 per quarter)	**And**, you will be charged $296 in administration fees each year.
PLUS Indirect costs for the investment option^	0.55%	**And**, indirect costs of $275 each year will be deducted from your investment.
EQUALS Cost of Product#		**If your balance was $50,000 then for that year you will be charged fees of $571* for the investment option.**

^ The indirect cost ratio applied by the IOOF Multi Series Balanced Trust is based on the fees and other costs attributed to this investment option in the IOOF Multi Series Balanced Trust product disclosure statement.

The total annual cost of administering your super account will vary depending on the value of your account and the investment options you choose.

* Additional fees may apply (such as member advice fees, a buy-sell spread and transaction fees). The example assumes a constant balance of $50,000 over the entire period and disregards the impact of any returns. The actual fees you pay will depend on when you invest and how often, the precise expenses deducted from your account and the fees you negotiate with us (if any).

Additional explanation of fees and costs

Administration Fee

The Administration Fee represents the annual fees and costs charged by us for operating and managing your account.

This fee is the percentage-based component and it includes all administration and other expenses we incur, excluding any Member Advice Fees (outlined in the following pages) and the fees and costs charged by the investment managers for each managed investment (the indirect cost ratio, any buy-sell spread and any performance-based fee).

Account Keeping Fee

This dollar-based component is the fee for general administration of your account. This includes annual reporting and any changes made to your account details. The Account Keeping Fee is $24 per quarter and is deducted quarterly in arrears from your account.

Buy-sell spread

A buy-sell spread may be incurred when managed investments are bought or sold reflecting the brokerage and other transaction costs incurred by the relevant investment manager. The buy-sell spread currently ranges from 0.00 per cent to 1.00 per cent depending on the investment options you choose. This means you will incur a buy-sell spread from $0 to $10 per $1,000 on the purchase and/or sale of an investment option (based on a unit price of $1.00). This fee is not charged to you separately, but it is reflected in the unit price of the relevant managed investment. Please refer to the relevant product disclosure statements for each investment option for information, including the amount of the buy-sell spread applicable.

Member Advice Fees

We will acquire and pay for the services of a financial planner selected by you to provide financial advice in relation to your investment in the Plan. We do not supervise the provision of services by your selected financial planner.

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

- Member Advice Fee – Upfront
- Member Advice Fee – Transaction
- Member Advice Fee – Transfer
- Member Advice Fee – One-off
- Member Advice Fee – Ongoing

Your financial planner must be authorised by an Australian Financial Services Licence (AFSL) holder to provide financial services to you. Any Member Advice Fees are agreed by you and your financial planner.

More detailed information, including worked dollar examples, for each of the Member Advice Fees is described below.

Member Advice Fee – Upfront

This fee is charged by us and we deduct the net cost from your account. We then pay the full amount of our fee to the financial planner and/or to any person who referred you to your financial planner for financial advice and services provided to you in relation to:

- the establishment of your account
- subsequent contributions made to your account (including contributions made via the Regular Savings Plan).

This fee is also payable on the transfer of your Cash Management Account from another plan in The Portfolio Service.

You can agree with the financial planner on the amount of this fee up to a maximum of 4.00 per cent (inclusive of GST and RITCs) of each investment made. For example, on an initial contribution of $50,000, you would pay the financial planner up to a maximum of $2,000. A new request must be submitted for each contribution made to your account (except contributions made via the Regular Savings Plan).

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

While the Member Advice Fee – Upfront you pay is up to 4.00 per cent (inclusive of GST and RITCs), the actual amount an AFSL holder receives is up to 4.29 per cent (inclusive of GST) ($2,145 for this $50,000 example).

Member Advice Fee – Transaction

This fee is charged by us and we deduct the net cost from your account. We then pay the full amount of our fee to the financial planner and/or to any person who referred you to your financial planner for implementing purchases or switches of investment options in your investment portfolio.

You can agree with the financial planner on the amount of this fee up to a maximum of 4.00 per cent (inclusive of GST and RITCs) in relation to the amount purchased or switched. For example, if you purchase or switch $50,000 between an investment option, you would pay the financial planner up to a maximum of $2,000.

The amount of this fee is deducted from your Cash Management Account when you purchase or switch between investment options. For listed investments, this fee applies to the total investment including the stockbroking fee. This fee is also payable on investments made using the Regular Investment Sweep facility.

This fee does not apply to:

- purchases of term investments
- a switch from an investment option to your Cash Management Account.

While the Member Advice Fee – Transaction you pay is up to 4.00 per cent (inclusive of GST and RITCs), the actual amount an AFSL holder receives is up to 4.29 per cent (inclusive of GST) ($2,145 for this $50,000 example).

Member Advice Fee – Transfer

This fee is charged by us and we deduct the net cost from your account. We then pay the full amount of our fee to the financial planner and/or to any person who referred you to your financial planner for implementing your account on transfer (excluding your Cash Management Account and term investments) from another plan in The Portfolio Service.

You can agree with the financial planner on the amount of this fee up to a maximum of 4.00 per cent (inclusive of GST and RITCs) in relation to the transfer amount. For example, if you transfer $50,000 from another plan in The Portfolio Service, you would pay the financial planner up to a maximum of $2,000.

