

Professionally Managed Account

InvestSMART Investment Menu

Dated 1 November 2018

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This Investment Menu is issued by
InvestSMART Funds Management Limited
(ABN 62 067 751 759 | AFSL 246441)

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The information in this document forms part of the
InvestSMART Professionally Managed Account
Product Disclosure Statement (PDS).

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About InvestSMART Funds Management Limited

About InvestSMART Funds Management Limited

InvestSMART Funds Management Limited (IFM) ACN 067 751759, AFSL 246 441, is the responsible entity as well as the implementation manager for the Professionally Managed Account (PMA) and the Model Investment Portfolios (Portfolios). IFM is the issuer of the PMA product.

As the implementation manager, IFM will implement all investment decisions relating to the Portfolios and provide other administrative services for the PMA. IFM is responsible for overseeing the operations and distribution of the PMA.

IFM are part of InvestSMART Group Limited (ASX:INV), an ASX-listed financial services company which has over 32,000 clients and over \$1.4 billion in assets under advice.

At InvestSMART Group, our goal is to provide quality advice, research and investment solutions, free from the jargon and complexities so commonly found in the finance industry, to help all Australians, investors to meet their financial aspirations.

Our Investment Manager

The PMA offers a selection of Model Investment Portfolios (Portfolios) provided by our investment manager (Investment Manager). Portfolios cover a suite of investment styles that allows you to tailor your PMA to suit your investment needs.

The Investment Manager is responsible for managing the Portfolios on an ongoing basis and will buy and sell investments to be included in, or removed from the Portfolios.

InvestSMART Financial Services

Established in 1999, InvestSMART Financial Services Pty Ltd ACN 089 038 531, AFSL 226435 ("InvestSMART") is a leading Australian digital wealth advisor. Our investment philosophy is based around three core principles: diversification, lower fees and investing for the long term.

InvestSMART Diversified Income Portfolio

INV001

Investment objective

The Portfolio's investment objective is to provide investors returns in line with the benchmark minus our fees by investing in a blend of our preferred Exchange Traded Funds (ETFs).

Investment strategy and approach

The Manager believes that diversification across asset classes will result in better risk adjusted returns over the long-term.

The Portfolio does not have a pre-defined asset allocation, instead the manager aims to determine the appropriate mix of asset classes that is likely to achieve the stated objective.

The Portfolio invests in a blend of Exchange Traded Funds (ETFs), with a higher allocation in defensive income assets (bonds & cash) than growth assets (equities & property) all managed in the one portfolio.

Designed for investors who:

- seek a sustainable income stream, with a lower risk than ordinary shares and a higher return than cash and cash like investments;
- seek a portfolio diversified across a range of different asset classes; and
- want a portfolio where the asset allocation is actively managed.

Benchmark

Morningstar Multisector Moderate Index

Indicative number of securities

5 - 15

Suggested investment timeframe

2+ years

Minimum initial investment

\$10,000

Risk profile

Low - Medium

Expected loss in 1 - 2 years out of every 20 years.

Asset allocation ranges (%)

Asset Class	Min.	Target	Max.
Australian Equities	10	14	20
International Equities	10	13	20
Fixed Interest	40	46	50
Property & Infrastructure	5	9	15
Cash	2	18	20

Investment fee

Investment Amount	Fee
\$10,000 - \$18,000	\$99 p.a. capped
\$18,001 - \$81,999	0.55% p.a.
From \$82,000	\$451 p.a. capped

Brokerage: The greater of \$5.50 per trade or 0.11% of the value of the trade.

Indirect Cost: 0.19% p.a. (a cost associated with ETF providers)

InvestSMART Balanced Portfolio

INV002

Investment objective

The Portfolio's investment objective is to provide investors returns in line with the benchmark minus our fees by investing in a blend of our preferred Exchange Traded Funds (ETFs).

Investment strategy and approach

The Manager believes that diversification across asset classes will result in better risk adjusted returns over the long-term.

The Portfolio does not have a pre-defined asset allocation, instead the manager aims to determine the appropriate mix of asset classes that is likely to achieve the stated objective.

The Portfolio is invested in a blend of Exchanged Traded Funds (ETFs), to offer investors a balanced allocation across both defensive income assets (bonds & cash) & growth assets (equities & property) all managed in the one portfolio.

Designed for investors who:

- accept that there will be some level of volatility in the value of your investments in order to achieve reasonable returns over the medium term;
- seek a portfolio diversified across a range of different asset classes; and
- want a portfolio where the asset allocation is actively managed.

Benchmark

Morningstar Multisector Balanced Index

Indicative number of securities

5 - 15

Suggested investment timeframe

4+ years

Minimum initial investment

\$10,000

Risk profile

Medium - High

Expected loss in 3 - 4 years out of every 20 years.

Asset allocation ranges (%)

Asset Class	Min.	Target	Max.
Australian Equities	20	24	30
International Equities	20	22	30
Fixed Interest	30	33	40
Property & Infrastructure	5	9	15
Cash	2	12	20

Investment fee

Investment Amount	Fee
\$10,000 - \$18,000	\$99 p.a. capped
\$18,001 - \$81,999	0.55% p.a.
From \$82,000	\$451 p.a. capped

Brokerage: The greater of \$5.50 per trade or 0.11% of the value of the trade.

Indirect Cost: 0.19% p.a. (a cost associated with ETF providers)

InvestSMART Core Growth Portfolio

INV003

Investment objective

The Portfolio's investment objective is to provide investors returns in line with the benchmark minus our fees by investing in a blend of our preferred Exchange Traded Funds (ETFs).

Investment strategy and approach

The Manager believes that diversification across asset classes will result in better risk adjusted returns over the long-term.

The Portfolio does not have a pre-defined asset allocation, instead the manager aims to determine the appropriate mix of asset classes that is likely to achieve the stated objective.

The Portfolio is invested in a blend of Exchange Traded Funds (ETFs), to offer investors a higher allocation to growth assets (global equities & property) than defensive income assets (bonds & cash) all managed in the one portfolio.

Designed for investors who:

- accept a greater degree of volatility in your portfolio in order to achieve a greater return over the long-term;
- seek a portfolio diversified across a range of different asset classes; and
- want a portfolio where the asset allocation is actively managed.

