

Rhythm

Rhythm **Super**

Product Disclosure Statement (PDS) – Part 1

Information on key features, benefits and risks

20 October 2023

This document is Part I of the Rhythm Super Product Disclosure Statement (PDS). It should be read in conjunction with Part II of the Rhythm Super PDS, including other information that has been incorporated into the PDS.

Issued by IOOF Investment Management Limited (ABN 53 006 695 021, AFSL 230524, RSE License No. L0000406) as Trustee of the AvWrap Retirement Service (ABN 82 004 832 237, RSE R1069020, USI 82 004 832 237 001).

www.ioof.com.au/forms

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This PDS has been prepared and issued by IOOF Investment Management Limited (IIML) ABN 53 006 695 021, AFSL 230524. IIML is the Trustee of the AvWrap Retirement Service ('the Fund') (ABN 82 004 832 237, RSE R1069020, USI 82 004 832 237 001). The Fund was established under a trust deed dated 2006 (as amended from time to time) ('Trust Deed'). Rhythm Super forms part of the Fund. The terms 'our', 'we', 'us' and 'Trustee' in this PDS refer to IIML.

About the Trustee

IIML is a part of the Insignia Financial Group comprising Insignia Financial Ltd ABN 49 100 103 722 and its related bodies corporate (Insignia Financial Group). In fulfilling its duties as trustee, IIML has investment, service and other contracts with the Insignia Financial Group of companies.

As Insignia Financial Group is a large financial institution, conflicts of interest, both real and perceived may arise. We have policies in place that contain appropriate measures to identify, document and manage conflicts.

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

Contributions made to, and investments in, Rhythm Super do not represent assets or liabilities of IIML (other than as trustee of the Fund) or any other company or business within the Insignia Financial Group.

Investments made into the investment options in Rhythm Super are subject to investment risks and other risks. This could involve delays in the repayment of principal and loss of income or principal invested.

IIML operates Rhythm Super on the terms and conditions outlined in this PDS and in accordance with the Fund's Trust Deed.

Where an investment option is issued by an Insignia Financial Group related entity, the fees received by the Insignia Financial Group entities are charged in accordance with the constitutions of the investment options.

Administrator

HUB24 Custodial Services Ltd ('HUB24', 'Administrator') (ABN 94 073 633 664, AFSL 239 122)

If you have any questions or would like any more information about Rhythm Super, please contact the Administrator:

T: 1300 319 363

P: GPO Box 529, Sydney NSW 2001

E: rhythm@hub24.com.au

Product website: www.ioof.com.au/forms

Rhythm Super is only available to clients of approved Australian Financial Services Licensees (Licensees) and their authorised advisers (each an adviser) unless otherwise approved by the Trustee.

The Trustee is responsible for operating the Fund honestly and in the best interests of members. The Trustee has appointed HUB24 as the custodian of the Fund, meaning it holds the assets of the Fund on behalf of members. The Trustee has also appointed HUB24 as administrator of the Fund.

HUB24 may sub-contract the performance of some or all of its administrative functions to other professional service providers. The Trustee may also use other service providers in the management and operation of the Fund. Given the range and nature of the investment and insurance options available, you must have a relationship with an authorised adviser (adviser) and the licensee in order to join the Fund, unless otherwise approved by the Trustee.

You can find out more information about the Fund by contacting your appointed adviser or the Administrator.

Trustee and fund information

The Trustee is required to disclose certain information and documentation in relation to itself and the Fund on a website. This information and documentation is available on the following website: ioof.com.au/about-us/about-ioof/trustee-disclosures and includes, but is not limited to, the Trust Deed, the PDS, the most recent Annual Report and the names of each material outsourced provider to the Fund.

Eligibility

This PDS does not constitute an offer or invitation in any place where, or to any person to whom it would not be lawful to make such an offer or invitation. This offer is only open to persons receiving this PDS as a hard copy or electronically within Australia.

Important information

The PDS comprises two parts and is a summary of important information relating to the Fund to assist you in deciding whether this product is suitable for your needs. It will also help you compare this product with others you may be considering.

This document is Part I of the PDS. The other document that makes up the PDS is Part II of the PDS for Rhythm Super. Part II of the PDS contains information about the fees and costs of the product.

The PDS also includes references to important information contained in the following documents, which form part of this PDS:

- Additional Information Booklet (Information Booklet)
- Investment Booklet, and
- Insurance Guide.

These documents are available by contacting your adviser or the Administrator or through the product website. You should carefully read and consider the PDS (including incorporated information) before making a decision to apply for this product.

The information contained in the PDS is general information only and does not take into account your personal objectives, financial situation, needs or circumstances. Before acting on this information, you should consider its appropriateness, having regard to your personal objectives, financial situation, needs and circumstances. Before you make any decision about whether to acquire or continue to hold the product or an investment available in the product, you should consider the PDS and it is recommended you obtain professional financial advice tailored to your personal circumstances from your financial adviser.

Target market determination

A target market determination ('TMD') has been issued by us which considers the design of this product, including its key attributes, and describes the class of consumers that comprises the target market for this product. A copy of the TMD for this product can be obtained from your financial adviser or is available on our website at ioof.com.au/forms.

Updated information

Information in the PDS (including incorporated information) is subject to change from time to time and may (in the case of information that is not materially adverse) be updated via the website. To find out about updated information go to the product website shown on the front cover. Alternatively, you can request a paper or electronic copy of the updated information by contacting the Administrator.

No guarantee

None of the Trustee, any of its related entities or their respective employees, or any other entity associated with the management or promotion of the Fund or its products (including the Administrator), guarantee the capital invested by you, the performance of the specific investment or insurance options available, or your benefits generally.

The Trustee and any other service provider (including the Administrator) associated with this product do not guarantee or underwrite this product.

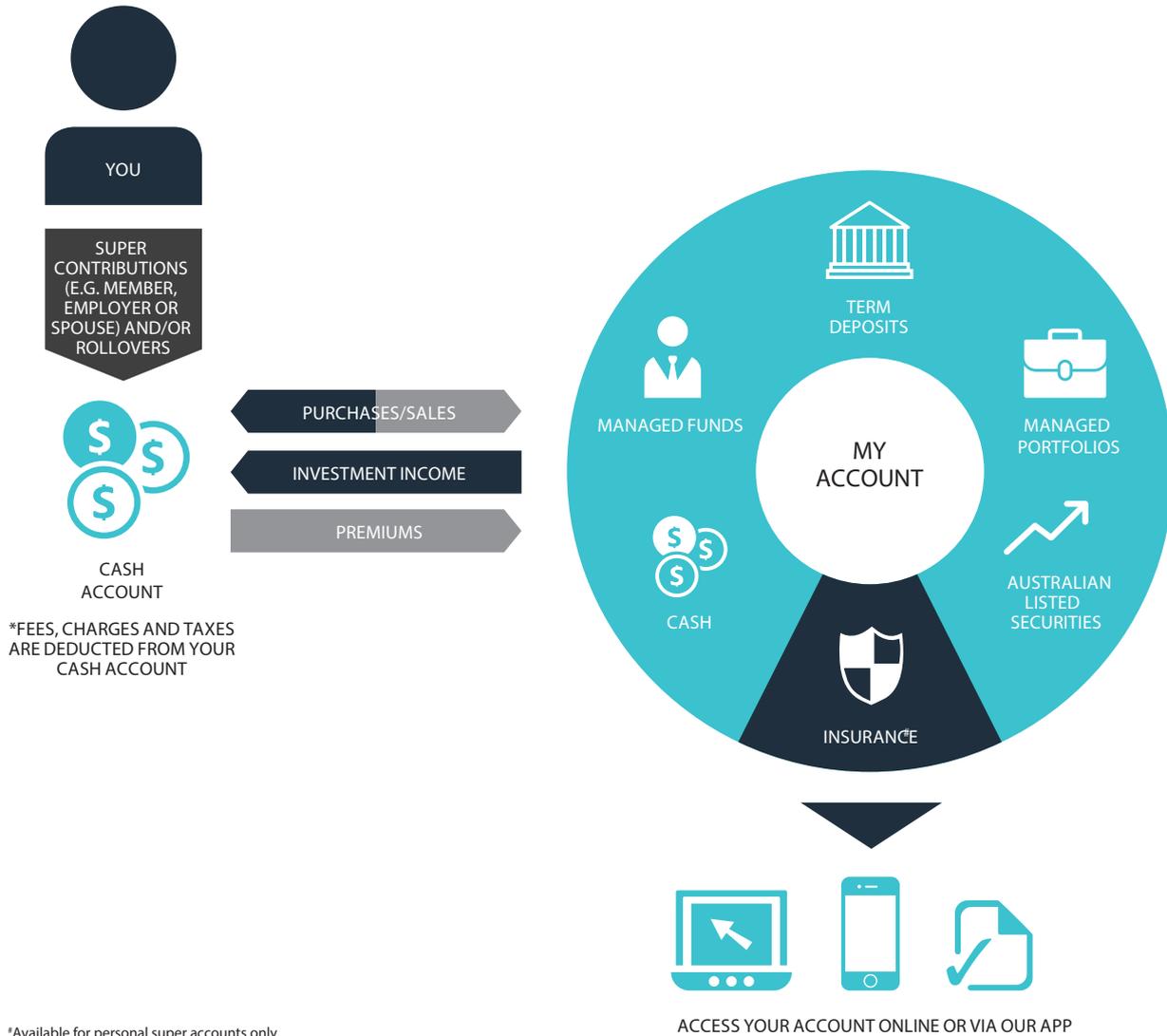
1. About Rhythm Super

This product is a super investment service that can help you build your superannuation (super) savings in a tax-effective way. There is an extensive range of investment options for you to invest in, to build your preferred investment and insurance strategy. For more information about the range of investment options available to you refer to Section 3 'Benefits of investing with Rhythm Super'.

You can:

- accumulate and grow your super through a personal super account and/or
- draw a regular income stream through an account-based pension or transition to retirement pension.

Your adviser will provide you with the information and relevant disclosure documents you require in order for you to invest through the Fund.



All of your investments can be in one place to help you easily administer and track your retirement savings.

2. How super works

Super can be a very effective way of saving for retirement (which is, in part, compulsory) due to the tax concessions and other incentives provided by the Government.

Contributing to super

There are several types of contributions that can be made to super such as:

- Employer,
- Personal,
- Spouse, and
- Government co-contributions.

In most cases your employer is required to contribute to a super account for you. These contributions are known as Superannuation Guarantee (SG) contributions. You can generally choose the super fund to which SG contributions are made. Your employer may be able to make additional employer contributions such as salary sacrifice contributions.

Depending on your annual income and the type of contributions you make to your account, you may be eligible to receive a Government co-contribution. You can also choose to transfer your super from another fund into your account in the Fund.

Limits apply to most contributions (referred to as contribution 'caps'). There are eligibility rules for super contributions and there may be taxation penalties for contributions that exceed the contribution caps set by the Government.

Note: Contribution caps and the taxation treatment of superannuation can change. Up to date information on tax in super is available at www.ato.gov.au/super.

Accessing your super

There are restrictions on when you can withdraw your super. Super is generally a long-term investment designed to provide income in retirement. In most cases, you can access your super as a lump sum or pension when you:

- retire, on or after reaching your preservation age (between 55 and 60, depending on your date of birth); or
- ceased an employment arrangement on or after age 60; or
- attain age 65.

You can begin a transition to retirement pension when you reach your preservation age.

You may also be able to access your super in other circumstances as permitted by law called 'conditions of release', for example: compassionate grounds, severe financial hardship and permanent incapacity.

In certain circumstances the Trustee must transfer super benefits to the Australian Taxation Office (ATO) (e.g. some lost accounts, inactive low-balance accounts, unclaimed benefits on or after age 65 and unclaimed benefits of former temporary residents).

General information about super is available from www.moneysmart.gov.au

i For more information on contributing to super and accessing your super refer to 'How super works' in the Information Booklet.