The amount of this fee is deducted from your Cash Management Account at the time of transfer.

While the Member Advice Fee - Transfer you pay is up to 4.00 per cent (inclusive of GST and RITCs), the actual amount an AFSL holder receives is up to 4.29 per cent (inclusive of GST) ($2,145 for this $50,000 example).

Member Advice Fee – One-off

This fee is charged by us and we deduct the net cost from your account. We then pay the full amount of our fee to the financial planner and/or to any person who referred you to your financial planner for one-off financial advice and services provided in relation to your account.

The amount of this fee can be up to a maximum of $10,250 (inclusive of GST and RITCs) per request. The maximum actual amount your financial planner and/or person who referred you to your financial planner receive is up to $11,000 (inclusive of GST).

A new request must be supplied each time you wish this fee to be applied. You must have the required level of funds available in your Cash Management Account (in addition to the minimum cash balance requirement) for any one-off payment request to be accepted.

To pay for any one-off advice provided to you, please complete the 'Advice Fee form' with your financial planner.

Member Advice Fee – Ongoing

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

A Member Advice Fee – Ongoing can be charged as either:

- a nominated percentage of your investment per annum and is deducted from your account at the end of each quarter based on your average daily balance
- a fixed dollar fee deducted from your account quarterly.

You can agree with the financial planner on the amount of this fee which can be up to a maximum of 1.25 per cent (inclusive of GST and RITCs). For example, on an average monthly account balance (over 12 months) of $50,000, you would pay the financial planner up to a maximum of $625.

Any fixed dollar amount agreed will also need to be within this percentage maximum or we will automatically adjust this for you.

While the maximum Member Advice Fee - Ongoing you may pay is up to 1.25 per cent per annum (inclusive of GST and RITCs), the actual amount an AFSL holder receives is up to 1.34 per cent per annum (inclusive of GST) ($670 for this $50,000 example).

Important note:

For your financial planner to receive a member advice fee paid from your superannuation account, you must consent to the agreed member advice fee(s) as specified on the application form. Your financial planner will also disclose to you all fees charged in relation to financial advice.

For more information, please refer to the statement of advice which your financial planner will provide to you.

The member advice fees will be payable to your financial planner's AFSL holder until you instruct us otherwise. Alternatively, we may cancel member advice fee payments at any time without notice to you.

Insurance

Group life and income protection premiums

Premium payments will be deducted from your Cash Management Account on or about the 15th of each month to cover premiums for that month. A portion of the premium will be payable in advance and a proportion in arrears. The insurance premium deducted will be shown on your annual statement. We receive an Administration Fee of up to 11 per cent (including GST) of the insurance premium deducted from your Cash Management Account. This fee is to cover the costs associated with administering the insurance arrangement.

A copy of the insurance premium rates is available on our website.

Insurance commission

You can agree with your financial planner for an insurance commission to be payable up to 33 per cent per annum (including GST). The default commission shown in the premium rates appearing on our website is 27.5 per cent per annum (including GST).

This commission is included in the premiums deducted from your Cash Management Account. If your planner agrees to reduce their commission, this will reduce the premium payable. Any commission that may be payable to a financial planner for insurance cover is not a separate charge to you. It is included in the insurance premium deducted from your Cash Management Account. If you do not have a financial planner, we retain the commission.

For more information regarding insurance please refer to page 18 of this PDS.

Transaction fees

You may incur transaction fees when buying and selling your investments. These include:

Transaction Fee – $50

This fee is applied to an investment option:

- purchase
- sale
- transfer between plans within The Portfolio Service.

This fee is deducted from your Cash Management Account.

A Transaction Fee does not apply to your Cash Management Account, term investments or when using the Regular Investment Sweep.

Stockbroking Fee – $39

This fee is charged in addition to the Transaction Fee for each purchase and sale of a listed investment. This fee is included in the purchase and sale price applicable to your investment.

Cash Management Account balance charge

This charge is deducted from your Cash Management Account when there is a negative balance. The charge is based on the period that your Cash Management Account has a negative balance. The charge equates to interest charged at the daily rate applicable for the Cash Management Account. The charge is deducted at the end of the quarter.

Dishonour Fee

You may incur a $30 Dishonour Fee if a direct debit from (or direct credit to) your nominated Australian credit union, building society or bank account is unsuccessful.

Expense Recovery Fee

The Trust Deed for the Fund allows us to be reimbursed from the assets of the Fund for any expenses incurred by us in relation to the proper performance of our duties as Trustee.

Expenses include (among other things) promotion (including PDSs, advertising material and printing), custody, audit, taxation advice, accountants, external consultants, termination costs, unit holder meetings, legal costs, compliance and compliance committee costs.

The Expense Recovery Fee is a maximum of 0.30 per cent per annum of the value of the Plan. Currently, no Expense Recovery Fee is payable.

Other expenses

SuperStream is a package of government reforms which will make the super system easier to use and will ultimately reduce costs – benefiting funds, members and employers.