Benchmark

Morningstar Multisector Growth Index

Indicative number of securities

5 - 15

Suggested investment timeframe

5+ years

Minimum initial investment

\$10,000

Risk profile

High

Expected loss in 4 - 6 years out of every 20 years

Asset allocation ranges (%)

Asset Class	Min.	Target	Max.
Australian Equities	25	31	35
International Equities	25	30	35
Fixed Interest	10	17	20
Property & Infrastructure	10	13	20
Cash	2	9	20

Investment fee

Investment Amount	Fee
\$10,000 - \$18,000	\$99 p.a. capped
\$18,001 - \$81,999	0.55% p.a.
From \$82,000	\$451 p.a. capped

Brokerage: The greater of \$5.50 per trade or 0.11% of the value of the trade.

Indirect Cost: 0.19% p.a. (a cost associated with ETF providers)

InvestSMART High Growth Portfolio

INV004

Investment objective

The Portfolio's investment objective is to provide investors returns in line with the benchmark minus our fees by investing in a blend of our preferred Exchange Traded Funds (ETFs).

Investment strategy and approach

The Manager believes that diversification across asset classes will result in better risk adjusted returns over the long-term.

The Portfolio does not have a pre-defined asset allocation, instead the manager aims to determine the appropriate mix of asset classes that is likely to achieve the stated objective.

The Portfolio is invested in a blend of Exchange Traded Funds (ETFs), to offer investors a high allocation to growth assets (global equities & property) than defensive income assets (bonds & cash) all managed in the one portfolio.

Designed for investors who:

- accept that there will be a higher level of volatility in the value of your investments.
- seek a portfolio diversified across a range of different asset classes; and
- want a portfolio where the asset allocation is actively managed.

Benchmark

Morningstar Multisector Aggressive Index

Indicative number of securities

5 - 15

Suggested investment timeframe

5+ years

Minimum initial investment

\$10,000

Risk profile

High

Expected loss in 4 - 6 years out of every 20 years

Asset allocation ranges (%)

Asset Class	Min.	Target	Max.
Australian Equities	35	40	45
International Equities	35	43	45
Fixed Interest	0	4	10
Property & Infrastructure	0	7	10
Cash	2	6	20

Investment fee

Investment Amount	Fee
\$10,000 - \$18,000	\$99 p.a. capped
\$18,001 - \$81,999	0.55% p.a.
From \$82,000	\$451 p.a. capped

Brokerage: The greater of \$5.50 per trade or 0.11% of the value of the trade.

Indirect Cost: 0.18% p.a. (a cost associated with ETF providers)

InvestSMART International Equities Portfolio

INV005

Investment objective

The Portfolio's investment objective is to provide investors returns in line with the benchmark minus our fees by investing in a blend of our preferred Exchange Traded Funds (ETFs) within the international equities market.

Investment strategy and approach

The investment objective will be met through a portfolio of ETFs, where each ETF invests in a different market sector to the others, thereby lowering volatility, minimising overall risk, and increasing the potential for long-term growth. The allocation between ETFs is active and will change over time, typically being reviewed on a quarterly basis. The active allocation process takes current market information along with expectations of future economic conditions into consideration.

Designed for investors who:

- seek a long-term, reliable return above inflation with a tolerance for high market and currency volatility; and
- seek exposure to international equities in a low cost product.

Benchmark

MSCI World (ex-Australia) Index, unhedged[^]

Indicative number of securities

5 - 15

Suggested investment timeframe

7+ years

Minimum initial investment

\$10,000

Risk profile

Very High

Expected loss is 6 or greater years out of every 20 years.

Asset allocation ranges (%)

Asset Class	Min.	Target	Max.
International Equities	90	98	98
Cash	2	2	20

Investment fee

Investment Amount	Fee
\$10,000 - \$18,000	\$99 p.a. capped
\$18,001 - \$81,999	0.55% p.a.
From \$82,000	\$451 p.a. capped

Brokerage: The greater of \$5.50 per trade or 0.11% of the value of the trade.

Indirect Cost: 0.19% p.a. (a cost associated with ETF providers)

[^]Net return after withholding tax

InvestSMART Diversified Property & Infrastructure Portfolio

INV006

Investment objective

The Portfolio's investment objective is to provide investors returns in line with the benchmark minus our fees by investing in a blend of our preferred Exchange Traded Funds (ETFs) within the domestic and international infrastructure and property markets.

Investment strategy and approach

The Portfolio aims to deliver similar returns to the benchmark index by investing in Exchange-Traded Funds, domestic Real Estate Investment Trusts (A-REITs), and domestically-listed infrastructure. The Portfolio may shift to higher levels of cash subject to valuation and portfolio risk considerations in order to deliver a lower risk outcome than the index and achieve its overall long-term objective.

Designed for investors who:

- are seeking a managed portfolio with exposure to domestic and international property & infrastructure.

Benchmark

A composite index comprising of:

- 25% of S&P/ASX 200 A-REIT Index
- 25% of S&P/ASX Infrastructure Index
- 25% of Dow Jones Brookfield Global Infrastructure Total Return Index (AUD)
- 25% of Dow Jones Global Select Real Estate Securities Total Return Index (AUD)

Indicative number of securities

5 - 12

Suggested investment timeframe

5+ years

Minimum initial investment

\$10,000

Risk profile

High

Expected loss in 4 - 6 years out of every 20 years.

Asset allocation ranges (%)

Asset Class	Min.	Target	Max.
Property & Infrastructure	90	98	98
Cash	2	2	20

Investment fee

Investment Amount	Fee
\$10,000 - \$18,000	\$99 p.a. capped
\$18,001 - \$81,999	0.55% p.a.
From \$82,000	\$451 p.a. capped

Brokerage: The greater of \$5.50 per trade or 0.11% of the value of the trade.

Indirect Cost: 0.31% p.a. (a cost associated with ETF providers)

InvestSMART Interest Income Portfolio

INV007

Investment objective

The Portfolio's investment objective is to provide investors returns in line with the benchmark minus our fees by investing in a blend of our preferred Exchange Traded Funds (ETFs) by investing in bond markets.

Investment strategy and approach

The Portfolio will hold a core allocation to Australian fixed income and floating rate securities but may tactically allocate to global fixed income, inflation linked bonds and cash in order to achieve its long-term objective.

Designed for investors who:

- seek a defensive portfolio with a core exposure to Australian fixed and floating rate income securities that can opportunistically invest in global fixed income securities and inflation linked bonds as well as hold significant exposures to cash.

Benchmark

Bloomberg AusBond Composite 0+Yr TR AUD Index

Indicative number of securities

5 - 20

Suggested investment timeframe

2+ years

Minimum initial investment

\$10,000

Risk profile

Low - Medium

Expected loss in 1 - 2 years out of every 20 years.