3. Benefits of investing with Rhythm Super

You and your adviser can tailor an investment and insurance solution to suit your circumstances and retirement goals while taking advantage of the product's flexibility as your needs change.

The role of your adviser is explained in the Information Booklet.

Flexible account features

Choose a personal super, account-based pension or transition to retirement pension account to suit your individual circumstances and life stage. In addition, you can:

- consolidate your super by rolling money from other super accounts to your personal super account,
- split contributions to your personal super account with your spouse, make beneficiary nominations using a lapsing binding, non-lapsing binding, non-binding or an automatic reversionary beneficiary (available for Pension accounts only) nomination providing greater estate planning certainty,
- make regular contributions from your bank account to your personal super account through a regular savings plan,
- link your cash account in the product to a nominated bank account for easy transfer of funds into or out of your cash account (subject to the relevant contribution or withdrawal restrictions under superannuation law), however you may be required to verify the bank account details prior to making certain withdrawals.

Insure your life

A comprehensive range of insurance options is available through the Fund to help protect you and your family's financial wellbeing.

Select your insurance cover through the group life and income protection insurance policies or through one of the individual policies as made available by the Trustee.

For more information, see Section 7 'Insurance in your super' in this PDS.

Competitive fees

You will benefit from a transparent fee structure. Depending on the investment options you choose, you may also benefit from investment management fees that are generally lower than if you invested directly with the investment manager.

Access to your account at anytime

You can track and manage your account online through a dedicated online facility known as InvestorHUB.

InvestorHUB allows you to track and manage your account online anytime, view all transactions, valuations and a variety of other reports. You can also view details of your account through our mobile app.

Access a range of investment options

You can diversify your investments across a range of investment types, asset classes and investment styles.

Choose from an extensive range of investment options, including:

- Managed funds
- Managed portfolios
- Australian listed securities
- Term deposits, and
- Cash.

The list of available investments is set out in the Investment Booklet. The Investment Booklet is reviewed regularly by the Trustee and may change from time to time. You can access the latest Investment Booklet from your adviser, the Administrator or from the product website.

Efficiently manage your investment strategy

Keep your investments aligned to your investment strategy through the:

- Ad Hoc Investment Plan: invests ad hoc deposits made into your cash account in-line with your chosen investment strategy (personal super accounts only);
- Automatic Cash Top Up: manages your minimum cash account balance;
- Automatic Investment Drawdown: specify what investments are sold down when certain payments are needed (e.g. pension payments);
- Automatic Investment Plan: periodically reinvest the excess cash in your cash account; and
- Investment Preferences: with your adviser, determine investment exclusions and minimum trade amounts for investments and/or rebalances.

 For more information on the benefits of investing in this product refer to 'Benefits and features' in the Information Booklet.

Features at a glance

| | |
|--|--|
| Account types | There are three account types available to suit whatever life stage you are at: <ul style="list-style-type: none"> • Personal super; • Transition to retirement pension; • and Account-based pension. |
| Minimum initial deposit | \$20,000 per account. |
| Minimum cash balance | 1.25% of your account balance must be held in your cash account at all times. Refer to Section 5 'How we invest your money', for more information about the cash account. |
| Minimum ongoing account balance | \$10,000 per account |
| Additional Contributions ¹ | \$100 minimum per contribution |
| Regular savings plan ¹ | \$100 minimum per contribution |
| Methods of contribution | Personal and spouse contributions: Cheque, direct debit, BPAY®, electronic funds transfer, in specie transfers (subject to Trustee approval). Employer contributions (including salary sacrifice contributions): SuperStream |
| Methods of withdrawal | Electronic funds transfer. |
| In specie transfers | You may be able to transfer investments held outside the Fund into your account (subject to Administrator or Trustee approval). You may be able to in specie transfer investments out of the Fund (subject to Administrator or Trustee approval). |
| Interest rate on your cash account | The interest rate may change from time to time and is calculated daily and paid monthly on any positive balance in your cash account. The latest available interest rate on your cash account can be found on InvestorHUB, by contacting the Administrator on 1300 319 363 or by contacting your financial adviser. |
| Investment options (the same investment options are available for super and pension accounts) | <ul style="list-style-type: none"> • Managed funds • Managed portfolios • Australian listed securities • Term deposits, and • Cash. |
| Portfolio management tools | <ul style="list-style-type: none"> • Regular Savings Plan • Ad Hoc Investment Plan¹ • Automatic Cash Top Up • Automatic Investment Drawdown • Automatic Investment Plan • Tailored investment preferences (establish investment exclusions, and minimum trade amounts for • investments and/or rebalances) |
| Efficient trading choices | <ul style="list-style-type: none"> • aggregated trading using adjusted daily weighted average pricing through our default broker • direct market trading² through our default broker, allowing you to buy or sell Australian listed securities at a specified price, or trade at the current market price |
| Insurance options ¹ | Death, Total and Permanent Disablement (TPD) and Income Protection – available through the group life and income protection insurance policies or through individual retail policies. |
| Beneficiary nominations | Lapsing binding, non- lapsing binding, non- binding or automatic reversionary ³ beneficiary nomination options. For more information about beneficiary nominations, refer to Section 1 'How super works' in the Information Booklet. |
| Access to your account | InvestorHUB provides secure online access to your account information and reporting. You can view your investments at any time and access a range of reports, including performance, valuation, tax and transaction reports. You can also access details of your account through our mobile app. |
| Fees | Refer to Part II of the PDS for Information about fees and other costs. |

° Registered to BPAY Pty Ltd ABN 69 079 137 518

¹ Available for personal super accounts only.

² Available for Australian listed securities only.

³ Available for pension accounts only.

4. Risks of super

All investments carry risk, meaning there is a possibility you can lose money or that your investment may not meet your objectives. Different investment strategies may carry different levels of risk, depending on the investments that make up the investment strategy. Investments with the highest long-term returns may also carry the highest level of short-term risk.

Some of the potential risks of investing in the Fund that you should consider and be aware of include:

- the value of your investment portfolio may vary over time;
- the level of returns will vary, and future returns may vary from past returns;
- returns are not guaranteed, and you may lose some or all of your money;
- you may not be able to withdraw your money at the time you want to, as the law restricts when you can withdraw your funds;
- your investment may be affected by changes in the economic and political environment and/or changes to legislation, particularly in relation to taxation and superannuation laws;
- if you leave the product, you may receive less than the amount you invested because of low or negative investment returns, fees, charges and the impact of taxes; and
- the amount of your future super savings (including contributions and returns) may not be enough to provide adequately for your retirement.

Other risks associated with investing through the Fund will depend on the particular investments you choose and may include the following types of risk (depending on the underlying assets):

Fund risk

- advice risk
- cyber risk
- legal and regulatory risk
- external fraud (including identity theft)
- investment variance risk
- operational risk
- third party risk
- portfolio risk

Investment risk

- concentration risk
- country risk
- credit risk
- derivatives and sophisticated investment risk
- diversification risk
- foreign exchange risk
- inflation risk
- interest rate risk
- investment option risk
- liquidity risk
- manager risk
- market risk
- sector risk
- specific asset risk

All super products are generally subject to some or all of the risks highlighted above. It's not possible to identify every risk factor relevant to the product and these examples are not exhaustive.

The appropriate level of risk for you will vary depending on various factors including your age, investment timeframe, what other investments you hold, and your level of risk tolerance. You should consult with your adviser to ensure you understand the risks associated with the product, and how to manage these risks.

i You should consider the additional information about risks in the Information Booklet, Investment Booklet and the disclosure document for any managed portfolio or other financial product that you may be considering for any risks related to each specific investment or portfolio.

For more information on the 'Risks of super', refer to 'Risks of super' in the Information Booklet.

5. How we invest your money

A wide range of investment options gives you and your adviser flexibility when tailoring an investment strategy to help address your personal needs and long-term goals.

Your cash account

When you join the Fund, we establish an account in your name and a cash account is opened for you. Your cash account represents the cash holding in your account and does not include any cash held via an underlying investment option and is used to settle all transactions relating to the investments held within your account and pay any costs associated with these investments. You must hold a minimum cash balance of 1.25% of your total account balance in your cash account. The Trustee can change this minimum cash balance requirement at any time. You and your adviser are responsible for maintaining the minimum cash balance at all times.

If the balance of your cash account is below the minimum level, we may sell investments in your account at any time to restore the cash position to the minimum requirement, without seeking additional instructions from you. A negative cash account balance may incur a negative cash account fee (which is applied as an interest charge). Please refer to Part II of the PDS and the Information Booklet for more information about the consequences of maintaining a negative cash account balance.

When you first open an account, we first allocate your money to your cash account until we receive investment instructions from your adviser. For more information, see Section 4 'How we invest your money' in the Information Booklet.

Transactions including switches, partial withdrawals and other payments (including fees) may result in your Cash Account temporarily having a negative balance. If this occurs, a percentage fee equal to the daily Cash Account interest rate will be charged for each day that your Cash Account has a negative balance. This fee will reduce the interest payable for the month in which your Cash Account has a negative balance and can result in a deduction rather than an interest payment to your account.

Investment Strategies you can choose from

Once you have set up your account, you can invest your money in accordance with one or more strategies that you have agreed with your adviser (subject to maintaining the minimum cash balance).

Types of investments

The list of available investments is set out in the Investment Booklet. The Investment Booklet is reviewed regularly by the Trustee and may change from time to time. You can access the latest Investment Booklet from your adviser, the Administrator or from the product website.

Important: When choosing your investments, you should consider the level of risk involved with each investment, the likely investment return and your timeframe for investment.

Your adviser can help you establish an investment strategy that addresses your needs and retirement goals.

Managed funds

You can choose from a range of managed funds offered by Australian and international fund managers.

If we receive your transaction instructions before 3pm Sydney time on any business day, we will generally act on them that day. If we receive your transaction instructions after 3pm Sydney time we will generally act on them the next business day. However, the time taken to conclude investment instructions can vary depending on a number of factors applicable to specific managed funds.

Managed portfolios

Managed portfolios, also known as Separately Managed Accounts, are available through the Fund via one or more non-unitised and registered managed investment schemes (each, a Scheme), which are operated and offered by a responsible entity (RE) that is approved by the Trustee.

Each RE of a Scheme may appoint HUB24 as one or more of custodian, administrator and investment manager for the relevant Scheme.

Refer to the product disclosure statements for these Schemes for further details which can be obtained from your adviser or through InvestorHUB.

A portfolio manager is appointed in respect of each managed portfolio to design, construct and advise on the notional portfolio of assets for the managed portfolio (standard managed portfolio). The relevant portfolio manager will develop the portfolio composition and instruct the Administrator to reweight or rebalance your investment in your chosen managed portfolio option in accordance with the standard managed portfolio.

Managed portfolios can consist of a range of financial products including Australian listed securities, managed funds, exchange traded funds (ETFs), exchange traded products (ETPs), other managed portfolios and cash.

A managed portfolio can offer advantages over investing in a managed fund, including potentially greater tax efficiency and transparency of your investment holdings. If the portfolio manager makes changes to the managed portfolio in which you invest, your portfolio will also be updated to reflect these changes so your portfolio mirrors, as closely as possible, the composition of the portfolio manager's standard managed portfolio. This is subject to any investment exclusions arrangements you have in place.

Progressive portfolio implementation (PPI) is a way for a portfolio manager to implement a change in managed portfolio weightings by introducing one or more substitute investment(s). The portfolio manager may instruct us to temporarily apply this change in respect of new purchases of the managed portfolio without impacting existing holders of the standard managed portfolio.

If a portfolio manager uses PPI, the underlying investments held in your managed portfolio may differ from the manager's standard managed portfolio. As a result, the investment performance you experience through a PPI managed portfolio may differ from the standard managed portfolio. This is referred to as investment variance. Refer to Section 5 'Risks of super' in the Information Booklet for more information about investment variance risk.