Commonwealth costs associated with the implementation of the SuperStream measures will be paid for by an increase to the existing Australian Prudential Regulation Authority (APRA) levy imposed on APRA regulated super entities. The levy will collect a total of $467 million from funds between July 2012 and June 2018.

The APRA levy for each fund will be adjusted each year based on the applicable rate determined by the Commonwealth Government, the number of members in the Fund and the total assets of the Fund. The amount payable, therefore, will differ from year to year and for each super fund.

Your account is subject to an Expense Recovery Fee which is capped. Currently, no Expense Recovery Fee is payable. The levy is not considered to be a recoverable expense since it is applied as a government charge.

When the Trustee of the Fund has determined the amount to be paid for each of the years in which the levy applies, it will seek to recoup these costs and deduct the amount from your account, as permitted under the Fund's Trust Deed. The actual levy amount payable each year will be disclosed in our product information update section on our website.

Operational Risk Financial Reserve

From 1 July 2013, trustees are required to maintain adequate financial resources to address losses arising from operational risk. Trustees must determine the target amount to be set aside for these purposes, based on guidelines provided by APRA. The target amount must be achieved by the end of a three year period. Questor has determined that in order to reach its target for the Fund, an amount up to 0.083 per cent of each member's balance will be deducted annually during the 2013/14 year and the following two financial years. Should an operational risk event occur post 1 July 2013, additional deductions against each member's balance may be required to restore the Operational Risk Financial Reserve back to the target amount.

Performance-based fee

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

A performance-based fee (if applicable) is normally reflected in the unit price of the investment option. It is generally calculated daily as a percentage amount and may be paid monthly, quarterly, semi-annually or annually depending on the terms of the investment option.

The investment managers that can charge a performance-based fee are outlined in our current list of investment strategies available on our website. Please refer to the product disclosure statement for each relevant investment, which will detail any applicable performance-based fee and the calculation methodology.

Indirect cost ratio

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

The indirect cost ratio range displayed in the fee table on page 9 is current as at the date of this PDS. For further information, please refer to the product disclosure statement for the applicable investment option and the current list of investment strategies available on our website.

Indirect cost ratio rebate

We may receive a discount on the indirect cost ratio in the form of a rebate. The amount of the rebate depends on the arrangement with the individual fund managers.

When we receive the rebate we may pay it (or some of it) directly to your account. The amount you receive is calculated on the number of units you hold and the period for which you hold them.

Investment manager payments

Either the IOOF group or Questor (collectively IOOF) may receive a fee from the investment manager of certain investment options for administration and/or investment related services. This fee (up to 0.40 per cent per annum plus GST and/or up to $5,000 plus GST, as at the date of this PDS) is generally based on the total amount of funds IOOF has invested in each investment option and is paid to IOOF from the investment manager's own resources. One example would be where IOOF has an investment balance of $3 million and the agreed fee is 0.25 per cent plus GST, IOOF would receive $7,500 per annum plus GST. The fee is retained by IOOF and is **not** an additional cost to you.

If this information changes, we will notify you in a product information update on our website.

Can the fees and expenses change?

The fees and expenses set out in the 'Fees and other costs' section of this PDS may change as a result of (among other things) changing economic conditions and changes in regulation. We will give you 30 days' notice of any proposed fee increase or otherwise notify you as the law requires. This notice period should provide you with enough time to withdraw your investment options from the Plan if you do not agree with the proposed fee changes. The new fees and expenses must be within the maximum permitted in our Trust Deed. Please note that the fees and expenses set out on the previous pages may be lower than the maximum fees permitted under our Trust Deed. To increase the maximum amount permitted, we would be required to change our Trust Deed. To do this, we must have approval from members in the Plan.

GST and taxes

The fees quoted in this section are inclusive of GST and, where applicable, also take into account any RITCs. The benefits of any available input tax credits are passed on to you in the form of reduced fees or costs. See the 'Taxation' section on page 21 for more information on tax.

How you can invest

Contributions

To encourage people to save for their retirement, the Commonwealth Government provides a range of incentives for savings in super. This means super is taxed differently to other investments and there can be significant tax advantages with using super to save for retirement (see page 21 for more about how super is taxed).

The Plan can accept a range of contribution types, including:

- personal contributions
- employer contributions
- spouse contributions
- Government contributions
- rollovers/transfers.

There are some limitations on contributions to super. Contribution caps are the amount you can contribute while retaining the concessional tax treatment and there are limits on the age at which you can continue to make contributions.

The 'Everything you need to know about contributions to super' section of the **TPS general reference guide (TPS.01)** details the types of contributions that can be made and provides information on age restrictions, caps on contributions and details on splitting your contributions with your spouse.

Benefits

Your contributions, transfers and/or rollovers are initially invested in the Cash Management Account and then into the investment options you select. Your benefit is the current value of your investment plus investment earnings not yet credited, less any pending fees, expenses and taxes.

You may have insurance cover under the Plan if you apply for it and your application is accepted.

If you have insurance cover under the Plan, premiums will be deducted from your Cash Management Account, while premium rebates (if any) and any insurance benefits payable will be credited to your Cash Management Account.