Asset allocation ranges (%)

Asset Class	Min.	Target	Max.
Fixed Interest	90	98	98
Cash	2	2	20

Investment fee

Investment Amount	Fee
\$10,000 - \$18,000	\$99 p.a. capped
\$18,001 - \$81,999	0.55% p.a.
From \$82,000	\$451 p.a. capped

Brokerage: The greater of \$5.50 per trade or 0.11% of the value of the trade.

Indirect Cost: 0.22% p.a. (a cost associated with ETF providers)

InvestSMART Hybrid Income Portfolio

INV008

Investment objective

The investment objective is to invest in a liquid portfolio of listed debt and preference securities to achieve a return of 3% (including franking credits) above the RBA Cash Rate per annum over three year rolling periods by investing in a mix of Australian listed hybrids, listed debt securities and cash.

Investment strategy and approach

The manager's approach is buying and holding a blend of hybrid securities through a qualitative and quantitative process, focusing on credit quality of the issuer, the industry of the issuer and the details and structure of each issue.

The manager intends to diversify the portfolio across issuers and actively manage the portfolio to take advantage of relative mispricing between securities and periods of relatively high liquidity.

Designed for investors who:

- seek a sustainable income stream (including franking credits) over a 3-year plus timeframe, with a lower risk than ordinary shares and a higher return than cash and cash like investments

Benchmark

RBA Cash Rate Plus 3%

Indicative number of securities

10 - 25

Suggested investment timeframe

3+ years

Minimum initial investment

\$25,000

Risk profile

Medium

Expected loss in 2 - 3 years out of every 20 years.

Asset allocation ranges (%)

Asset Class	Min.	Target	Max.
Australian Equities	0	N/A	0
International Equities	0	N/A	0
Fixed Interest	80	N/A	98
Property & Infrastructure	0	N/A	0
Cash	2	N/A	20

Investment fee

Investment Amount	Investment Fee
Up to \$250K	0.92% p.a.
\$250,001 - \$500K	0.80% p.a.
\$500,001 - \$1M	0.70% p.a.
\$1,000,001 - \$2M	0.65% p.a.
\$2,000,001 - \$3M	0.60% p.a.
More than \$3,000,000	0.55% p.a.

Brokerage: The greater of \$5.50 per trade or 0.11% of the value of the trade.

Product Disclosure Statement

**INVESTSMART PROFESSIONALLY
MANAGED ACCOUNT**

As at 1 November 2018

/
Responsible Entity & Issuer:
InvestSMART Funds Management Limited
ACN 067 751 759
AFSL 246441

/
Professionally Managed Accounts
ARSN 620 030 382

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Product disclosure statement

Important information

Application is invited for investment in the InvestSMART Professionally Managed Accounts ARSN 620 030 382 registered with the Australian Securities and Investments Commission (“ASIC”) as a managed investment scheme under the Corporations Act 2001 (Cth). This portfolio service is established and offered within the Professionally Managed Accounts managed investment scheme (“Scheme”) and is referred to in this Product Disclosure Statement (PDS) as the “InvestSMART Professionally Managed Accounts”. This is called the “Offer”.

The Offer under this PDS is available to persons receiving the PDS within Australia and New Zealand. The distribution of this PDS in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of it should seek advice on and observe any such restrictions. This PDS does not constitute an offer to any person to whom, or in any place in which, it would be illegal to make that offer.

This PDS includes a number of references to important additional information contained in the Investment Menu dated 1 November 2018 which should be considered together with this PDS.

InvestSMART Funds Management Limited (referred to in this PDS as “InvestSMART”, “we”, “our” or “us”) is the Responsible Entity of the InvestSMART Professionally Managed Accounts and the issuer of this PDS. None of InvestSMART, any of its associates and subsidiaries, or any Investment Manager guarantees the success of the InvestSMART Professionally Managed Accounts or any particular Model Portfolio, or the repayment of capital or a particular rate of return, income or capital.

Your responsibility

The information contained in this PDS is general only and does not consider your individual objectives, financial situation, needs or circumstances. It is your responsibility to determine whether investing in the InvestSMART Professionally Managed Accounts is appropriate for you having regard to your objectives, financial situation, needs and circumstances. InvestSMART does not provide personal advice that takes into account your individual objectives, financial situation, needs or circumstances. If you believe you need personal advice, you should seek the services of a financial adviser.

Before making an investment, please ensure that the investment is suitable for your situation. All investing carries some kind of risk. Speak to an advisor and tax specialist for further assistance. Ensure that you read all current disclosure documents including this PDS and Investment Menu. These documents are subject to change.

Contact details for enquiries about the InvestSMART Professionally Managed Accounts is InvestSMART Financial Services Pty Limited GPO Box 2267 Melbourne VIC 3001 Email: invest@InvestSMART.com.au Phone: 1300 880 160 Website: www.investsmart.com.au

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1. About InvestSMART

InvestSMART Funds Management Limited (“InvestSMART”, ACN 067 751 759, AFSL 246441) is the Responsible Entity for the InvestSMART Professionally Managed Account (“PMA”). As Responsible Entity, InvestSMART is responsible for overseeing the operations of the PMA and for its distribution. InvestSMART is the issuer of the PMA product.

InvestSMART is a wholly owned subsidiary of InvestSMART Group Limited ACN 111 772 359, which is listed on the ASX (ASX code: INV).

2. What is the InvestSMART Professionally Managed Account?

The InvestSMART Professionally Managed Account (PMA) is established and offered within the registered managed investment scheme known as the Professionally Managed Accounts. Each investor has a separate “Account” to which their investments are allocated.

Your Account can be constructed by using a range of available investment strategies that you select. Each investment strategy is referred to as a Model Portfolio, and they can be found in the Model Portfolio profiles in the Investment Menu. Once you decide which Model Portfolio(s) are best suited to your investment needs and objectives, we will purchase investments to be included in your Account so that it reflects the Model Portfolio, or combination of Model Portfolios, that you have selected.

You will be the registered and beneficial owner of the investments in your Account. You can view all the investments which are included in your Account online through a single login, even if you have invested in more than one Model Portfolio. The Investment Manager will manage the Model Portfolio on an ongoing basis, and we will buy and sell investments to be included in, or removed from, your Account as the Model Portfolio changes.