Where you invest in a managed portfolio, you are taken to have instructed the Administrator to pay any fees in respect of the managed portfolio from your cash account to the RE, investment adviser or the portfolio manager (as applicable) for their services.

Where amounts are owed to an RE or a Scheme (for example because your investment in a managed portfolio has gone into negative balance) you are also taken to have authorised the RE, the Administrator and the Trustee to obtain payment of that amount

from your cash account as an alternative to obtaining payment from the applicable Scheme. If payment from your cash account is not possible, these amounts may be paid from the relevant Scheme.

The Administrator may provide additional services in its personal capacity to you directly or through issuers of underlying investments such as administration, investment advisory or custody services to an RE of a Scheme offering a managed portfolio which is available through the Fund and the Administrator may be remunerated for these services.

Listed securities

You can choose from a wide range of Australian listed securities. These listed securities can include ordinary shares, ETFs, ETPs, LICs/LITs and interest rate securities including hybrids.

When buying or selling listed securities, your adviser can provide instructions to buy or sell these using either:

- **direct market trading** – orders are placed directly with the relevant stock exchange and your adviser can specify pricing parameters for the order;
- **aggregated trading** – orders are combined with others received on that day and net trades are generally executed at a weighted average price, which smooths out any price volatility from the time the trade is placed on market; or
- **your broker** – orders are placed with your broker (this only applies where the Administrator has an arrangement in place with the relevant broker). Trades placed with your broker are not placed through AdviserHUB, but directly through your broker, and orders are executed in accordance with your broker's market and trading requirements, and are subject to the broker's terms of business.

The Administrator is not a market participant or clearing participant of the ASX or any other market. It has arrangements in place with brokers to provide broking services in relation to your instructions to buy or sell securities. When you choose to trade through the Fund's broking service (direct market trading or aggregated trading), you authorise the Administrator to instruct the Fund's broker to execute the relevant transaction under the trading agreement between the Administrator and the broker.

Note: it may take some time to execute trades (particularly where you specify a buy or sell price).

Term deposits

You will have access to investments in term deposits (offered by a range of banks or financial institutions) where the interest rate is fixed. Typically, the Fund will make available term deposits with durations of three months, six months and one year, but differing durations and features may be available.

During the deposit term, you cannot withdraw your funds (without charges and/or loss of interest) or add funds to the investment. Interest is generally calculated daily and paid at maturity.

Generally, transaction instructions for term deposits will be acted upon within the week in which they are received.

The interest rate you earn will depend on the term deposit provider and the length of the investment term. The interest rate applicable to a term deposit is the prevailing rate on the day the term deposit is opened.

Investment holding limits

There are limits on how much you can invest in certain investment options. If you exceed these limits, you may not be able to add further monies to the investment option and you may have to sell certain investments. Refer to 'Investment holding limits' within the Investment Booklet for more information.

Buying, selling and switching investments

Subject to liquidity constraints, you can change your investment strategy and underlying investments at any time by instructing your adviser. There's generally no minimum amount for investments, but certain managed funds and managed portfolios may have minimum investment requirements. Please refer to the disclosure document for the specific investment or ask your adviser for more information. When placing investment instructions, you must ensure your cash account maintains enough cash (including the minimum cash balance) to enable the transaction to settle.

If there is insufficient cash within your cash account to allow transactions to settle, your cash account may be placed into negative and be subject to an interest charge on the negative cash amount.

Changes to investment strategies and the Investment Booklet

The Trustee may change the available investment strategies and/or options for the Fund at its discretion. This may include removing or adding an investment option or varying the characteristics of a strategy (including its objective).

The composition of available investments can change from time to time. In addition, certain investments may be removed altogether from the Investment Booklet without prior notice. In this case the Trustee may, at its discretion, allow you to continue to hold the investment, or it may require you to sell the investment.

Delays in processing instructions

Sometimes it may not be possible to act on your instructions in a timely fashion (e.g. we may not have enough information, certain requirements may not have been met, or a fund manager may have suspended applications or withdrawals). In these cases, we will contact your adviser.

The Trustee reserves the right to refuse or delay your instructions for any reason. In such cases, the Trustee accepts no liability for any losses incurred.

i Important note: More information about each investment option available is detailed in the Investment Booklet and the PDS issued by the fund manager for the particular managed investment and the product guide for the particular term deposit. The information relating to investments in the Investment Booklet may change between the time you read the PDS and the day the application form is signed or submitted.

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

Before investing, you should consider the PDS for the managed investment(s) or the product guide for any term deposit(s) you have selected. You can obtain a copy, at no additional cost to you, by requesting it from the Administrator by calling 1300 319 363 or directly from InvestorHUB. If you receive MDA services from an MDA provider you have appointed to give us investment instructions on your behalf, you should consider the disclosure for any investment options that the MDA provider is managing on your behalf. The person you appoint as your agent to give us instructions (including your MDA provider) must provide you with this disclosure before giving us instructions on your behalf.

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

Please note, in most cases, listed investments do not have PDSs.

Managed discretionary accounts (MDAs)

Your adviser may recommend you use a Managed Discretionary Account (MDA) service to manage your portfolio.

Your appointed MDA provider may be able to provide you with MDA services in connection with your Rhythm Super account. Your MDA provider is solely responsible for the MDA services they provide. Our role is limited to acting on the instructions of your MDA provider who can give us instructions on your behalf. Please refer to the 'Managed Discretionary Accounts' section of the Information Booklet for more detail or contact your adviser.

6. How super is taxed

Tax may apply to contributions, investment earnings and withdrawals. Generally, any taxes you pay within super are at a concessional (lower) rate. The Trustee deducts tax and pays it to the ATO where applicable. Up to date information on contribution caps and how super is taxed is available at www.ato.gov.au/super.

Contributions

Contributions are classified as concessional or non-concessional contributions, generally depending on whether the contribution is included in the assessable income of the Fund.

- Concessional contributions (e.g. SG contributions and salary sacrifice contributions) are generally taxed at a maximum rate of 15% (the actual rate may be less due to tax credits or other rebates available to the Fund). Additional tax may apply to concessional contributions made if you are classified as a high income earner. This additional tax is payable directly by you unless you elect for this additional tax to be paid through the release of money from your super account.
- Non-concessional contributions, such as those made from your after-tax income (e.g. personal contributions) are generally not taxed.

Taxes may apply to transfers of superannuation into the product from an untaxed source (e.g. certain public sector schemes).

Warning: The Federal Government sets limits (or caps) on the amount of contributions you can make each financial year, and you may have to pay more tax if you exceed these limits. You are personally liable for any tax due to excess contributions.

You should seek professional taxation advice tailored to your personal circumstances. The information shown in this document is a general overview only, current as at the date of preparation of this PDS and is subject to change. Up to date information on contribution caps is available at www.ato.gov.au/super. Non-materially adverse changes to taxation may be updated from time to time in the Information Booklet available by contacting your adviser, the Administrator or via the product website.

Investment earnings

Net investment earnings for personal super accounts and transition to retirement pension accounts are generally taxed at a maximum rate of 15% (the actual rate may be less due to tax credits or other rebates available to the Fund). Investment earnings are generally tax-free for investments in account-based pensions.

Withdrawals

When you withdraw your super, part or all of it may be taxed, depending on your age.

If you are aged 60 or older, withdrawals are currently tax-free. If you are below 60 years old, tax applies to any taxable component of the benefit. The tax rate depends on whether or not you have reached your preservation age and the type of benefit paid.

Tax on death benefits

The tax treatment of death benefits depends, among other things, on who receives your benefit. If we pay a lump sum to a certain dependent beneficiary (e.g. your spouse, or child under 18 years of age), the payment is tax-free. For benefits paid to non-dependents (e.g. adult children aged 18 years or older who are not financially dependent on you) tax may apply to any taxable component of the death benefit.

Your tax file number

Warning: Under superannuation legislation, the Trustee is authorised to collect, use and disclose your Tax File number (TFN) which will only be used for lawful purposes. These purposes may change in the future as a result of legislative change.

Warning: While you are not obliged by law to provide your TFN, we require you to provide it before we accept your application to join the Fund.

This helps ensure that:

- higher tax will not apply to your concessional contributions;
- the Fund can accept your personal contributions and all other permitted types of contributions;
- higher tax does not apply to super benefits paid to you; and
- it's easier to locate any lost super benefits or different super accounts in your name or consolidate your super so that you receive all your superannuation benefits when you retire.

The Trustee may disclose your TFN to another super provider when your benefits are being transferred, unless you request in writing that this does not occur.

Further information about tax is available from www.ato.gov.au

i For more information on how super is taxed refer to 'How super is taxed' in the Information Booklet. Up to date information on contribution caps and tax on your super is available at www.ato.gov.au/super.

7. Insurance in your super

It is important to understand how insurance works to ensure that you and your family are financially protected in the event of unexpected death, illness or injury.

If you have a personal super account, you can choose to purchase insurance either through the group life and income protection insurance policies 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. Before deciding whether to hold insurance through Rhythm Super, you should read the Insurance Guide, available at ioof.com.au/forms or at InvestorHUB.

Group Life and Income Protection insurance

i Important: Group Life and Income Protection Insurance cover will be available for application by 1 December 2023.

| Type of insurance and how much? | What is it? |
|--|--|
| Death There is no limit to the amount of Death Cover you can apply for. | Death Cover provides your family with financial security in the event of your death. If you die, your insured benefit will be paid to your dependants or estate in addition to your super account balance. |
| Terminal Illness (included in the Death Cover) The maximum Terminal Illness Cover available is the lesser of your Death Cover level or \$5 million. | Terminal Illness Cover provides you and your family with financial security in the event you become terminally ill. If this happens, your insured benefit may be paid to you in addition to your super account balance. |
| Total & Permanent Disablement (TPD) The maximum TPD Cover available is \$5 million. | TPD Cover provides you and your family with financial security in the event you become totally and permanently disabled and are unable to work. If this happens, your insured benefit may be paid out to you in addition to your super account balance. |
| Income Protection You can choose a Benefit Payment Period of two or five years or to age 65 and a 30, 60 or 90 day Waiting Period. The maximum amount of Income Protection insurance you can apply for is 75% of your Declared Earned Income (plus 12% of your Declared Earned Income as Superannuation Contributions Benefit) not exceeding \$30,000 per month. | Income Protection Cover provides you with a regular monthly income while you are Totally Disabled or Partially Disabled because of illness or injury and are unable to work and earn your income. |

How do I apply for group life and income protection insurance?

The first step is to read the Insurance Guide 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.

You can apply for new cover by completing the Rhythm Super 'Group insurance application' form available at ioof.com.au/forms and InvestorHUB. You must have an existing super account in the Fund or be applying for a personal super account in the Fund to acquire and maintain the insurance cover.

Retail insurance

Applications for insurance cover via a retail insurance policy are made under a specific PDS for the retail policy. PDSs for the retail insurance policies available through Rhythm Super are available via your financial adviser.

How do I apply for retail insurance?

To apply for retail insurance cover please speak with your financial adviser.

The costs of cover

There are costs associated with insurance cover. These costs are known as insurance premiums and are usually at your own expense. Premiums may differ depending on factors including:

- your age and gender
- the type and amount of cover
- your occupation
- your health and medical history
- whether or not you smoke
- your leisure activities, and/or
- any loadings placed on your cover by the insurer.

Insurance premiums are either deducted from your cash account monthly in arrears, quarterly in arrears or annually in advance, depending on the arrangements agreed to with the applicable insurer.

Changing your cover amount

You can change the amount and type of your insurance cover at any time (for example, you can increase your cover) subject to the Insurer's approval. You may be required to provide evidence of health and other information for the Insurer to consider your application. You can also cancel your insurance at any time by sending us your request in writing.