Please refer to the **TPS insurance guide (TPS.03)** for further information regarding the life insurance arrangements for this Plan.

Making an investment

There is no minimum initial or additional investment requirement. You can make additional contributions at any time. Contributions can also be made through the Regular Savings Plan with a minimum regular contribution of $100 per month.

To set up your account with the Plan, you must complete the application form. Contributions and transfers from other super funds can then be credited to your superannuation account. On acceptance of your application, we will open an investment portfolio for you. Your money is initially invested in the Cash Management Account and any interest earned on application monies is credited to your Cash Management Account. Information on the Cash Management Account is outlined on pages 2 and 3.

We invest your money in the investment options you have selected as soon as practicable. The time the transaction takes to settle may depend on the investment option you choose. Factors which may affect the time taken to complete transactions include:

- the investment manager's procedures for the particular managed investment
- current market conditions.

Orders to buy listed investments are placed as soon as practicable after we receive them. The time taken to execute a transaction will depend on factors such as price, availability of stock and other market conditions. Settlement of a purchase currently occurs three days (T+3) after the execution date.

We take no responsibility for delays that are beyond our control.

We may reject an application request to invest in an investment option where there are insufficient funds to complete the investment or where funds remain uncleared within the Cash Management Account.

How to contribute

Your initial investment must be made by cheque payable to:

Questor Financial Services Limited ATF TPS Retirement Fund

If you are transferring your super benefits from another super fund (other than an SMSF), the transfer will be made electronically. If you are transferring from an SMSF the transfer must be accompanied by a cheque.

The minimum balance per investment option is $1,000 (except where the Regular Investment Sweep is utilised).

For more information on how to make ongoing contributions using the Regular Savings Plan and Regular Investment Sweep, please refer to page 19.

Cooling-off period

After you first join the Plan, you have time to reconsider your decision. This is known as the 'cooling-off ' period. Within this time, you may withdraw from the Plan and have your money rolled over to another complying super fund or it may be paid to you, depending on the preservation status.

Adjustments are made for market movements (up or down), our reasonable administrative and transaction costs (but not planner fees) and non-refundable taxes and duties. You may return a financial product within the period of 14 days starting on the earlier of:

- the time you receive confirmation from us that the investment has been made for you
- the fifth day after the investment options were issued by us.

You must notify us in writing if you wish to withdraw from the Plan. The cooling-off right does not apply to investments made under the Regular Investment Sweep, Regular Savings Plan, when you switch investment options, when you make an additional investment or in other situations where the law does not require it to apply.

For us to close your account (if there is money in it), you must nominate another super fund into which the money is to be transferred, unless the amount is unrestricted non-preserved and we can pay it direct to you. If you do not make a nomination within one month after notifying us of your intention to seek the return of your initial contribution or your nominated super fund does not accept the transfer, we may transfer your money to an eligible rollover fund (ERF). For more information on the ERF selected for the Fund, please see the 'Other general information' section of the **TPS general reference guide (TPS.01)**.

If you have any questions, please contact your financial planner or Client Advisory Services.

Valuing your investment options

Each investment option is valued at least weekly in the following way:

- Cash and term investments – at cost.
- Listed investments – generally the last sale price.
- Managed investments – generally the withdrawal (redemption) price quoted by the investment manager.

The actual price you receive will depend on the date we receive and accept your application or withdrawal request and the next available price for the investment option. Not all investment options are priced on a daily basis. If you submit a request for an investment option that is priced weekly, depending on the date of receipt you may receive the price applicable for the following week.

We may vary the method of valuation and procedures we use to determine the value of an investment option if we consider that the change will provide a more accurate measure.

Consolidate your super

It is easy for you to consolidate all of your super benefits into the Plan. All you need to do is complete the 'Request to Transfer' form located in 'The Portfolio Service – Super Essentials forms booklet' (forms booklet). For assistance, please contact your financial planner or Client Advisory Services.

In specie transfers

Your investments may be transferred in specie between products within The Portfolio Service. This means you can conveniently move your current investment options to another product if your circumstances change. You may also transfer listed investments in specie into the Plan where approved. Transaction fees will apply.

An in specie transfer may trigger a capital gains tax event and stamp duty costs may apply. You should discuss any in specie transfers with your financial planner.

Switching

You can switch between investment options at any time by either:

- completing a 'Switch request form'
- contacting your financial planner.

Before switching to a new investment option you must receive a copy of the relevant product disclosure statement or investment report, which is available from your financial planner free of charge. The minimum switch amount is $1,000 per investment option.

Any disposal of investment options, which includes switching between investment options, may have tax implications. You should consult your financial planner or tax adviser prior to switching investment options.

Transaction fees will apply.

A buy-sell spread may be incurred when switching between investment options. See the product disclosure statement for the particular investment option for details.

Insurance and nominating a death benefit beneficiary

Insurance

You can purchase individual life insurance through the group life and income protection insurance policies we have arranged with the Insurer. Purchasing life insurance through your super can be tax-effective as, you may be able to use pre-tax dollars to pay the premiums.