3. Key features

INVESTSMART PROFESSIONALLY MANAGED ACCOUNT	
Fund name	Professionally Managed Accounts
ARSN	620 030 382
Responsible Entity	InvestSMART Funds Management Limited ACN 067 751 759
Investment Manager	See the Investment Menu for more information.
Income	Income from investments held in your Account is added to your Account; income when paid is added to your cash holding and included in the next rebalance (refer to "How the PMA works" for additional information on the rebalance process). OR You may choose to have your investment income paid into your nominated bank account periodically.
Contributions and withdrawals	Investments and withdrawals can be in cash or by way of transfer of Eligible Investments to or from you. See "How the PMA works" for details.
Model Portfolio weighting	If you select more than one Model Portfolio the weightings will be applied on a floating basis. This is explained in more detail under "How the PMA works".
Minimum Cash Holding	2% of your account balance, in addition to any cash allocated in a Model Portfolio.
Minimum initial investment, Minimum withdrawal amount, Minimum account balance	Model specific minimum investment amounts are specified in the Model Portfolio profiles in the Investment Menu. There is currently a minimum initial investment amount and a minimum balance amount of \$10,000, unless otherwise specified in the Investment Menu. There is currently no minimum withdrawal amount.
Additional investments	You can make additional investments depending on the chosen Model Portfolio.
Regular Contribution Plans	You can make regular contributions to your investment, either by signing up to our Regular Contribution Plan or by making your own arrangements directly with your bank or financial institution. See "How the PMA works" for full details.
Regular Withdrawal Plans	You can make regular withdrawals from your Account. See "How the PMA works" for full details.
Fees and other costs	Please see section 7 together with the Investment Menu for a detailed explanation of fees and costs.
Risks	All investments are subject to risk. The significant risks associated with the PMA are described in Section 5.
Reporting	All reporting for the PMA is made available online and applications will only be accepted from persons who agree to receive reports through this facility. We will send out annual statements and tax statements each year. Some of the key reports available online include: <ul style="list-style-type: none"> • Portfolio Report: This gives a full valuation broken down by asset class of your Account. • Performance Report: The performance of your Account is available daily. • Transaction Report: Lists all buys and sells, brokerage and fees and charges deducted in respect of your Account. • Income and Expense Reporting: Lists all income and expenses including franking credits. • Tax Reporting: Tax reporting is available online.
Cooling off and complaints	Cooling off rights may apply. Please see section 11 for more information, as well as an overview of our complaints handling process.
General information and updates	Further information, including any updates issued by InvestSMART and other statutory reports, can be found at www.investsmart.com.au .

4. Benefits of investing in the InvestSMART Professionally Managed Account

The significant benefits of investing in the PMA include:

- **Construct a unique Account using our blending facility**

If a number of Model Portfolios are available through the Investment Menu – you can combine them in any proportion that you choose. Your individual blend of Model Portfolios will result in a single Account that is tailored to your needs.

- **Change Models in a tax-advantaged manner**

If you change your blend of Model Portfolios we update your Account, based on the new Model weightings, and then trade securities so that your Account matches your new combination of Model Portfolios. This means that we do not unnecessarily sell down securities from your Account to adjust it to the new combination of Model Portfolios.

- **View the securities that make up your Account at any time**

You beneficially own a portfolio of securities, not a unit in a trust. You can log into the investor website at any time to view the individual securities that make up your Account.

Please note, in some circumstances, such as when trading is being conducted in respect of your selected Model Portfolio(s), your exact security holdings will not be available for the period of the trading or longer at the discretion of the Investment Manager.

- **Move securities into or out of your Account at any time**

Contributions and withdrawals can be in cash or in kind – all CHESS-eligible listed Australian securities are accepted. Moving securities into or out of the PMA does not result in a realisation for capital gains tax purposes. Once you have selected your blend

of Model Portfolio(s) we will sell those securities not required and invest the proceeds as per your selection.

- **Retain the key benefits of managed funds**

The Model Portfolios (i.e. investment strategies) in the Investment Menu are all professionally constructed and managed by our Investment Managers and provide investors with access to professional investment managers and wholesale rates of brokerage not available individually.

- **You don't inherit other investors' capital gains**

Unlike most other managed investment schemes, your tax position as a result of investing in the PMA is affected only by the activity within your own Account. You do not buy into gains which have built up from other investors' earlier investments, and you do not realise gains because of other investors' decisions to withdraw from the PMA.

- **You can easily arrange for regular additional investments**

It is easy to arrange to make a regular additional contribution into your Account. Full details are set out under "How the PMA works".

- **You can easily arrange for regular withdrawals**

It is easy to arrange to make a regular withdrawal from your Account. Full details are set out under "How the PMA works".

5. Risks of the InvestSMART Professionally Managed Account

Before you make an investment decision, it is important to identify your investment objectives and the level of risk you are prepared to accept. This may be influenced by factors such as:

- the timeframe over which you are expecting a return on your investment and your need for regular income versus longer term capital growth.
- your level of comfort with volatility in returns.
- the general and specific risks associated with a particular Model Portfolio.
- risks associated with the structure through which your investments are made.

If unsure about making an investment, InvestSMART recommend that you seek advice from a professional about your financial circumstances and needs, as well as the suitability of the PMA and Model Portfolio selection before you apply to establish an Account within the PMA or select any Model Portfolio(s).

General risks

All investments have an inherent level of risk. Investment risk may result in loss of income or capital invested and possible delays in repayment. You could receive back less than you initially invested and there is no guarantee that you will receive any income.

Portfolio investment risk

Historically securities have offered higher returns over the long term than other asset classes, however they are volatile and can perform poorly over the short to medium term. Securities of smaller capitalised companies may, from time to time and especially in falling markets, become less liquid and experience short-term price volatility. They may also be less financially secure than larger more established companies and depend on a small number of key personnel, which increases the risk of a company's failure if a product fails, management changes or if there

are other adverse developments. Some Model Portfolios may only hold a small number of investments compared to the relevant benchmark index for that Model Portfolio. The performance of Model Portfolios holding a concentrated portfolio of investments is likely to be more volatile than its benchmark index across all investment timeframes. The Model Portfolio profiles in the Investment Menu provide general guidance on the types of investments likely to be contained in each model.

Regulatory risk

This is the risk that a government or regulator may affect the value of investments that a Model Portfolio invests in, by introducing regulatory or tax changes.

Market risk

Economic, technological, political or legislative conditions and even market sentiment can (and do) change and this can mean that changes in the value of investment markets can affect the value of the investments in a Model Portfolio.