If your circumstances change, Rhythm Super offers the ability to increase your insurance cover due to Life Events or Salary Increase. To apply, please complete the 'Group Insurance Life Events' form available at ioof.com.au/forms and InvestorHUB.

Tax treatment of Income Protection payments

Any income payments you receive as a result of an income protection claim will be included in your normal assessable income and taxed at your marginal rate (plus the Medicare Levy). If your income protection insurance cover includes a provision to pay super contributions, these contributions are treated as concessional contributions and taxed at the rate of 15% when credited to your super account.

Additional Information

Further information about insurance cover under the group life and income protection insurance policies or via separate retail insurance policy is available in the Insurance Guide, available at ioof.com.au/forms. You should read the Insurance Guide and discuss it with your adviser before deciding whether insurance is appropriate for you.

Warning: To understand eligibility requirements or cancellation, conditions, and exclusions that are applicable to your insurance cover you should read the Insurance Guide available ioof.com.au/forms or the respective retail insurance PDS before making a decision. The material in the Insurance Guide may change between the time when you read this PDS and the day you acquire the product.

8. How to open an account

You can apply to become a member of the Fund by completing the relevant application form which is available by contacting your adviser.

Your adviser can help you complete the application form and lodge it online via AdviserHUB or by printing a copy of the application and sending it to the Administrator.

The minimum initial investment for each account is \$20,000.

Incomplete or invalid applications

Incomplete or invalid applications cannot be accepted, and any money received will be invested in a separate trust account (in accordance with relevant law) until the completed information is received. The Administrator will attempt to contact you via your adviser, normally within seven business days, but in times of high demand this may take longer. If we are unable to open your account within 30 days, we may either return the funds to you or, if the application money was transferred from another superannuation fund to the transferring superannuation fund. You will not earn interest on these amounts. Any interest earned will be retained by the Administrator.

Cooling-off period

You have a 14-day cooling-off period to decide whether the product you have applied for is right for you. The cooling-off period starts on the date you receive your welcome email, or 5 working days after your account is opened, whichever happens first. The cooling-off period doesn't apply if you transact or exercise any rights on your account within the 14 day period (e.g. you make a withdrawal). During the cooling-off period, you can cancel your account and withdraw any amount that isn't restricted or preserved, or rollover your account balance (including unrestricted non-preserved monies if you choose to do so).

If you have any preserved or restricted non-preserved benefits in a super account or transition to retirement pension, it can only be transferred to another complying super fund. For transition to retirement pensions you can also request to transfer your benefits back into a personal super account. You will need to complete an application form for a personal super account in the Fund, if you wish to do this and you don't already have one.

The amount returned to you or transferred to another fund may vary from the amount you invested because your account balance will be adjusted for any of the following (if applicable):

- increase or decrease in the value of your investment
- insurance costs
- pension payments made to you
- tax payable
- administration costs incurred in establishing or closing your account.

You may wish to obtain financial advice before exercising your cooling-off right as it may have tax implications. To close your account under the cooling-off period, you will need to notify us, by contacting the Administrator in writing, of your intention as well as your name and account number. The Administrator must receive your request within 14 days from the earlier of the time you receive written confirmation of the opening of your account or five working days after the opening of your account. We will send you confirmation once we have closed your account.

Any amount refunded will be adjusted to take account of any increases or decreases in the value of your investments, any tax payable and any reasonable administration expense.

Resolving complaints

We value your feedback and we're committed to resolving any concerns you may have. If you have a complaint, our service representatives can usually resolve it quickly over the phone on **1300 319 363**.

If you'd prefer to put your complaint in writing, you can email or send a letter using the contact details below.

Email: complaints@hub24.com.au

Mail: HUB24 Custodial Services Ltd GPO Box 529
Sydney NSW 2001

An assigned case manager will conduct a fair review and provide you with a full response in writing.

Further Help – the Australian Financial Complaints Authority (AFCA)

You have the option to lodge a complaint with AFCA directly rather than lodging a complaint with us. You can also lodge a complaint with AFCA if you are not satisfied with our response or if your complaint has not been resolved within the maximum timeframe prescribed by the Australian Securities and Investment Commission (ASIC). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: www.afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678

In writing to: The Australian Financial Complaints Authority
GPO Box 3 Melbourne, VIC 3001

Time limits may apply to lodge a complaint to AFCA so you should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expires.

9. Other important information

Privacy

Your personal information is important to us.

The Trustee and the Administrator are required to collect and verify information about you (and where applicable, people acting on your behalf). This is to ensure we properly administer the financial products you've requested, and to comply with our legal obligations.

We collect personal information strictly in accordance with the Privacy Act 1988 (Cth). Your personal information may be shared with third parties, including the responsible entity of any registered managed investment scheme through which managed portfolios are made available and their service providers and overseas entities, if we reasonably consider this necessary to administer your investment. Any overseas disclosure does not affect our commitment to safeguarding your personal information. Those parties can only use your information in accordance with the Privacy Act 1988 (Cth) and for the purpose of administering the financial products you've requested or are invested in. Any personal information we collect will be handled in accordance with the privacy policies of the Trustee and the Administrator, which set out how you can access and correct information we hold about you, how you can complain about a breach of your privacy and how your complaint will be handled. The Trustee's privacy policy can be found at www.insigniafinancial.com.au/privacy-policy and the Administrator's privacy policy can be found at www.hub24.com.au/Privacy.

For more information, see Section 7 'Additional Information' in the Information Booklet.

Consents

HUB24 has consented to any statements made (or that can be attributed to it) appearing, and consented to being named, in this PDS (including incorporated information in the Information Booklet, the Investment Booklet and the Insurance Guide) in the form and context in which the statements/naming occurs and, as at the date of the PDS, has not withdrawn its consent. Other third parties named in the PDS and incorporated information have also consented to being named in the form and context in which their name is included and, as at the date of the PDS, have not withdrawn their consent.

Your adviser

Your adviser is not an agent or representative of the Trustee or the Administrator. None of the Trustee, the Administrator, nor any other entity associated with the management or promotion of the Fund or its products bear any responsibility for any financial product advice provided to you by your adviser, your investment or insurance instructions not being acted upon in a timely fashion by your adviser, or any other actions of your adviser.

None of the Trustee, any of its related entities or their respective employees, or the Administrator, endorse, warrant or accept any responsibility for any of the services provided by your adviser.

Note: You must typically give us all your investment instructions through your adviser.

References

All dollar amounts are in Australian dollars unless otherwise indicated.

All references to time are to Sydney time.

Trust deed and relevant law

In the event of any conflict between the terms of the PDS (including incorporated information) and the terms of the Trust Deed and relevant law, the provisions of the Trust Deed and relevant law will prevail. The Trustee reserves the right to amend the terms and conditions of the Fund in accordance with the provisions of the Trust

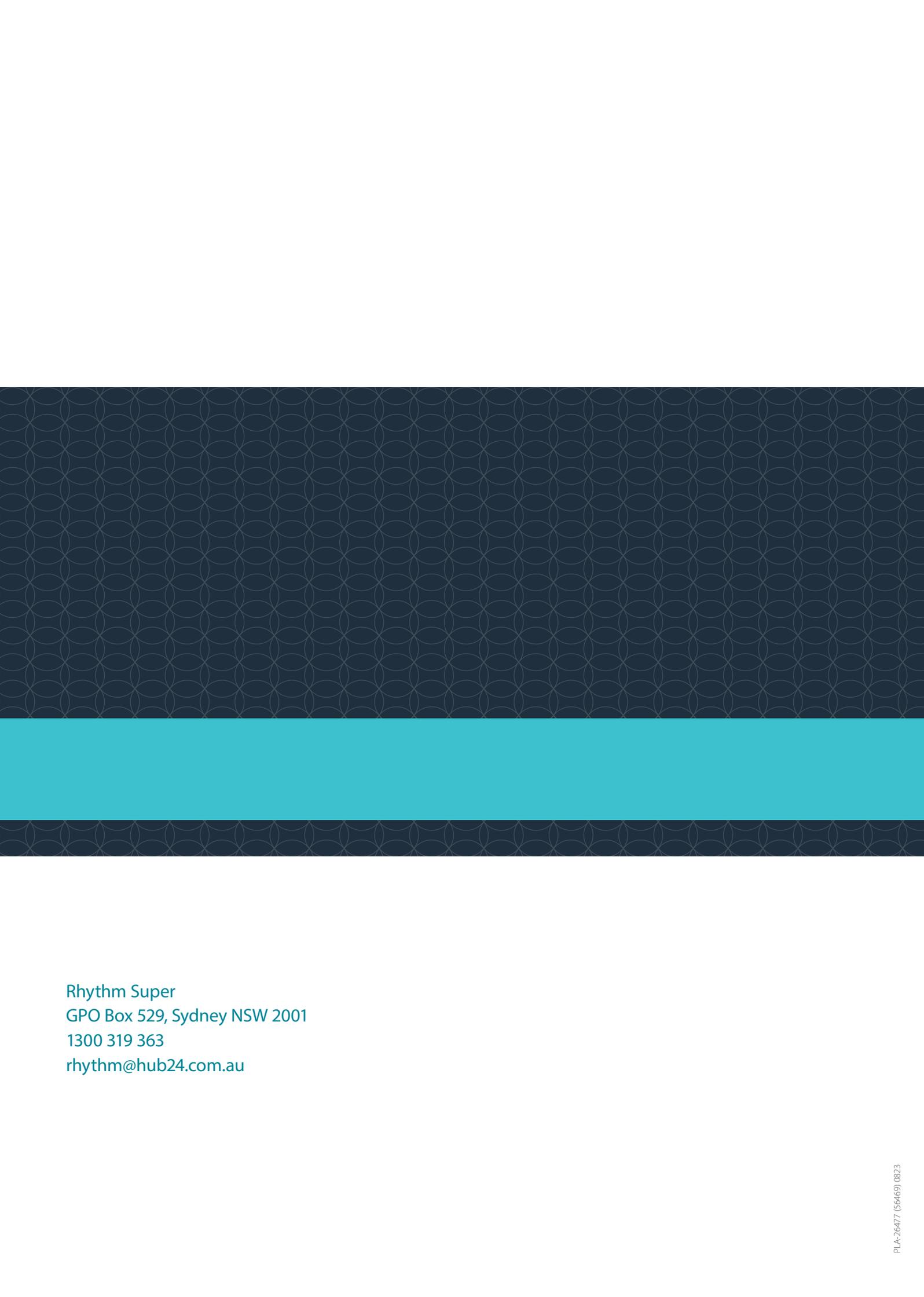
i For more information about privacy and the role of your adviser refer to 'Additional information' in the Information Booklet.

i For information relating to the fees and other costs associated with the product, refer to the Rhythm Super Product Disclosure Statement – Part II.