The Plan may provide you with access to insurance cover for:

- Death.
- Death and TPD.
- Income Protection.

A significant advantage of your life insurance being provided through the Plan is that you may not have to arrange new insurance cover if you change jobs or retire.

Once established, insurance cover continues until you cease to pay premiums or leave the Fund. Premiums and coverage are dependent on:

- your age and gender
- your health and medical history
- your smoking status
- your occupation and leisure activities.

You should read the **TPS insurance guide (TPS.03)** carefully as it provides a comprehensive explanation of the features and benefits available. You need to understand the costs involved, any exclusions or limitations and when a claim may be payable. Your insurance cover will cease in some circumstances. See the section 'When does cover cease?' in **TPS.03** for further information.

Tax-effective cover

The Trustee of the Plan receives a tax deduction for premiums paid for insurance cover, making it generally a more affordable way for you to obtain insurance cover.

You should be aware that there may be tax payable on the benefit paid to you. You should obtain independent advice with respect to the potential tax consequences of obtaining life insurance through the Plan.

Who provides the insurance?

Insurance cover is provided by the Insurer. We, as Trustee, own all insurance policies issued. If you need to make a claim, you need to contact us. We cannot pay you an insured benefit until the Insurer has first accepted your claim and paid the insurance proceeds to us. We do not guarantee the payment of an insured benefit or the performance of the Insurer. We can also change the Insurer.

Any insured benefit we receive is first credited to your Cash Management Account, and then paid out as a death or disability benefit.

Nominating a death benefit beneficiary

In the event of your death, super law requires that we pay your Death Benefit (your account balance including any insurance proceeds that may be payable as a result of your death) to one or more of your nominated dependants and/or your legal personal representative.

When you become a member, you are able to make a Binding Death Benefit Nomination (Binding Nomination) or Non-Binding Death Benefit Nomination (Non-Binding Nomination) to inform us how you would like us to pay your Death Benefit. You can nominate one or more people and allocate your benefit between them in any proportion. Any person you nominate must be a dependant as defined by super law or your legal personal representative. Dependants include your spouse, de facto spouse, same-sex partner, children and any person with whom you have an interdependency relationship.

Binding Nominations

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

Non-Binding Nominations

If you make a Non-Binding Nomination, in assessing who is entitled to your Death Benefit, the Trustee will take into account your nomination but is not bound by your nomination. To make a Non-Binding Nomination, please complete a 'Non-Binding Nomination form' which is available from your financial planner or by contacting Client Advisory Services.

> You can amend your nomination at any time by making a new Binding Nomination or Non-Binding Nomination and providing it to us.

No nomination

If you do not make a nomination, in the event of your death, the Trustee will pay your Death Benefit at its discretion.

Further information about death benefit nominations is available in the 'Death benefit nominations' section of the **TPS general reference guide (TPS.01)**.

Distributions and regular savings

How is your income distributed?

Unless you choose otherwise, income (such as dividends, distributions and interest) that you earn from your investment options will be automatically invested into your Cash Management Account.

Alternatively, you can elect for your income to be automatically reinvested in the same investment option (where it is available). Investment options available for reinvestment are identified on the list of investment strategies.

Note: Distribution reinvestment can occur before you receive a revised product disclosure statement for any relevant managed investment. We recommend you discuss the reinvestment options with your financial planner.

You can choose to reinvest income at the time of purchase or at a later date by contacting your financial planner or by completing a 'Reinvesting income nomination form'. Please allow ten business days from the date we receive a request for it to be implemented.

Regular Savings Plan

A Regular Savings Plan facility allows you to set up a direct debit arrangement for regular monthly contribution to your account. All you need to do is complete a 'Direct debit request form' located in the forms booklet.

You can commence a Regular Savings Plan with a minimum contribution of $100 per month. Please allow ten business days for your Regular Savings Plan to be established.

We will deduct money from your nominated Australian credit union, building society or bank account on or after the 15th of each month. These monies are then invested into your Cash Management Account.

We reserve the right to terminate your Regular Savings Plan if your direct debit is unsuccessful three times in any 12 month period.

If you have established a Regular Savings Plan, we will continue to deduct money from your nominated account until you tell us otherwise or the Regular Savings Plan is terminated. You can change your account details, alter the amount of your monthly investment or stop contributing by contacting your financial planner or by completing a 'Regular Savings Plan form'. Please allow ten business days from the date we receive a request for it to be implemented.

If we change the terms of the Regular Savings Plan materially or terminate it, we will let you know. You should keep this PDS and any updated information that we send you for future reference as to the terms of the Regular Savings Plan.

Regular Investment Sweep

The Regular Investment Sweep makes it easy to add to your investment portfolio without the inconvenience of completing additional application forms. You can activate the Regular Investment Sweep so that any cash in excess of your minimum Cash Management Account balance plus $100 (including any investments made to your Cash Management Account) is automatically invested each month according to your nominated investment profile. If you choose to activate the Regular Investment Sweep, we will check your Cash Management Account balance monthly.

Please refer to pages 2 and 3 for the Cash Management Account minimum balance. The minimum sweep amount is $100. The Regular Investment Sweep will continue until you tell us otherwise.