Derivative risk

A range of financial derivatives, for example futures and options, may be used to implement investment decisions and to manage risk in a Model Portfolio. An investment in derivatives can cause a Model Portfolio to make gains or incur losses. Derivative transactions may also involve the risk (including credit risk) that the counterparty on a transaction will be unable to honour its financial obligation to the PMA.

Scheme risk

There are risks particular to investing in the PMA including that the PMA could be terminated, fees and charges could change, InvestSMART could be replaced as Responsible Entity, Investment Managers may be changed, and Model Portfolios could be closed or change.

Operational risks

In addition to the normal risks of investing, investors in the PMA are subject to certain operational risks that are inherent in the administration of the PMA such as processing errors and systems or technology failure, which may affect the value of your Account. InvestSMART has policies in place for managing operational risks and their consequences. Under these policies, InvestSMART has the discretion whether to compensate investors for immaterial or negligible losses arising from processing errors or systems failures.

Foreign market risk

Investing internationally carries additional risk. Risks inherent in this type of investment include (but are not limited to):

- differences between countries relating to accounting, auditing, financial reporting, government regulation, securities exchanges and transactional procedures.
- foreign markets may have different levels of liquidity, pricing availability and settlement and clearance procedures.
- actions of foreign governments, exchange controls, political and social instability.

These risk considerations apply, to some extent, to all international investments, but are likely to be of greater significance in certain small or emerging markets.

Model manager risk

Model manager risk refers to the risk that an investment manager will not achieve the performance objectives or not produce returns that compare favourably against its peers. Additionally, there is the risk that a manager's investment strategy may not prove to be effective. Many factors can negatively impact the manager's ability to generate acceptable returns from their investment management process, including loss of key staff.

Responsibility entity risk

There are risks associated with the operational and financial performance of InvestSMART as Responsible Entity. In addition, InvestSMART Group's key professionals could change or InvestSMART could be replaced and this might affect how the Model Portfolios are managed.

6. How the InvestSMART Professionally Managed Account works

By applying to invest in the PMA you authorise InvestSMART to complete the following actions to open your Account:

- Open a Cash Management Account (CMA) with our nominated bank
- Fund the CMA through a holding account administered by InvestSMART
- Open a Broking account with our nominated broker

When your Account is operational, you authorise InvestSMART to:

- Deal in Eligible Investments in the Account, as advised by the Model Investment Managers selected by you and detailed in the Investment Menu
- Pay transaction costs
- Pay management fees and expenses from your Cash Management Account to InvestSMART

Minimum application amount

The current minimum investment amount for the PMA starts at \$10,000 per Model Portfolio, unless otherwise stated in the Investment Menu or agreed with InvestSMART. Please note that an initial investment of some cash and/or investments is required before your Account becomes active.

Initial investment

You may choose your initial investment to be cash, in-specie transfer of Eligible Investments or a combination of both. If you do not provide cash, a portion of your Eligible Investments will be sold to fund the Account with a minimum cash holding of 2%.

Cash transfers

To activate your account, client monies will be funded into a holding account administered by InvestSMART which will be subsequently distributed into a CMA administered by InvestSMART. The funding of the CMA is processed by InvestSMART after the money has been received in the holding account.

To fund this holding account, you may opt for one of the following methods:

- Cheque
- BPAY
- Direct Debit by InvestSMART
- Direct transfer into the account

Cheque

Payee details for cheques are included on the application form.

BPAY

BPAY details will be provided on the application form.

Direct Debit by InvestSMART

Under the direct debit facility, we will collect money from your nominated bank account on the day we accept your application and will invest when the cash is received on the next Rebalancing Date. If a direct debit is rejected, we will try to contact you and may wait up to two (2) Business Days to receive a response. It is important you ensure that your nominated bank account has sufficient funds available on the day your application is submitted to us.

Direct transfer into the account

Details of the holding account will be provided in the application form.

Making additional investments

Additional investments can be made at any time by cheque, electronic cash transfer or by transferring Eligible Investments into the PMA. The additional investments will be invested in or applied to (if Eligible Investments) your selected Model Portfolio(s) at the next available date for investment. Note that while an investment transfer is in progress, your Account will not be included in the daily rebalance process (i.e. your Account will not trade). Please note an investment transfer is considered 'in progress' once the transfer details have been entered into the system.

Regular Contribution Plans

You can make regular contributions to your investment by making your own arrangements directly with your bank (where you instruct your bank to pay an agreed amount into our holding account on a regular basis).

Regular Withdrawal Plan

You can make regular withdrawals from your Account by signing up to our Regular Withdrawal Plan. Under the Regular Withdrawal Plan we will deposit a regular amount to your nominated bank account. You can start, change or stop withdrawals at any time free of charge, however 4 days' notice is required. If a direct credit is rejected, we will buy back your Account at the next trading day and any loss will be your responsibility.

Cash withdrawals

Cash withdrawals will be paid into your nominated bank account in your name. Any instruction to vary this account must be in writing and signed by you and accepted by InvestSMART. The sale of investments in your Account will commence at the next Rebalancing Date following receipt of your withdrawal request. Generally, each Business Day is a Rebalancing Date. Investments will be sold across your selected Model Portfolio(s) (if applicable). The value you will receive will be that at which the investments are sold net of all fees, charges and expenses including transaction costs such as brokerage. The sale of investments will generally be actioned on the Business Day following receipt of your request and the proceeds will generally be available within 24 hours of settlement of the sale of investments. While this is typically within 4 Business Days, this cannot be guaranteed as there may be delays depending on liquidity of assets, market and other factors beyond our control.

You should allow plenty of time between making your withdrawal request and when the proceeds are required.

Unless specifically requested, the withdrawal amount will accumulate as part of your cash holding until the full amount is available for transfer into your nominated bank account.

Suspension of withdrawals

In unusual circumstances outside our control such as the closure or disruption of a relevant security exchange, we may suspend withdrawals from investor Accounts for the period that these circumstances prevail.

Receiving income or dividends

Unless specified otherwise income or dividends received will form part of your cash holding within your Account. If you would like your dividends to be excluded from your cash holding and paid periodically into your nominated bank account, please select this option.

Transferring investments

Any existing holdings of Eligible Investments may be transferred into your Account. Any investments being transferred into your Account must be in the same name as the Account that you are applying for or held on your behalf as the beneficial owner. Eligible Investments transferred into the PMA will be sold if they do not form part of the selected Model Portfolio(s). When transferring in investments, we will wait until we receive all components of your initial investment before we will start trading on your Account by including your account in the rebalance process.