Before becoming a member of the Fund and opening an account, you should consider the information contained in Parts I and II of the PDS and the information incorporated by reference into the PDS which includes the Information Booklet, the Investment Booklet and the Insurance Guide (which form part of this PDS).

| PDS (Part II) – Information on fees and other costs | Details |
|--|---|
| Fees and other costs | Administration, activity and adviser fee tables, examples of annual fees and costs, defined fees |
| Additional Information Booklet | Details |
| How super works | Contributing to super, accessing your super, receiving a pension income, estate planning |
| How super is taxed | Tax on your account, deductions, impact of tax on death benefits |
| Benefits and features | Streamline account management (automatic cash top up, automatic investment drawdown, automatic investment plan, investment preferences), payments and transfers |
| How we invest your money | General information on the types of investment options available, how investment transactions are placed, trade authorities and notifications, the differences between investing through the Fund versus directly, labour standards and environmental, social and ethical considerations, illiquid investments, your cash account |
| Risks of super | Managing risks, specific risks relating to the Fund and investments |
| How we keep you informed | Changing your details, communications, electronic notifications and updated information |
| Additional information | Important information on protecting your privacy, Anti-Money Laundering and Counter Terrorism Financing, how your assets are held, the relationship between the Administrator and the Trustee |
| Investment Booklet | Details |
| Understanding how different investment strategies work | Provides general information on the types of investment options available to you through the available investment strategies, investment holding limits, standard risk measure |
| Investment option tables | Lists the investment options from which you can choose |
| Insurance Guide | Details |
| Insurance coverage | Insurance coverage, choose what is right for you |
| Details of insurance available by application | What insurance can you purchase, application process and when does cover commence, complaints resolution and privacy |
| How to make changes to your insurance cover | How to increase, cancel or reduce your cover |
| How much is your insurance going to cost | Estimating insurance premiums, payment of premiums, changes in premium rates and insufficient funds |
| General information | Types of insured benefits payable and definitions, other benefits, limitations and exclusions to your cover, when does cover cease and what you need to know about making a claim |

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Rhythm Super
GPO Box 529, Sydney NSW 2001
1300 319 363
rhythm@hub24.com.au

Rhythm

Rhythm **Super**

Product Disclosure Statement (PDS) – Part 2

Information on key features, benefits and risks

20 October 2023

This document is Part II of the Rhythm Super Product Disclosure Statement (PDS). It should be read in conjunction with Part I of the Rhythm Super PDS, including any information that has been incorporated into the PDS.

Issued by IOOF Investment Management Limited (ABN 53 006 695 021, AFSL 230524, RSE License No. L0000406) as Trustee of the AvWrap Retirement Service (ABN 82 004 832 237, RSE R1069020, USI 82 004 832 237 001).

www.ioof.com.au/forms

Powered by **HUB**²⁴

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This PDS has been prepared and issued by IOOF Investment Management Limited (IIML) ABN 53 006 695 021, AFSL 230524. IIML is the Trustee of the AvWrap Retirement Service ('the Fund') (ABN 82 004 832 237, RSE R1069020, USI 82 004 832 237 001). The Fund was established under a trust deed dated 2006 (as amended from time to time) ('Trust Deed'). Rhythm Super forms part of the Fund. The terms 'our', 'we', 'us' and 'Trustee' in this PDS refer to IIML.

About the Trustee

IIML is a part of the Insignia Financial Group comprising Insignia Financial Ltd ABN 49 100 103 722 and its related bodies corporate (Insignia Financial Group). In fulfilling its duties as trustee, IIML has investment, service and other contracts with the Insignia Financial Group of companies.

As Insignia Financial Group is a large financial institution, conflicts of interest, both real and perceived may arise. We have policies in place that contain appropriate measures to identify, document and manage conflicts.

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

Contributions made to, and investments in, Rhythm Super do not represent assets or liabilities of IIML (other than as trustee of the Fund) or any other company or business within the Insignia Financial Group.

Investments made into the investment options in Rhythm Super are subject to investment risks and other risks. This could involve delays in the repayment of principal and loss of income or principal invested.

IIML operates Rhythm Super on the terms and conditions outlined in this PDS and in accordance with the Fund's Trust Deed.

Where an investment option is issued by an Insignia Financial Group related entity, the fees received by the Insignia Financial Group entities are charged in accordance with the constitutions of the investment options.

Administrator

HUB24 Custodial Services Ltd ('HUB24', 'Administrator') (ABN 94 073 633 664, AFSL 239 122)

If you have any questions or would like any more information about Rhythm Super, please contact the Administrator:

T: 1300 319 363

P: GPO Box 529, Sydney NSW 2001

E: rhythm@hub24.com.au

Product website: www.ioof.com.au/forms

Rhythm Super is only available to clients of approved Australian Financial Services Licensees (Licensees) and their authorised advisers (each an adviser) unless otherwise approved by the Trustee.

The Trustee is responsible for operating the Fund honestly and in the best interests of members. The Trustee has appointed HUB24 as the custodian of the Fund, meaning it holds the assets of the Fund on behalf of members. The Trustee has also appointed HUB24 as administrator of the Fund.

HUB24 may sub-contract the performance of some or all of its administrative functions to other professional service providers. The Trustee may also use other service providers in the management and operation of the Fund. Given the range and nature of the investment and insurance options available, you must have a relationship with an authorised adviser (adviser) and the licensee in order to join the Fund, unless otherwise approved by the Trustee.

You can find out more information about the Fund by contacting your appointed adviser or the Administrator.

Trustee and fund information

The Trustee is required to disclose certain information and documentation in relation to itself and the Fund on a website. This information and documentation is available on the following website: ioof.com.au/about-us/about-ioof/trustee-disclosures and includes, but is not limited to, the Trust Deed, the PDS, the most recent Annual Report and the names of each material outsourced provider to the Fund.

Eligibility

This PDS does not constitute an offer or invitation in any place where, or to any person to whom it would not be lawful to make such an offer or invitation. This offer is only open to persons receiving this PDS as a hard copy or electronically within Australia.

Important information

The PDS comprises two parts and is a summary of important information relating to the Fund to assist you in deciding whether this product is suitable for your needs. It will also help you compare this product with others you may be considering.

The PDS also includes references to important information contained in the following documents, which form part of this PDS:

- Additional Information Booklet (Information Booklet)
- Investment Booklet, and
- Insurance Guide.

These documents are available by contacting your adviser or the Administrator or through the product website. You should carefully read and consider the PDS (including incorporated information) before making a decision to apply for this product.

The information contained in the PDS is general information only and does not take into account your personal objectives, financial situation, needs or circumstances. Before acting on this information, you should consider its appropriateness, having regard to your personal objectives, financial situation, needs and circumstances. Before you make any decision about whether to acquire or continue to hold the product or an investment available in the product, you should consider the PDS and it is recommended you obtain professional financial advice tailored to your personal circumstances from your financial adviser.

Target market determination

A target market determination ('TMD') has been issued by us which considers the design of this product, including its key attributes, and describes the class of consumers that comprises the target market for this product. A copy of the TMD for this product can be obtained from your financial adviser or is available on our website at ioof.com.au/forms.

Updated information

Information in the PDS (including incorporated information) is subject to change from time to time and may (in the case of information that is not materially adverse) be updated via the website. To find out about updated information go to the product website shown on the front cover. Alternatively, you can request a paper or electronic copy of the updated information by contacting the Administrator.

No guarantee

None of the Trustee, any of its related entities or their respective employees, or any other entity associated with the management or promotion of the Fund or its products (including the Administrator), guarantee the capital invested by you, the performance of the specific investment or insurance options available, or your benefits generally.

The Trustee and any other service provider (including the Administrator) associated with this product do not guarantee or underwrite this product.

Fees and other costs

DID YOU KNOW?

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

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

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You or your employer, as applicable, may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments

Commission (ASIC) Moneysmart website (www.moneysmart.gov.au) has a superannuation calculator to help you check out different fee options.

This section 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. Entry fees and exit fees cannot be charged.

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.

Fees and costs for particular accessible investments available through the Fund are set out in the relevant product disclosure statement or disclosure document (if any) for the accessible investment and are also set out in the Investment Booklet at ioof.com.au/forms.

In certain circumstances, where it is reasonable for us to do so, we may alter the fees and costs applied to your super account (subject to law) without your consent. However, before doing so, we will provide you with 30 days' notice of any change. We also have the right to introduce new fees. Unless otherwise stated all the fees and costs shown in this Part II of the PDS are expressed as inclusive of the Goods and Services Tax (GST) and net of any reduced input tax credits (RITCs).

Fees and costs summary

| Rhythm Super | | | | | | | | | | | | | | |
|--|--|--|----------|-----------------|-----------|----------------|-----------|----------------|-----------|----------------|-----------|---------------------------|-----|--|
| Type of fee or cost | Amount | How and when paid | | | | | | | | | | | | |
| Ongoing annual fees and costs¹ | | | | | | | | | | | | | | |
| Administration fees and costs | <p>The tiered percentage fee and account keeping fee that applies to you will be based on the total balance of your account as detailed below:</p> <table border="1"> <thead> <tr> <th>Tier of account balance</th> <th>Fee rate</th> </tr> </thead> <tbody> <tr> <td>First \$100,000</td> <td>0.30% p.a</td> </tr> <tr> <td>Next \$200,000</td> <td>0.25% p.a</td> </tr> <tr> <td>Next \$300,000</td> <td>0.15% p.a</td> </tr> <tr> <td>Next \$600,000</td> <td>0.10% p.a</td> </tr> <tr> <td>Amounts above \$1,200,000</td> <td>Nil</td> </tr> </tbody> </table> <p>Regardless of your total account balance, a maximum of \$1,850 p.a applies to the tiered percentage fee.</p> <p>PLUS</p> <p>An account keeping fee of \$380 p.a.</p> <p>PLUS</p> <p>Cash management fee²</p> <p>The cash management fee is the amount the Trustee may retain in relation to its cash management activities. It is the difference between the net rate of interest we credit to your cash account and the total interest earned in relation to funds held in your cash account.</p> <p>The cash management fee is estimated to be between 0.90% and 1.20% p.a.</p> <p>However, this may change from time to time if there are changes to the interest earned and/or the cash interest rate in respect of your cash account. For more information please go to ioof.com.au/forms.</p> <p>PLUS</p> <p>Administration expense recovery</p> <p>Estimated to be 0.00% to 0.02% p.a. for the 12 months to 30 June 2024.</p> | Tier of account balance | Fee rate | First \$100,000 | 0.30% p.a | Next \$200,000 | 0.25% p.a | Next \$300,000 | 0.15% p.a | Next \$600,000 | 0.10% p.a | Amounts above \$1,200,000 | Nil | <p>The percentage-based administration fee is calculated daily on your total account balance and deducted from your cash account monthly in arrears</p> <p>at the start of the following month. The account keeping fee is a dollar-based fee calculated and accrued daily. The fee is charged monthly in arrears and is deducted from your cash account at the end of the month. Where you are only a client for a portion of the month, the account keeping fee will be charged on a pro-rata basis. The administration fee (in total) will appear on your cash transaction report as 'Portfolio Service Fees'. Your adviser and/or adviser's Licensee may negotiate a discount on the Administration fees and costs. Please refer to 'Adviser and Licensee changes' in the 'Additional explanation of fees and costs' section for more information.</p> <p>The cash management fee is calculated daily on your cash account balance. The cash management fee is not deducted from your cash account, it is deducted from interest earned on your cash account prior to the net interest (if any) being credited to your Cash Account. This occurs monthly in arrears.</p> <p>The expense recovery fee is deducted from your cash account on an annual basis and is calculated at the time the fee is collected based on the total value of your account at that time, which is generally at the end of each financial year.</p> |
| Tier of account balance | Fee rate | | | | | | | | | | | | | |
| First \$100,000 | 0.30% p.a | | | | | | | | | | | | | |
| Next \$200,000 | 0.25% p.a | | | | | | | | | | | | | |
| Next \$300,000 | 0.15% p.a | | | | | | | | | | | | | |
| Next \$600,000 | 0.10% p.a | | | | | | | | | | | | | |
| Amounts above \$1,200,000 | Nil | | | | | | | | | | | | | |
| Investment fees and costs³ | <p>The fees and costs charged by us relate only to gaining access to the underlying funds through the product and do not include the fees and costs that relate to investing in underlying investment options. However, investment fees and costs will apply and the amount of these fees and costs will depend on the investment options selected by you from the Investment Booklet. Performance fees may also apply to some managed investments when the investment return generated by the fund exceeds a specific criteria or benchmark.</p> | <p>Generally calculated daily as a percentage of the amount you have invested in each investment option, such as managed funds or SMAs. It is not deducted directly from your account but is generally incorporated into the unit price of the investment option and is generally charged monthly or quarterly in arrears. The most recent investment fees and costs applied by each fund manager can be obtained from the relevant product disclosure statement for each investment option.</p> | | | | | | | | | | | | |
| Transaction costs | <p>We do not charge any transaction costs, however transaction costs will apply and the amount of these transaction costs will depend on the investment options selected by you from the Investment Booklet.</p> | <p>Generally included in the unit prices of each investment option. The transaction costs that apply to each investment option can change from time to time. The most recent transaction costs applied by each fund manager can be obtained from the relevant product disclosure statement for each investment option.</p> | | | | | | | | | | | | |

| Rhythm Super | | |
|---|--|--|
| Type of fee or cost | Amount | How and when paid |
| Member activity related fees and costs | | |
| Buy-sell spread | Nil (however indirect costs may apply when buying or selling investments including buy-sell spreads of underlying investment options). | A buy-sell spread is added to, or deducted from (as applicable), the unit price of the relevant managed investment. The buy-sell spread that applies to each managed investment can change from time to time. Please refer to the relevant PDS for each managed investment for specific details. |
| Switching fee | Nil (however other fees or costs may apply when buying or selling underlying accessible investments). | N/A |