You may choose up to five investment options and you must nominate what percentage of the monthly sweep amount is to be invested in each option. A minimum of 20 per cent per managed investment option applies. This facility is not available for term investments or listed investments.

To establish the Regular Investment Sweep, please complete section 8 of the application form located in the forms booklet.

To change your Regular Investment Sweep, please contact your financial planner or complete a 'Regular Investment Sweep form'. Please allow ten business days from the date we receive a request for it to be implemented.

If you establish a Regular Savings Plan and/or Regular Investment Sweep, we will make any updated product disclosure statements for your investment options available to you as soon as practicable once they are issued. However, it is possible that money may be invested into your investment options before you access the updated product disclosure statement. Additional investments into the investment options will be made on the basis of the product disclosure statements current at the time of the additional investments.

Accessing your investment

The Commonwealth Government has placed restrictions on when you can access your account as super is a long-term investment.

Usually you cannot access your super until you retire after you reach at least age 55. However, if you were born from 1960 onwards, you may have a later access age (up to age 60). This is known as your preservation age. To see when you are eligible to access your super before or after you retire, see the 'Accessing your super' section of the **TPS general reference guide (TPS.01)**.

What are your access options?

Your money can stay in super for as long as you like, and you don't have to access your benefits when you retire. However, once you reach preservation age, there is a tax-effective way to access your super. That is by converting your accumulated super into a retirement income stream such as an account-based pension via The Portfolio Service – Retirement Income Plan. This is a particularly tax-effective way to take your benefits because not only are the payments tax-free from age 60, but the investment assets supporting the pension are held in a tax-free environment.

Even if you are still working, once you reach your preservation age you can commence The Portfolio Service – Retirement Income Plan transition to retirement pension. With a transition to retirement pension, you can receive tax-effective income through your pension while continuing to contribute to your super account. Members can transfer the super they hold in the Plan into The Portfolio Service – Retirement Income Plan without incurring Capital Gains Tax (CGT).

Withdrawals

To withdraw[4] your available benefits you can:

- instruct your financial planner to contact us
- complete a withdrawal form.

The minimum withdrawal amount is $1,000. This is taken from your Cash Management Account. Where sufficient cash is available in your Cash Management Account, the proceeds of a withdrawal are generally available within five business days. If your request involves the sale of an investment option it may take longer to provide the withdrawal proceeds.

Proceeds will be paid to your Australian credit union, building society or bank account as advised to us in writing.

In some circumstances proof of identity may be required.

If your withdrawal is greater than your balance in the Cash Management Account, you should consult your financial planner and confirm which investment options are to be sold.

Selling investment options

We will process your request to sell an investment option as soon as it is practicable (including switch requests), however, the length of time it takes to receive the redemption proceeds will depend on the investment option you have chosen.

Some investment options have longer withdrawal periods – for example, some managed investment options process withdrawals quarterly. Some managed investment options have withdrawal restrictions imposed by the investment manager. For details of managed investment options that have withdrawal restrictions, please refer to the withdrawal schedule available on our website.

Orders to sell listed investments are placed as soon as practicable after we receive them. The time taken to execute a transaction depends on factors such as price, availability of stock and other market conditions. Settlement of a sale currently occurs three business days (T+3) after the execution date.

Closing your investment portfolio

Your membership of the Fund will cease when the balance of your benefit has been paid to you or transferred to another complying super fund.

When you close your investment portfolio, we will leave your Cash Management Account open and retain a reasonable balance until after the Fund's tax return has been completed for the financial year in which your last transaction occurs. This enables us to:

- credit the account with any dividends, distributions, interest payments and tax credits that may be due to you
- deduct any fees, expenses or taxes which you may owe.

Once these transactions have been completed, we will contact you for instructions regarding payment to you of any residual balance, or if your Cash Management Account is overdrawn, we may require that you pay the outstanding amount.

> As the closure of your account involves finalising any income, fees and charges – your account closure will not be completed until the Fund's tax return has been lodged for the year in which you requested a full withdrawal.

4 Commonwealth Government regulations impose restrictions on when you can make lump sum (cash) withdrawals from superannuation (see the 'Accessing your super' section of the **TPS.01**).

Taxation

This section provides a summary of how super is taxed. If you would like more information on specific super taxation rules please see the 'How super is taxed' section of the **TPS general reference guide (TPS.01)**.

Use super for lower tax on investments

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

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

Tax concessions for contributions to super

There are tax concessions available when you or your employer contributes money to super. See the 'How super is taxed' section of **TPS.01** to find out more about:

- the tax benefits of contributing to super
- whether you (or your employer) are eligible for any of these concessions
- how to claim a tax deduction for personal contributions if you are eligible.

Tax on contributions to your super

Most contributions are categorised into two distinct types:

- Concessional contributions (known as 'before-tax' contributions).
- Non-concessional contributions (known as 'after-tax' contributions).