Your Account will only become active once details are completed and we have received your completed Forms, together with your application amount and any investments you are transferring to your Account.

Note that while an investment transfer is in progress, your Account will not be included in the daily rebalance process (i.e. your Account will not trade). The investment transfer may take a number of weeks. Please note an investment transfer is considered 'in progress' once the transfer details have been entered into the system.

Until your Account becomes active any investments transferred will be held apart from the rebalance process, you will receive interest on cash balances held in this period and may also incur fees.

Once your Account is active, your investment amount will be applied to your selected Model Portfolio(s) at the next rebalancing opportunity after we receive your investment instructions – generally, each Business Day.

Withdrawing your Investment

You will normally be able to request a withdrawal on any Business Day and requests will be complied with promptly, subject to any requirements of the law and as set out below. Withdrawal instructions must be given to us online. Once you give a withdrawal instruction, you cannot revoke the

instruction unless we give our approval. Withdrawals from the PMA can be made in cash (to your nominated bank account) or via a transfer of investments to your name, or a combination of cash and investments.

If a combination of cash and investments is selected, the transfer out of investments must be confirmed before the remaining investments are sold to generate the cash portion of the withdrawal.

If applicable, the minimum withdrawal amount and minimum balance requirements which apply to your Account are set out in the “Key features” table.

If a full withdrawal is requested, your investment in the PMA will be treated as being terminated and your Account will be closed.

Available Investments

The Model Portfolios that are currently available for investment in the PMA are described in the Investment Menu. We may update this Investment Menu at our discretion. The information relating to each Model Portfolio includes:

- the Investment Manager;
- investment objective and strategy;
- asset allocation ranges and performance benchmarks; and
- fees applicable to the Model.

As certain information about the Model Portfolios may change you should check for updated information at our website: www.investsmart.com.au Our relationship with the Investment Managers is governed by an Investment Management Agreement. This sets out the agreed investment objectives, strategy and any investment restrictions applicable to each Model Portfolio. Each of the Models is managed by the relevant Investment Manager within these investment guidelines.

Any changes to a Model Portfolio are advised to us by the Investment Managers, and we then buy and sell investments to implement the changes across all Accounts that are based on the affected Model Portfolios.

We reserve the right to change Investment Managers, change the Model Portfolios offered, offer new Model Portfolios or cease to offer Model Portfolios. Where a Model Portfolio ceases to be offered we will give you prior written notice.

We do not make any representation as to the return of capital or any particular return of income or other performance by the PMA or any Model Portfolio.

How your investments are held

Your assets held within the PMA in your Account, are held in your name with the nominated broker and in an omnibus cash management account. InvestSMART will not withdraw funds from these accounts other than in accordance with your direction (including a standing instruction) or where necessary to meet our fees, meet any settlement obligations with the nominated broker, or where otherwise directed by a regulatory body or court order.

Selecting investments

The investments selected for your Account will be determined by the Model Portfolio(s) that you select. When selecting a Model Portfolio, you should consider carefully the number of investments held as well as your investment amount, as this could impact on the ability of your Account to reflect the stated investment strategy of the Model.

Your initial application amount will be invested, and your Account established, in accordance with your selection of Model Portfolio(s). Generally, this will occur on the next day (after your Account becomes active) on which we buy and sell investments for the PMA, which will usually be each Business Day (Rebalancing Date). Where you have selected a combination of Model Portfolios, your Account will be viewed and treated as a single Account of your consolidated holdings.

Model Portfolio weightings

If you select more than one Model Portfolio your Model Portfolio weightings will change on a floating basis, which means that when your selected Model Portfolios perform differently from each other the relative proportion of your Account attributable to each Model Portfolio will move (float) away from the Model Portfolio weights that you originally selected.

For example, if you originally invested \$100,000, allocating 50% to Model Portfolio 1 and 50% to Model Portfolio 2, your Account would notionally be broken down as:

	Model 1	Model 2	Cash	Total
Weighting	49%	49%	2.0%	100%
Value	\$49,000	\$49,000	\$2,000	\$100,000

If after one day Model 1 had a performance of -5% and Model 2 had a performance of +5%, your approximate Account breakdown would be:

	Model 1	Model 2	Cash	Total
Weighting	46.5%	51.5%	2.0%	100%
Value	\$46,500	\$51,500	\$2,000	\$100,000

All values are approximate and indicative only, displayed purely to illustrate the effect of the floating basis for applying Model Portfolio weightings. It should not be inferred from this example that either basis is preferred or will result in higher value added.

By applying the Model Portfolio weights on a floating basis means that we will not act to adjust the relative values of the Model Portfolios – they will continue to move independently from each other according to each Model's relative performance.

Additional contributions and withdrawals are allocated to align with your current Model Portfolio weights, and this will be based on the weights implied by your current Model Portfolio balances unless you specify otherwise.

Switching Model Portfolios

You can switch between Model Portfolios or alter the combination of Model Portfolios on which your Account was constructed, at any time. Your instruction to switch between, or alter, Model Portfolios will generally be acted upon during the next Rebalancing Date following receipt of such instructions from you. Refer to the "Investment process and rebalancing" section.

Maintaining a Minimum Cash Holding

To ensure there is sufficient cash to pay fees and satisfy charges in connection with the settlement of trades that are carried out in respect of your Account, you must maintain a minimum amount of cash in the PMA. This is in addition to any cash that a Model Portfolio may require to be maintained in your Account. The minimum cash amount is calculated as a percentage of your Account and is set out in the table under "Key features".

If at any time the cash in your Account falls below the required minimum, we may sell some of the investments in your Account to bring your cash back up to the required minimum level. Please refer to the section "Going above or below the Minimum Cash Holding".

Any interest or income earned on any cash that is held in respect of your Account will be credited to your Account as and when it is received.

Going above or below the Minimum Cash Holding

Where cash in excess of the Minimum Cash Holding accumulates, (for example from the receipt of income or dividends) it will be invested on the next Rebalancing Date (generally the next Business Day) subject to minimum trade sizes being achieved. To the extent practicable the funds will be invested in proportion to your current Model Portfolio(s) weights. If the cash holding in your Account falls below the minimum required, additional investments will be sold (or purchases reduced) pro-rata across your Account. Any such transactions will not change the relative weightings of the Model Portfolios that your Account was constructed on but will reduce the overall amount allocated to each Model.

Alternatively, you can elect to top-up your cash holding from your nominated bank account, as outlined under "Making additional investments".