Other fees and costs⁴

- 1 If your account balance for a product offered by the superannuation entity is less than \$6,000 at the end of the entity's financial year, certain fees and costs charged to you by the Trustee in relation to administration and investment are capped at 3% of your account balance. Any amount charged in excess of that cap must be refunded. The Trustee does not charge investment costs for Rhythm Super. The Trustee does not charge investment costs for Rhythm Super.
- 2 The actual amount may vary (i.e. be less) depending on the amount of interest earned on the bank accounts held with applicable Australian banks or other Authorised Deposit-taking Institutions (ADIs) and the amount of interest payable to you in respect of your cash account. Refer to 'Cash management fee' under the heading 'Additional explanation of fees and costs' in this document for more information.
- 3 Investment fees and costs (including performance fees) are not charged by the Trustee. However, fees and costs will be incurred in relation to each accessible investment made available via the Fund. For more information refer to the relevant product disclosure statement or other disclosure document for the relevant accessible investment.
- 4 Other fees and costs may apply such as activity fees, advice fees for personal advice or insurance fees. Refer to the 'Additional explanation of fees and costs' in this document for more information.

Example of annual fees and costs for a superannuation product

This table gives an example of how the ongoing annual fees and costs for the Vanguard Balanced Index Fund on the Investment Menu for this superannuation product can affect your superannuation investment over a 1 year period. You should use this table to compare this superannuation product with other superannuation products.

| EXAMPLE – Vanguard Balanced Index Fund | | Balance of \$50,000 ¹ |
|--|---|--|
| Administration fees and costs | Administration Fee: (0.30% x \$50,000) Cash Management Fee on your cash account (1.20% x \$625) Account Keeping Fee: \$380 Administration Expense Recovery: (0.02% x \$50,000) | For the \$50,000 you have in the superannuation product, you will be charged or have deducted from your investment \$167.50 in administration fees and costs, plus \$380 regardless of your account balance. |
| PLUS Investment fees and costs | 0.29% p.a. | And, you will be charged or have deducted from your investment \$143.19 in investment fees and costs. |
| PLUS Transaction costs | 0.10% p.a. | And, you will be charged or have deducted from your investment \$49.38 in transaction costs |
| EQUALS Cost of product | | If your balance was \$50,000 at the beginning of the year, then for that year you will be charged fees and costs of \$740.07 for the superannuation product. |

- 1 This example assumes \$49,375 is invested in the Vanguard Balanced Index Fund and \$625 is held in the cash account to maintain the minimum cash account balance of 1.25%. A cash management fee applies in relation to amounts held in the cash account. For more information refer to 'Cash management fee' under the heading 'Additional explanation of fees and costs'.

Note: Additional fees may apply. This is an example only and the fees and costs will vary depending on the investment options selected by you. Additional costs may be charged by the issuers of the products that you decide to invest in. For more information, please refer to the PDS of the investment options selected by you.

Additional explanation of fees and costs

Activity fees

The fees in this table are payable to the Administrator and, to the extent necessary, are applied by the Administrator to pay any underlying service provider (e.g. to pay for brokerage and other transactional and operational costs). The Administrator retains any balance of the fees paid to it which are not used to pay an underlying service provider. Fees will only be incurred where the relevant transaction instruction is provided.

| Activity Type | Transaction method | Fee amount | |
|--|--|---|---|
| Transacting within a managed portfolio (including MDA) | Managed fund trades within a managed portfolio | Nil | N/A |
| | Australian listed security trades within a managed portfolio ¹ | Brokerage of 0.11% of the trade value. No minimum applies. | Brokerage is deducted from the cash within your managed portfolio at the time of settlement as part of the total cost (for buy trades) or net proceeds (for sell trades). |
| Transacting in managed funds | Via aggregated trading ² | Nil | Transaction fees (if applicable) are deducted from your cash account at the time of settlement. |
| | Trades within the automatic investment plan and/or automatic investment drawdown | Nil | |
| | In specie transfers | Nil | |
| Transacting in Australian listed securities | Via aggregated trading ² | Brokerage of 0.11% of the trade value, subject to a minimum of \$11. | Brokerage is deducted from your cash account at the time of settlement as part of the total cost (for buy trades) or net proceeds (for sell trades). |
| | Direct market trading | Brokerage of 0.11% of the trade value, subject to a minimum of \$22. | |
| | Trading through your broker | Brokerage is made up of a brokerage fee agreed between you and your broker, plus an additional transaction fee of \$22 ³ charged by the Administrator. | |
| | Trades within the automatic investment plan and/or automatic investment drawdown | Brokerage of 0.11% of the trade value. No minimum applies. | |
| | Corporate actions ⁴ | Transaction fee of up to 0.11% of the transaction amount. | |
| | In specie transfers | Nil | |

1 If a portfolio manager trades listed securities within a managed portfolio using a broker other than our default broker, additional brokerage and transaction fees may be incurred. For example, these trades may incur additional brokerage as agreed between the portfolio manager and the other broker or transaction fees as agreed between the portfolio manager and the Administrator. For information on what additional brokerage and/or transaction fees that may apply speak to your financial adviser.

2 Excludes those trades within a managed portfolio (including MDA).

3 This fee shown is inclusive of GST only. It reflects the actual amount payable by you. If eligible, the Operator will claim the benefit of RITCs on behalf of the Service.

4 The fee for corporate actions will apply when you participate in corporate actions through the Fund that require settlement from your cash account. Corporate actions include, but are not limited to, initial public offerings, rights issues, share purchase plans, exercising of options, buy backs and takeovers.

| Activity Type | Transaction method | Fee amount | How and when paid |
|------------------------------|--|--|--|
| Transacting in term deposits | All trades | Nil | N/A |
| | Withdrawing a term deposit before maturity | A break fee of \$55 per term deposit will be charged when a term deposit is broken before maturity, on your instruction through your adviser. Additional fees or interest penalties may be charged by the underlying term deposit provider. ⁵ Refer to the relevant term deposit disclosure document for more information. | The break fee is deducted from your cash account at or around the time you break the term deposit. |

⁵ The break fees or costs or interest penalties (if any) that may be charged by the underlying term deposit provider may be significant and therefore are a risk to be considered in deciding whether to withdraw a term deposit before its maturity. The underlying term deposit provider may provide an estimate of break fees or costs or interest penalties upon request. Refer to the relevant term deposit disclosure document for more information.

| Activity Type | Transaction method | Fee amount | How and when paid |
|----------------|--------------------|---|---|
| Dishonour fee | N/A | A fee of \$55 may be charged for any dishonoured payment. | Any fees relating to dishonoured payments will be deducted from your cash account at or around the time the dishonour occurs. |
| Family law fee | N/A | We may charge reasonable fees and pass on any costs and expenses we incur in relation to the administration of Family Law Act requirements. | You will be notified by us of any fees that we may charge should your account be affected by Family Law Act requirements. |

The Administrator will collect all activity fees and pay service providers out of the fees that it collects. A proportion of the activity fees set out above will typically be retained by the Administrator. As a general rule, the amount retained by the Administrator is the difference between the amount charged by the relevant service provider and the amount of the applicable activity fee.

Note: any stamp duty or other government charge applicable to an investment transaction on your account, will be charged directly to your cash account.

Tax

Unless otherwise stated all the fees and costs shown in this Part II of the PDS are expressed as inclusive of the GST and net of any RITCs.

In the event of any change in tax laws or their interpretation which affects the rate of GST payable or RITCs that the Fund may receive, the amounts deducted from your cash account in respect of the fees and other costs applied to your account may be varied or adjusted to reflect such changes without your consent or further notice to you.

To the extent that Fund expenses are tax deductible, the benefits of any tax deduction will generally be passed on to members' personal super accounts or transition to retirement account, as applicable, (unless used for the benefit of the Fund). Fund expenses that may be deductible to the Fund include administration, transaction and adviser fees as well as the insurance costs. The impact of tax deductions is not reflected in the fees and cost amounts shown in this section of the PDS. As investment earnings in account-based pension accounts are tax free, tax deductions in relation to these expenses generally do not apply to account-based pension accounts.

Refer to Section 6 'How super is taxed' in Part I of the PDS.

Administration fees and costs

The Administration fee (tiered percentage-based and account keeping) is a fee that relates to the administration or costs of operating and maintaining the Fund. The Administration fee excludes any advice fees, the fees and costs charged by the fund managers for each managed investment and the cash management fee.

Family group fee discount

Family Groups (you and relevant members of your family) may be eligible for a fee discount in respect of the tiered percentage fee component of the Administration fee (shown in the table on page 3 of Part II of the PDS) where each member of the Family Group has the same adviser.

This discount is achieved by linking the accounts of the Family Group and then applying the relevant tiered percentage Administration fee to the combined value of those accounts. Combining the value of the Family Group accounts can (but won't always) result in a lower overall Administration fee. Any lower Administration fee is applied proportionately to each Family Group account.

If there are a combination of Rhythm Investment and Rhythm Super account(s) within the Family Group, then the relevant tiered percentage Administration fee is calculated as if all accounts were in Rhythm Investment and then a similar calculation is carried out as if all accounts were in Rhythm Super.

The Administration fee is then applied proportionately based on the aggregate holdings in Rhythm Investment and Rhythm Super, and then proportionately to each Rhythm Investment and Rhythm Super Family Group account.

Each eligible Family Group account will still be subject to the account keeping fee (if applicable) and maximum Administration fee shown in the table on page 3 of Part II of the PDS.

A Family Group can be set up through your adviser by completing a 'Group Fee Discounting' form and nominating the accounts to be combined into a Family Group for the purpose of calculating the Administration fees. Please speak to your adviser about setting up a Family Group.

To be eligible for a Family Group fee discount, there must be a minimum of two linked accounts and all accounts within the Family Group must have the same adviser and one of the following relationships to the primary account holder:

- immediate family members, such as spouse, defacto/ domestic partner, child (including an adopted child, a stepchild or ex-nuptial child), parent, sibling and grandchild;
- for companies, family trusts, and self-managed superannuation funds – the directors and beneficiaries must be members of the same immediate family as described in the dot point above.

All accounts held in the name of the primary account holder may also be included in the Family Group.

A Family Group can comprise a maximum number of six (6) accounts, unless otherwise approved by us.

The Administrator may, at its discretion, reject a request to establish a Family Group or cancel the linking of Family Group accounts. For example, because you are no longer part of the relevant Family Group. Also, where you or any other member of a Family Group changes adviser, you or they will cease to be eligible for the Family Group discount that applies to that Family Group. In this case, the Administration fees will immediately revert to the standard fees shown in the table on page 3 of this Part II of the PDS. You may wish to speak with your new adviser about whether a new Family Group can be established.

The Family Group fee discount may not apply for Family Group accounts with a combined account balance of more than \$10m, but may be individually negotiated based on the nature of your investments. In this case, please speak with your adviser.

Cash management fee

We invest money credited to the cash account of all investors in bank accounts held with Australian banks or other authorised deposit-taking institutions (ADIs) we select from time to time.