The most common examples of each are listed below:

Concessional contributions	Non-concessional contributions
Employer contributions (including SG contributions)	Personal after-tax contributions
Salary sacrifice contributions (these are technically also employer contributions)	Spouse contributions
Tax deductible personal contributions (if eligible)	

Concessional contributions include compulsory employer and salary sacrifice contributions and are taxed at the rate of 15 per cent in the Fund. However, those on incomes of $37,000 or less will benefit from a refund of this tax (up to a maximum of $500) through the low income super contribution.

Individuals with income above $300,000 pa will pay an additional 15 per cent tax on concessional contributions made on or after 1 July 2012. Full details of this measure can be found in **TPS.01**.

As super is a low-tax environment, the Commonwealth Government sets a maximum limit that you can contribute in each financial year for each type of contribution before additional tax is payable. The table below shows you the maximum amount you can contribute before additional tax applies.

Concessional contributions cap	Non-concessional contributions cap
A maximum total of $25,000 a year[5]	A maximum total of $150,000 a year

See the 'How super is taxed' section of **TPS.01** for full details of the contributions caps to ensure you do not end up paying more tax than you expected. The guide also contains information on special arrangements for larger contribution amounts.

You are assessed personally for any tax on excess contributions. Therefore it is your responsibility (with your employer) to ensure that you do not exceed the caps.

Tax treatment of your super investment income and capital gains

The maximum rate of tax applied to earnings, which is the interest and investment income from your investment options, is 15 per cent. Capital gains are effectively taxed at the concessional rate of 10 per cent if the asset has been held for longer than 12 months.

Important note

We generally only deduct tax on contributions and investment income from your account after the end of the financial year in which the contributions and investment income are received. This means your super account receives earnings on investments right up until when the tax is paid.

Transfers to other super funds/products

If you transfer your benefits to another complying super fund or to another product within the Fund, we will withhold sufficient funds to cover any tax on contributions and investment income from your super account before we transfer your benefit.

5 If you are aged 59 or more on 30 June 2013 a higher cap of $35,000 applies for the 2013/14 tax year, extending to those aged 49 or more on 30 June of the previous year from the 2014/15 year.

Tax on withdrawals

When you are aged 60 and over

Lump sum withdrawals and pension payments are tax-free.

If you are under age 60

If you are eligible (see the 'Accessing your super' section of **TPS.01**), you can withdraw some or all of your super savings in cash as a lump sum.

In some circumstances, we are required to deduct tax, depending on your age and the tax components of your benefit. If you have provided your Tax File Number, the maximum rate of tax that we would deduct from money you withdraw as a lump sum is 20 per cent plus the Medicare levy (currently 1.5 per cent).

Tax on benefits paid as a result of death or disability

Death Benefits

The tax applied to a lump sum payment made in the event of your death depends on who receives the benefit.

The payment will be tax-free if it is made to a dependant for tax purposes, called your Death Benefits Dependant, either directly or through your estate. Dependants for tax purposes and for super purposes differ so you should acquaint yourself with the differences by referring to the 'Key words explained' section of **TPS.01**.

Lump sum benefits paid to a dependant who is not a Death Benefits Dependant are taxed on a similar basis to lump sum benefits paid to those under age 60.

Death Benefits paid in the form of a pension will be tax-free if either the deceased or the beneficiary is aged 60 or more at the time of death. If both the deceased and the beneficiary are under age 60 at the time of death, the pension is taxed on the same basis as pensions paid to members under age 60. When the beneficiary turns 60, the pension becomes tax-free.

Disability Benefits

The tax applied to withdrawals as a result of TPD is generally similar to that listed above in 'Tax on withdrawals'. However, the proportion of the benefit that relates to the period from the date you left your employment due to TPD until the date you reach age 65 will also be tax-free.

Income protection payments should be included in your normal assessable income and will be taxed at your marginal rate (plus the Medicare levy).

Tax deductions

The Trustee is generally able to claim a tax deduction for any fees and insurance premiums we deduct from your account. The benefit of these tax deductions is passed on to you and effectively reduces the impact of the fee or premium cost to your account by 15 per cent. All fees and costs in this PDS are shown before considering any allowable tax deduction benefits, unless we tell you otherwise.

Notification of Tax File Number (TFN)

Under super law, we are required to ask you for your TFN.

What will we use your TFN for?

We only use your TFN for certain purposes such as:

- providing it to the Australian Taxation Office (ATO) for the purpose of calculating any excess contributions tax
- providing it to another super provider if your account balance is transferred (unless you ask us not to)
- identifying your super benefits where other information is insufficient
- helping you to re-connect with your accounts through initiatives such as the ATO's Super Match initiative whereby organisations can match individuals with their lost super
- for calculating tax on benefit payments you may be entitled to.

These purposes may change in future.

What if you do not want to provide your TFN?

Even though we are required to ask you for your TFN, under the law you do not have to provide it to us. However, we will not accept any application without a TFN because if we do not have your TFN, we will not be able to accept any personal contributions from you and you will pay more tax on your super.

How to provide your TFN to the Trustee

You can notify the Trustee of your TFN on your application form or you can simply send a letter to the Trustee, with the following information:

- your name and date of birth
- your TFN
- your signature and the date.

For your convenience a TFN form is available from our website (www.theportfolioservice.com.au).