Fees attributable to your Minimum Cash Holding

The minimum cash holding held in your Account will be subject to the fees and any cash held in accordance with a Model Portfolio will be subject to the fees applicable to that Model Portfolio.

Investment process and rebalancing

Rebalancing within the PMA is an automatic process whereby Model Portfolios are compared against investors' Accounts. The rebalancing process within the PMA will be undertaken on each Rebalancing Date, generally each Business Day. However, your Account will only be affected in the following circumstances:

- an Investment Manager advises us of a change to a Model Portfolio comprising your Account;
- you make an investment in or withdraw cash and/or investments from your Account;
- you switch Model Portfolios or make other alterations to your Account;
- where your cash holding has moved away from the minimum required as a result of income received, or fees paid.

The Investment Managers generally review their Models each Business Day and may advise us of changes to their Model Portfolios at any time. A cash holding of 2% of your total investment will be retained.

Interest is paid on any cash that is retained in your Account. From time to time, subject to the minimum trade size, your Account may be rebalanced to reflect the changing values of the investments you own, or to retain your 2% cash holding. This will be undertaken automatically through the buying or selling of investments within your Account.

Dealing in investments

Dealing in investments for the PMA will be undertaken by us on the advice of the relevant Model Portfolio Managers. Dealing will occur on an aggregate basis across all Model Portfolios within the PMA to take advantage of scale and purchases and sales will be allocated to the relevant Accounts on a pro rata basis.

As your investments are held in a broker-sponsored account, registered through CHESS, InvestSMART will generally use a single execution only broker. However, we may change brokers at any time.

Minimum trade size

A minimum trade size is applied per investment, per trade. The default minimum trade size is 0.20% of your Account value per investment, per trade for Accounts under \$75,000 and \$150 per investment, per trade for Accounts valued at \$75,000 and above. A minimum trade size per investment will generally ensure that trades (buys or sells) of a value less than the nominated amount will not be executed. A minimum trade size may also result in the performance of your Account deviating from the performance of the Model Portfolio(s).

Labour standards and environmental, social or ethical considerations

Unless otherwise indicated in the Model Portfolio profiles in the Investment Menu, the Responsible Entity and Investment Managers may not have a predetermined view or designated methodology for taking labour standards or environmental, social and ethical considerations into account in the selection, realisation and retention of the PMA and Model Portfolio's investments. These factors may only come into consideration when they present an operating or financial risk to the business.

Corporate actions

As the Responsible Entity for the PMA, InvestSMART will receive communications on your behalf, relating to corporate actions affecting the investments held in your Account. For example, the issuers of the investments will send any notices of meetings relating to the investments, and any offers of dividend or distribution reinvestment plans.

In dealing with corporate actions, we will act in the best interests of investors in the PMA as a whole but will generally not be obliged to act on any individual investor's directions.

Our policy regarding corporate actions affecting investments held in the PMA is that generally:

- we will elect to receive dividends and distributions in cash, which will be credited to your cash holdings within your Account;
- we will generally adopt a neutral position and not vote at meetings of holders of investments, although we may exercise our discretion and vote depending on the circumstances; and
- we will deal with other corporate actions using our discretion.

In certain limited circumstances, entitlement to corporate actions may be subject to externally imposed limits or caps which may result in your entitlement to participate in the corporate action through your PMA holding being less than an entitlement of an individual investor holding the same number of investments directly.

6. 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 may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

TO FIND OUT MORE

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

This section shows fees and other costs that may be deducted from returns on your investment or from the PMA assets. You should read all the information about fees and costs because it is important to understand their impact on your investment. Fees and costs that relate to each investment option are set out in each Model Portfolio Profile in the Investment Menu. All fees are inclusive of Goods and Services Tax (GST) and net of any reduced input tax credit (RITC).

TYPE OF FEE OR COST		AMOUNT	HOW AND WHEN PAID
Fees when your money moves in or out of the Fund			
Establishment fee	The fee to open your investment	Nil	Not applicable
Contribution fee	The fee on each cash amount contributed to your investment	Nil	Not applicable
Withdrawal fee	The fee on each amount you take out of your investment	Nil	Not applicable. However, the In-Specie Transfer Fee may apply.
Termination Fee	The fee to close your investment	Nil ¹	Not applicable. However, the In-Specie Transfer Fee may apply.
Management costs			
Management fee	The fees and costs for managing and administering your investment The amount you pay for specific investment options is shown in each Model Portfolio Profile in the Investment Menu	0.55 - 0.97% p.a.	The Investment Fee component of the management costs is calculated monthly in arrears based on the daily value of your Account and the particular Model Portfolio(s) selected. It is deducted directly from your Account monthly. Other indirect costs are deducted by the underlying managed fund/ETF prior to determining the unit price and not separately deducted from your Account.
Service Fees ³			
Switching Fee	The fee for changing investment options	Nil	Nil

1. No Termination Fee is payable, however any Management Costs and Account Fees accrued but not yet paid will be deducted from your Account prior to the any amount in your Account being transferred out.
2. Refer to "Investment Fee" and "Indirect Cost Ratio" in the "Additional explanation of fees and costs" section in for further details.
3. Other service fees may apply including an In-Specie Transfer Fee. Refer to the "Additional explanation of fees and costs" section for further details.

Additional explanation of fees and costs

Management Costs

Management Costs are those fees and costs incurred by InvestSMART in managing your investments and include both direct (such as investment management fees, expense recovery and abnormal operating expenses) and indirect costs. They do not include contribution fees, transaction costs or additional service fees.

Investment Fee

Each Model Portfolio has its own separate fee structure, as agreed with the respective Investment Manager. These fees are charged on the percentage of your Account that is linked to the Model Portfolio and are calculated based on the daily value of your Account. In accordance with the Constitution, the Investment Fee must not exceed 3.3% p.a.

The Investment Fee is deducted directly from your Account monthly by InvestSMART and paid to the relevant Investment Manager. Full details of the fees applicable to each Model Portfolio can be found in the Model Portfolio profile in the Investment Menu.

Performance Fee

There are currently no performance fees in the Model Portfolios.

Indirect cost ratio

Your Account will also incur indirect costs incurred as a result of the fees and costs associated with the underlying investments in the selected Model Portfolio/s. The current indirect costs information for each Model Portfolio is set out in the Investment Menu.

Administration Fee

The Administration Fee is paid to the Responsible Entity to cover the costs of administering the PMA including outsourced administration services, audit, legal and tax consulting fees, compliance committee costs, expenses and liabilities. The fee is calculated daily and paid monthly in arrears from the cash holding in your Account. In accordance with the Constitution, the Administration Fee must not exceed 3.3% p.a. The Administration Fee is currently nil.