The rate of interest payable in respect of your cash account may change from time to time and can be found on InvestorHUB (for cash in Australian dollars), by contacting the Administrator on 1300 319 363 or by contacting your financial adviser.

Administration expense recovery

This is a reimbursement of the out of pocket costs that the Trustee is entitled to recover from the Fund, in accordance with the Trust Deed and relevant law. The expense recovery fee is deducted annually from your cash account and is calculated based on your total account balance at that time, which is generally at the end of each financial year.

3% cap on certain fees and costs charged on low balance accounts

If your account balance at the end of the financial year or at the time you exit the Fund is less than \$6,000, certain administration fees and costs charged to your account by the Trustee are capped at 3% of your account balance at that time.

Amounts in excess of the 3% cap will be refunded directly to your cash account, generally within 3 months after the end of the financial year or for accounts exiting the fund, amounts in excess of the 3% cap (on a prorated basis), will be refunded into your cash account prior to exiting the Fund.

Fees and costs related to the underlying investment options charged by Fund Managers, for example any fees and costs factored into the unit price, are excluded from this calculation.

Fees when you invest in a managed portfolio

The type of fees you pay for investing in managed portfolios will be set out in the relevant product disclosure statement for each managed portfolio. Managed portfolios may charge an investment management fee (including, if applicable, an investment performance fee).

Typically, fees when you invest in a managed portfolio are in addition to any costs of managed funds, Exchange Traded Funds (ETFs), Exchange Traded Products (ETPs) or LICs/LITs held within a managed portfolio. Refer to the disclosure document for the relevant investment for a description of the fees and costs applicable to that investment.

Given the number of managed portfolios available, and the fact that they change from time to time, the specific fees (including who it is payable to) for each managed portfolio are not included in this document. These details are available in the relevant product disclosure statement for each managed portfolio and can be obtained from InvestorHUB or your adviser.

Managed portfolio related fees and costs

Investment management and performance fees may be charged in relation to the managed portfolios forming part of your investment strategy. These fees are deducted from your cash account monthly in arrears rather than from the relevant non-unitised and registered managed investment scheme where such managed portfolios are available (Scheme).

Where amounts are owed to a Scheme or a Responsible Entity (RE) of a Scheme (for example because your investment in a managed portfolio has gone into negative balance) you are also taken to have authorised the RE, the Administrator and the Trustee to obtain payment of that amount from your cash account as an alternative to obtaining payment from the applicable Scheme. If payment from your cash account is not possible, these amounts may be paid from the relevant Scheme.

All other fees and costs (such as government fees, bank fees, fees for failed transactions and penalty interest) incurred as a result of a transaction, deposit or withdrawal relating to your investment in a managed portfolio, will be passed on to you and may be payable out of the cash allocation of the relevant managed portfolio. These are incidental fees and costs that are not included in the management fees and costs, performance fees or transaction costs outlined in the relevant managed portfolio product disclosure statement.

Fees and costs relating to underlying investments

Fees and costs may apply for underlying investments that you access through the Fund (including investments held as part of a managed portfolio), for example, managed funds, Exchange Traded Funds (ETFs), Exchange Traded Products (ETPs), Listed Investment Companies (LICs).

These fees and costs are in addition to those shown in the table above. Refer to the disclosure document for the relevant investments (where applicable) for more information.

The fees and costs when you choose to invest in a managed fund, ETF, ETP, LIC (including when these investments are held as part of a managed portfolio) are typically deducted from the value of the investment before the unit price is calculated.

The Trustee or the Administrator is often able to obtain wholesale fund fee rates, which are generally lower than the fee rates applicable for direct investment into retail managed funds. A fund manager may provide a rebate of the fees and costs associated

with your investment in a managed fund. Generally, these rebates are returned to you in full and will typically be paid into your cash account. Your entitlement to any rebate is determined by the fund manager, however, where you have closed your account prior to the processing of a rebate, you will not be entitled to that rebate.

Given the number of investment options available, and the fact that they change from time to time, the investment costs for each underlying investment including investments within managed portfolios are not included in this document. More details are available in the relevant disclosure document for each underlying investment option and can be obtained from your adviser. These fees and costs may be subject to change as determined by the relevant fund manager.

Performance fees may also be incurred in relation to the selected managed funds and other investments that can be accessed through the Fund and that form part of your investment strategy. These fees are charged by the relevant fund manager where certain performance targets are met. Performance fees are usually calculated as a percentage of any 'out-performance' above the relevant target.

Performance fees in respect of underlying investments may increase the management fees and costs applicable to managed funds, that may be accessed through the Fund but do not affect investment fees and costs, administration fees and costs or other fees charged to members by the Trustee.

Fees and costs in relation to underlying investments accessible through the Fund are in addition to the fees and costs described in this Part II of the PDS and are set out in the relevant product disclosure statement or disclosure documents (where relevant) for those investments. It is important that you consider these fees and discuss them with your adviser before making any investment decisions.

You do not have a statutory right to receive a periodic statement setting out indirect costs attributable to the underlying investment.

Buy/sell spreads (managed funds accessible through the Fund only)

The Trustee does not charge a fee in the form of buy/sell spreads to recover costs incurred by the Trustee in relation to the sale and purchase of assets of the Fund.

However, buy/sell spreads may apply to investments in managed funds that are accessible through the Fund, which reflect the different price between buying and selling units disclosed by some investment managers. The buy/sell spreads for managed funds vary. This difference is a charge by the investment manager generally to cover transaction costs incurred by the managed fund in buying and selling units in the investment product, and is taken into account in the calculation of unit prices by the managed fund. Buy/sell spreads are an additional cost to the investor. You should refer to the relevant managed fund product disclosure statement available from InvestorHUB or your adviser for more information.

Netting in relation to managed fund investments accessible through the Fund

When carrying out a managed fund transaction, the Administrator may offset your instructions to buy or sell assets against both your and other members' instructions to buy or sell those assets, so that only net transactions are acted on. This process is known as 'netting'.

The Administrator may retain any benefit that may be secured from the netting of managed fund transactions. These may include the fees and costs that would have applied had the transaction been processed without netting.

Insurance costs

If you take out insurance through the Fund, the costs associated with the insurance policy will be deducted directly from your cash account on a monthly basis (or other agreed basis in the case of individual policies). Insurance costs comprise the insurance premiums paid to the Insurer, any insurance administration fee and any loadings that may apply specifically to you. For group life and income protection insurance policies, an Insurance Administration Fee of 9.35% of the total insurance cost is paid to the Administrator by deducting the Insurance Administration Fee from the total insurance cost before the premium and any additional loadings are paid to the Insurer. This fee is to cover the costs associated with administering the insurance arrangement. The cost of your insurance cover may depend on:

- your age, gender, smoking status and occupational classification;
- the type of cover and benefits you have chosen; and
- the Benefit Period and Waiting Period selected, if you have income protection cover.

Loadings (additional costs) may be payable by you depending on your personal circumstances. You will be advised of any loadings by the Insurer at the time of application. Costs may be adjusted for any changes to your cover during a financial year.

Where other government charges such as stamp duty apply, we will charge your account directly. For example, stamp duty may apply to insurance premiums for income protection cover.

For more information on the cost of insurance cover, refer to Section 7 'Insurance in your super' in Part I of the PDS and the Insurance Guide.

Fees when investing via an MDA service

| Type of fee or cost | Amount | How and when paid |
|---------------------------------|--|---|
| Portfolio Management Fee | <p>The Portfolio Management Fee is a fee that you may negotiate with your MDA provider and direct us to pay to your MDA provider for MDA services you have agreed to receive from your MDA provider under your separate contract with them.</p> <p>Refer to your MDA Investor Agreement for information on the fee amounts applicable.</p> | <p>Where you have directed us to deduct and make payment of a portfolio management fee, this fee is calculated daily as a percentage of the value of the relevant MDA investments and is deducted from your cash account monthly in arrears. This fee will appear on your cash transaction report as a Portfolio Management Fee.</p> <p>In certain circumstances, such as if we become aware that you are no longer receiving MDA services or we decide to cease facilitating payment of the fee to your MDA provider, we may cancel the Portfolio Management Fee.</p> <p>To cancel any Portfolio Management Fee, in the first instance, you should contact your financial adviser and/or MDA provider who will instruct us to unlink the service which will remove any Portfolio Management Fee from your account. Alternatively, you can contact the Administrator directly and the Administrator will work with your financial adviser/MDA provider to unlink the service.</p> |

The fees you pay for advice and other related services provided to you

You can agree with your adviser to pay the fees described in the following table to your adviser or to the holder of the Australian Financial Services Licence (AFSL) your adviser operates under.

Where you do agree with your adviser to pay the fee(s) from your superannuation or pension account within the Fund, the fee must be:

- consented to by you in writing or online,
- for advice and related services provided only to you,
- for advice and related services in relation to your superannuation and/or pension account within the Fund, and
- of a reasonable amount for the advice and related services provided to you.

Where applicable, the actual amounts that will be deducted from your cash account may be adjusted for RITCs that may be claimed in respect of these fees, and may therefore be less than the amounts you specify on the relevant form.

The Trustee, at its discretion, may limit, reduce or reject the fee amount and may also seek clarification from you and your adviser on the services being provided.

| Type of fee or cost | Amount | How and when paid |
|--|---|---|
| Advice implementation fee (initial and ongoing) | <p>You may agree with your adviser to pay an initial advice implementation fee, an ongoing advice implementation fee or a combination of the two. This fee can be for advice and other related services provided to you in relation to the implementation of your account(s) in the Fund. The amount payable is agreed between you and your adviser.</p> <p>The advice implementation fee may be specified as a percentage and/or dollar-based fee. The initial advice implementation fee (including zero amounts or where a fee is not specified) will generally apply to all deposits (excluding employer contributions, salary sacrifice and government co-contributions) received within 60 days of your account being activated unless otherwise instructed.</p> <p>The ongoing advice implementation fee will apply to all deposits received (including rollovers) from the start date specified on the application form. If you do not specify a start date on the application form, then the default date is 60 days after your account is activated. For the purposes of the advice implementation fee, deposits include cash contributions, in specie transfers, as well as amounts rolled into the Fund or amounts transferred from a personal super account to a pension account.</p> | <p>The advice implementation fee is deducted from your cash account when the deposit is received, and paid to your adviser or your adviser's licensee at the end of that month.</p> |

| Type of fee or cost | Amount | How and when paid |
|---------------------------------|--|---|
| Adviser service fee | <p>You may agree with your adviser to pay an Adviser service fee for advice and other related services provided to you in relation to your account(s) in the Fund. The amount payable is agreed between you and your adviser</p> <p>An adviser service fee may be specified as one of the following:</p> <ol style="list-style-type: none"> 1 Fixed % amount p.a. 2 Tiered % amount p.a. 3 Fixed \$ amount p.a. 4 Combination of fixed % or tiered % p.a., and fixed \$ amount p.a. | <p>The adviser service fee can be an ongoing fee or a fixed term fee of up to 12 months and is calculated daily on your total account balance (unless otherwise agreed with your adviser) and paid to your adviser or your adviser's licensee from your cash account monthly in arrears.</p> |
| One-off advice fee | <p>You may agree with your adviser to pay a one-off advice fee for advice and other related services provided to you in relation to your account(s) in the Fund. The one-off advice fee is a dollar-based fee. The amount payable is agreed between you and your adviser.</p> | <p>The one-off advice fee is deducted from your cash account at the time a request for deduction of the fee is processed and, paid to your adviser or your adviser's licensee at the end of that month.</p> |
| Adviser Brokerage | <p>Where allowed under the law, brokerage can be charged by your adviser when you invest into Australian securities. You may agree with your adviser to pay brokerage for listed securities of up to 2.2% of the value of any shares bought and sold.</p> <p>The amount payable is agreed between you and your adviser.</p> | <p>Adviser brokerage can be an ongoing fee or a fixed term fee of up to 12 months. Adviser brokerage is deducted from your cash account at the time of settlement as part of the trade cost and paid to your adviser or your adviser's licensee at month end.</p> |
| Portfolio management fee | <p>You may agree with your adviser to pay a portfolio management fee for:</p> <ul style="list-style-type: none"> • advice and other related services such as advice on investment selection, investment monitoring and advice, set-up and maintenance of your investments and ongoing advice on your investment strategy in relation to the Fund. <p>The amount payable is agreed between you and your adviser.</p> <p>The portfolio management fee may be specified as one of the following:</p> <ol style="list-style-type: none"> 1 Fixed % amount p.a. 2 Tiered % amount p.a. 3 Fixed \$ amount p.a. 4 Combination of fixed % or tiered % p.a. and fixed \$ amount p.a. | <p>The portfolio management fee can be an ongoing fee or a fixed term fee of up to 12 months and is calculated daily on your total account balance and paid to your adviser or your adviser's licensee from your cash account monthly in arrears. Where you have agreed a % based fee it will be calculated daily as a percentage of the total value of the investments you hold within your account.</p> |

Note: Adviser remuneration may also occur via the payment of investment management fees within a managed portfolio. Refer to the relevant managed portfolio product disclosure statement available from the product website for details (if applicable).