Additional information

Keeping you informed

We will send you information as required by law. We may also communicate with you by email.

At any time, your financial planner can request information for you generally about the Plan and your account.

Welcome letter and transaction confirmations

On acceptance of your initial application, we will send you a welcome letter that summarises the information we have recorded for your account.

We will also send you written confirmation each time you make a transaction (other than when investing through the Regular Savings Plan, the Regular Investment Sweep or on employer contributions under $10,000).

Member reports/statements

You will receive reports at least annually at the end of the financial year. These will provide details of:

- the current value of your benefit and preservation components
- all transactions for the period
- fees, expenses and taxes paid
- the amount of Death, Death and TPD and Income Protection cover (if applicable)
- your nominated beneficiary(ies).

If you withdraw or roll over your benefit, you will receive the documents you need to complete your tax return at the time of withdrawal.

Annual reports

The annual report for the Plan will be available on our website before 31 December after the end of each financial year. A copy of the latest annual report is available free of charge on request. This PDS should be read in conjunction with the latest annual report of the Plan.

Updated information

From time-to-time, information in this PDS may change. If the information is not materially adverse to you, we will notify you of the changes in a product information update available on our website. Upon request, a copy of the product information update can be obtained free of charge from your financial planner or Client Advisory Services.

If the change to the information in this PDS is materially adverse to you, we will issue a replacement PDS or a supplementary PDS.

If there are changes to the information in this PDS after you join the Plan, we will notify you as required by super law – in writing, in our annual report or, where possible, by electronic means.

Keeping us informed

A signed request may be required for changes (or corrections) to your account details. Please contact your financial planner or Client Advisory Services for instructions to:

- update your account details – such as a change of name or change of postal address, email address or telephone number
- change your nominated death benefit beneficiary
- make transaction requests.

Otherwise you may action these requests by completing the relevant form available on our website and sending it to us.

Enquiries and complaints

If you have any questions or a complaint, please:

- contact your financial planner
- telephone Client Advisory Services on 1800 221 151
- notify us in writing.

Having done so, if you feel that the matter has not been dealt with adequately, please write to us at the following address:

Complaints Officer
The Portfolio Service
Locked Bag 4004
Queen Victoria Building NSW 1230

We will acknowledge receipt of your complaint within two business days of receiving your letter and will endeavour to resolve the situation within 28 days of receiving your letter. However, some matters are more complex and can take longer to resolve. In that case, we will keep you informed of our progress.

If you have complained to us and your complaint has not been resolved to your satisfaction within 90 days, you have the option of contacting the Superannuation Complaints Tribunal, an independent complaints handling body. The Superannuation Complaints Tribunal will be then able to confirm whether or not they can help you.

Their contact telephone number is 1300 884 114, or you can write to them at Locked Bag 3060, Melbourne, Victoria 3001.

Privacy

We recognise the importance of protecting your privacy. Your personal information will be handled in accordance with our privacy policy, which outlines how the information we collect from you is used, stored and disclosed.

We will collect your personal information from the application form you complete when applying for this product.

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

- To help your financial planner provide you with financial advice and ongoing services in relation to your account with us.
- To establish and maintain insurance protection that you may request.
- To facilitate internal administration, accounting, research, risk management, compliance and evaluation of IOOF group products and services.
- To provide you with information about other products and services that we or other members of the IOOF group offer that may interest you.

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

- your financial planner
- your employer
- banks or other financial institutions
- medical professionals
- insurers and reinsurers and their claims agents and assessors
- legal and accounting firms, auditors, mail houses, contractors, or others involved with the product
- the Australian Taxation Office
- other companies within the IOOF group.

We are also permitted to collect and disclose your personal information when required or authorised to do so by law.

By signing the application form, you agree to us collecting, storing, using and disclosing your personal information. If you do not provide all the information requested in your application form, we will not be able to accept and process your application.

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

Postal address:	Privacy Officer Questor Financial Services Limited Locked Bag 4004 Queen Victoria Building NSW 1230
Email:	privacy.officer@ioof.com.au
Telephone:	1800 221 151

Depending upon the nature of the request, we may have the right to impose a reasonable charge.

To obtain a copy of the IOOF group privacy policy please contact Client Advisory Services on 1800 221 151 or through our website (www.theportfolioservice.com.au/privacy_policy).

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

We are required to carry out proof of identity procedures before cashing a super benefit. These requirements arise under the Commonwealth Government's AML/CTF Law.

Where you have not already provided us with appropriate identification, we will be required to collect customer identification information and to verify it by reference to a reliable independent source. You will be notified of these procedures when you request a cash withdrawal (if eligible). We may also be required to collect customer identification at other times. If you do not provide the information or we are unable to verify the information, payment of benefits may be delayed or refused.

How to apply

Application procedure

Joining is simple. All you have to do is complete the application form and any other relevant forms in the forms booklet accompanying this PDS.

You can obtain a copy of the PDS and forms booklet:

- from your financial planner
- by downloading one from our website (www.theportfolioservice.com.au)
- by calling Client Advisory Services on 1800 221 151.

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