The Statement of Advice (SOA) from your adviser should provide details of any fees for their advisory services. From time to time, we may request a copy of the SOA from your adviser to ensure the relevant services are being provided. Any personal information the Trustee collects will be handled in accordance with its privacy policy, which sets out how you can access and correct information the Trustees holds about you, how you can complain about a breach of your privacy and how your complaint will be handled. The Trustee's privacy policy can be found at www.insigniafinancial.com.au/privacy-policy.

If you have any questions about the advice or services received for these fees, your financial adviser is best placed to assist you with these. You can also view how much you are paying in adviser fees on the regular statements we send you or you can contact us or your financial adviser directly.

Ongoing Adviser service fee consent requirements

Your consent to deduct any fees payable on an ongoing basis to your financial adviser must be renewed annually through your financial adviser. If you do not renew your consent, these fees will expire.

You can also enter into fixed-term fee arrangements with your adviser and provide your consent to deduct fees for a period of up to 12 months.

You can also vary or revoke your consent in writing at any time, either through your adviser or by contacting us directly. Should you wish to revoke your consent to the deduction of any fees, please contact us and/or your adviser to terminate the fee arrangement. Note this will prevent any further deduction of advice fees from your account after the consent has been revoked but does not reverse any fees paid before revocation.

Alternative forms of remuneration

From time to time, the Trustee may receive direct or indirect benefits from providers of some of the financial products or other services that are available through the Fund. The Trustee may also be entitled to remuneration from financial institutions (including banks, fund managers, investment managers and insurers) that provide certain services to members in the Fund. You can ask for details of any alternative forms of remuneration that may be received by contacting the Administrator. Any alternative forms of remuneration are recorded in a register. The register outlines all alternative forms of remuneration received and is available on request.

Payments received from other parties

Where permitted by law, we (in our corporate capacity) may receive and retain payments from product issuers of certain investment options for providing investment and administrative services. The payment amount is negotiated by us with each product issuer. These payments come from each product issuer's own resources and they are not an additional cost to you.

MDA service provider fees

Where permitted by law, the Administrator may receive the following payments from the MDA service provider for access to the MDA Facility available through the Fund:

- Service fees of up to \$10,000 p.a. per MDA investment, plus
- Up to 0.12% p.a. on the total amount of funds we have invested under each MDA investment.

The amount of these payments may increase from time to time and may be subject to indexation.

These service fees relate to the services that the Administrator provides to the MDA service provider when using the MDA Facility. Please refer to Part I of the Super PDS – Managed Discretionary Accounts (MDAs) for more information.

These MDA service provider fees are paid to the Administrator from the MDA service provider's own resources and are not an additional cost to you.

Insurance remuneration (individual insurance)

Where permitted by law, the Administrator may receive remuneration from each premium payment made under your individual retail insurance policy for the provision of insurance administration services. This is not an additional cost to you.

Increases or alterations to fees and other costs

Under the Trust Deed, the Trustee has broad power to increase the rate or amount of existing fees and charges or impose additional fees. This can occur without your consent. No maximum limits on fees are specified in the Trust Deed.

If we decide to introduce any additional fees or increase existing fees and charges, we will give you no less than 30 days' advance written notice. Underlying investment fees or costs (including performance fees that may be payable in respect of an underlying investment and investments within managed portfolios) and buy/sell spreads may also change. Information about any changes may be contained in the product disclosure statement or other disclosure document for an underlying or relevant investment available from time to time, and to the extent practicable, will also be notified by the Trustee where required by law.

The Trustee reserves the right to recover any expenses incurred by it or the Fund from Fund assets (including any reserves) as permitted under the Trust Deed. The Trustee may be indemnified from Fund assets in respect of any liabilities that may be met from Fund assets.

Adviser and Licensee changes

Fees and costs set out in the 'Fees and other costs' table are generally not negotiable by you. However, your adviser or the holder of the AFSL (Licensee) that your adviser operates under may, from time to time, negotiate the fees and other costs that apply to your account. The nature and amount of any variation depends on the arrangement between us, your adviser and your adviser's Licensee. Your adviser can provide you with further information about any such arrangement. Where you leave your adviser or your adviser leaves their Licensee, the fees and other costs that apply may change and you may revert to the fees and other costs described in this PDS. Notice of any such change will be given to you as required by law.

How do the fees and costs for the product and the underlying investments work?

The following examples illustrate how the total fees and costs incurred can vary depending on the investments you choose when investing through the Fund. The examples are based on the fees and costs applicable during the first year of investment in the applicable investments made through the Fund.

These examples are illustrative only. The actual fees and costs you pay will vary depending on factors such as the investments chosen, the nature and number of transactions on your account and the adviser fees you negotiate and agree with your adviser.

Unless otherwise stated all amounts shown are in Australian dollars and are inclusive of GST and net of RITC.

This is an example of the fees you may incur over a 1 year period, and assumes an average account balance of \$250,000.

| You invest \$250,000 and select the following investments: | \$120,000 | In a managed portfolio ¹ | | |
|---|-------------|-------------------------------------|-----------|-----------------------------------|
| | \$50,000 | In a managed fund ² | | |
| | \$20,000 | In a term deposit | | |
| | \$50,000 | In Australian listed securities | | |
| | \$10,000 | Cash account balance | | |
| | \$250,000 | | | |
| Type of fee or cost | Calculation | | | Amount of fees and costs |
| Administration fees and costs | | | | |
| Percentage-based tiered administration fee (first \$100,000) | 0.30% | x | \$100,000 | \$300 |
| Percentage-based tiered administration fee (\$100,001 to \$250,000) | 0.25% | x | \$150,000 | \$375 |
| Account keeping fee | 1 | x | \$380 | \$380 |
| Cash management fee | 1.20% | x | \$10,000 | \$120 |
| Administration expense recovery fee | 0.02% | x | \$250,000 | \$50 |
| Administration fees and costs | | | | \$1,225 |
| Fees and costs relating to underlying investments | | | | |
| Managed portfolio – Investment management fee | 0.19% | x | \$120,000 | \$228 |
| Managed portfolio – Investment performance fee | 0.00% | x | \$120,000 | \$0 |
| Managed portfolio – Underlying fees and transaction costs | 0.33% | x | \$120,000 | \$396 |
| Managed fund – Investment management fee | 0.29% | x | \$50,000 | \$145 |
| Managed fund – Underlying transaction costs | 0.10% | x | \$50,000 | \$50 |
| Fees and costs relating to underlying investments | | | | \$819 |
| Activity fees³ | | | | |
| Transacting within a managed portfolio – Australian listed securities | 0.11% | x | \$120,000 | \$132 |
| Transacting in managed funds – via aggregated trading (per trade) | \$0 | | | \$0 |
| Transacting in term deposits – per trade | \$0 | | | \$0 |
| Transacting in Australian listed securities – via aggregated trading | 0.11% | x | \$50,000 | \$55 |
| Activity fees | | | | \$187 |
| Total fee amount⁴ | | | | \$2,231 |
| | | | | <i>0.89% p.a. of your account</i> |

Unless otherwise stated this example does not include other adviser fees that may apply to your account. You may negotiate and agree to pay fees to your adviser or your adviser's licensee, which will be deducted from your cash account. Fees payable to your adviser will be disclosed to you in a Statement of Advice (SOA).

- The Managed portfolio used for the purpose of this example is the iShares Enhanced Strategic Balanced Portfolio.
- The Managed fund used for the purpose of this example is the Vanguard Balanced Index Fund.
- The activity fees in this example are based on the fees associated with the initial investment into the investment options chosen and do not contemplate additional investments or transactions.
- This example does not represent the actual fees and costs that you will pay. Other fees and costs may be payable on your account, and will vary depending on your total account balance, the investments you hold and balance of the investment options you select, fees for underlying investments that you access (including investments held as part of managed portfolios and the weightings of those investments), and the number of times you transact. Fees will also apply where you access insurance options.

Defined fees

Activity Fees

A fee is an **activity fee** if:

- a** the fee relates to costs incurred by the trustee of the superannuation entity that are directly related to an activity of the trustee:
 - i** that is engaged in at the request, or with the consent, of a member; or
 - ii** that relates to a member and is required by law; and
- b** those costs are not otherwise charged as administration fees and costs, investment fees and costs, transaction costs, a buy-sell spread, a switching fee, an advice fee or an insurance fee.

Administration fees and costs

Administration fees and costs are fees and costs that relate to the administration or operation of the superannuation entity and includes costs incurred by the trustee of the entity that:

- a** relate to the administration or operation of the entity; and
- b** are not otherwise charged as investment fees and costs, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.

Advice fees

A fee is an **advice fee** if:

- a** the fee relates directly to costs incurred by the trustee of the superannuation entity because of the provision of financial product advice to a member by:
 - i** a trustee of the entity; or
 - ii** another person acting as an employee of, or under an arrangement with, the trustee of the entity; and
- b** those costs are not otherwise charged as administration fees and costs, investment fees and costs, a switching fee, an activity fee or an insurance fee.

Buy-sell spreads

A **buy-sell spread** is a fee to recover transaction costs incurred by the trustee of the superannuation entity in relation to the sale and purchase of assets of the entity.

Exit fees

An **exit fee** is a fee, other than a buy-sell spread, that relates to the disposal of all or part of a member's interests in a superannuation entity.

Insurance fee

A fee is an **insurance fee** for a superannuation product if:

- a** the fee relates directly to either or both of the following:
 - i** insurance premiums paid by the trustee, or the trustees, of a superannuation entity in relation to a member or members of the entity; or
 - ii** costs incurred by the trustee, or the trustees, of a superannuation entity in relation to the provision of insurance for a member or members of the entity; and
- b** the fee does not relate to any part of a premium paid or cost incurred in relation to a life policy or a contract of insurance that relates to a benefit to the member that is based on the performance of an investment rather than the realisation of a risk; and
- c** the premiums and costs to which the fee relates are not otherwise charged as administration fees and costs, investment fees and costs, transaction costs, a switching fee, an activity fee or an advice fee.

Investment fees and costs

Investment fees and costs are fees and costs that relate to the investment of the assets of a superannuation entity and includes:

- a** fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and
- b** costs incurred by the trustee of the entity that:
 - i** relate to the investment of assets of the entity; and
 - ii** are not otherwise charged as administration fees and costs, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.

Switching fee

A **switching fee** for a superannuation product other than a MySuper product, is a fee to recover the costs of switching all or part of a member's interest in the superannuation entity from one investment option or product in the entity to another.

Transaction costs

Transaction costs are costs associated with the sale and purchase of assets of the superannuation entity other than costs that are recovered by the superannuation entity charging buy-sell spreads.



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