We may be entitled to input tax credits for certain costs or expenses that we incur in our capacity as Responsible Entity

of the PMA. If any claim for input tax credits results in us, in our capacity as Responsible Entity, receiving a payment from the Australian Taxation Office (ATO), the amount of the ATO payment will be applied towards costs and expenses that we may incur in our capacity as Responsible Entity (and which we are otherwise entitled to deduct from investors Accounts).

Expense recoveries

We are entitled, in accordance with the Constitution, to be reimbursed from the PMA for any other expenses which we may incur or become liable for in connection with administering the PMA, however we will not be claiming such reimbursements.

Abnormal expenses

Abnormal expenses are expenses we are entitled to deduct from your Account, but they are not generally incurred during the day to day operations of the PMA and are not necessarily incurred in any given year. They are due to abnormal events such as the cost of running a meeting of the PMA or legal costs incurred by changes in the PMA constitution or defending legal proceedings. We will seek reimbursement from your Account in relation to those expenses should they arise. To the extent that the costs, expenses and charges are attributable to a particular investor then they are deducted from that investor's Account. Otherwise, these amounts are allocated equitably amongst all PMA investors as we determine.

We can also invoice you for the amount, or any part of the amount, allocated to you and this is a debt due to us notwithstanding that there may be insufficient funds in your Account to pay the debt. You also indemnify us against any liability we may incur as a consequence of acting on your instructions.

Other costs

Establishment Fee

An Establishment Fee may be payable on the amount invested in the PMA. The Establishment Fee is currently nil.

Contribution Fee

A Contribution Fee may be payable on each cash amount invested in the PMA. The Contribution Fee is currently nil.

Withdrawal Fee

A Withdrawal Fee may be payable on amounts withdrawn from the PMA. The Withdrawal Fee is currently nil. However, as detailed below the In-Specie Transfer Fee may apply where investments are transferred out of your Account.

Termination Fee

A Termination Fee may be payable on an amount withdrawn from the PMA when you close your investment. The Termination Fee is currently nil. However, the In-Specie Transfer Fee may apply where investments are transferred out of your Account.

In-Specie Transfer Fee

This is the amount that we deduct from your Account each time you transfer investments out of your Account. The In-Specie Transfer Fee is currently \$27.50 per security name. No fee is payable when investments are transferred into your Account.

Taxes

We may charge taxes to your Account. Refer to “Tax features” for further information.

Transactional and other costs

Transaction costs cover our costs of buying and selling investments in your Account, primarily brokerage but may include Government taxes, bank charges and stamp duty (if any). These costs are incurred when transactions are effected. Where transaction costs such as brokerage, Government taxes, bank charges and stamp duty are incurred in relation to more than one investor Account, they will be allocated pro rata across all affected investor Accounts. The PMA is expecting to take advantage of wholesale brokerage rates of 0.11% with a minimum of \$5.50. We estimate that the average transaction costs for an Account will be 0.11% depending on the chosen model portfolio for the first year, or \$55 on a \$50,000 initial investment.

For managed fund or mFunds trading, a transaction charge of \$27.50 will be split across all Accounts trading in managed funds on that day. If your Account is the only Account trading a managed fund that day your maximum charge would be \$27.50.

Can fees and charges change?

Yes, all fees and charges can change. They may vary over time as a result of changes to the product, the Constitution of the PMA, changing economic conditions and changes in regulations. The Constitution sets the range of fees we are entitled to charge and the maximum level of those fees. These are (inclusive of GST)

Administration Fee:	up to 3.3% p.a.
Investment Fee:	up to 3.3% p.a.

The fees applicable to your investment are set out in the table under “Fees and other costs” and the Investment Menu. Although we have the power to change our fee structure, we have no present intention to do so. We will, however, provide you with a minimum of 30 days’ notice if any existing fees are to be increased. We are unable to charge more than the Constitution permits (to change the Constitution in this way, we would usually need to have investors’ approval). Full details are set out under “Constitution”.

Differential Fees

In accordance with the Corporations Act, we may individually negotiate fees with investors classed as “wholesale” or “professional” investors. We may also offer reduced fees to employees of the Responsible Entity and its related bodies corporate or come to different fee arrangements with different classes of interests. The constitution allows for more than one class of interest to be issued and there may be many classes on issue. For more information, please contact the Responsible Entity. We cannot enter into individual fee arrangements with other investors unless otherwise permitted by law.

Example of annual fees and costs for the PMA

This table gives an example of how the fees and costs in the PMA for investing in an InvestSMART Model can affect your investment over a one-year period. You should use this table to compare this product with other products. There are two examples, relating to the fees and expenses charged on different models.

EXAMPLE InvestSMART Balanced Portfolio	BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR	
Contribution Fees	0%	For every additional \$5,000 you put in, you will be charged \$0
PLUS Management Costs	0.55% p.a. deducted directly from your Account	AND an Investment Fee of \$275
PLUS Indirect Costs	0.19% p.a. deducted indirectly	AND Indirect costs of \$95*
EQUALS Cost of the InvestSMART Balanced Portfolio		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year you would be charged fees and expenses of \$370 . What it costs you will depend on the investment option you choose.

EXAMPLE Intelligent Investor Equity Income Portfolio	BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR	
Contribution Fees	0%	For every additional \$5,000 you put in, you will be charged \$0
PLUS Management Costs	0.97% p.a.	AND an Investment Fee of \$485
EQUALS Cost of the Intelligent Investor Equity Income Portfolio		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year you would be charged fees and expenses of \$485 . What it costs you will depend on the investment option you choose.

* Indirect costs are management fees on the ETF held in that investment option. These fees are paid to the issuers of the ETFs.

9. Investor reporting

Online Reporting

All investor reporting is available online from the investor website. Once your Account has been set up, you will be provided with a link to the investor website. By applying for an Account you agree to obtain reports electronically. Once your Account is activated, you will be able to access your Account information and view your Account valuations online. During periods where the website is unavailable for any reason, you may obtain the information by contacting InvestSMART.

Account information available includes:

- daily valuations of your Account
- cash account transactions
- investment purchases and sales
- distribution and dividend details
- brokerage paid
- fees and other charges deducted

Please note, in some circumstances, such as when trading is being conducted in respect of your selected Model Portfolio(s), your exact investment holdings will not be available for the period of the trading or longer at the discretion of the Investment Manager.

Confirmation of transactions

By completing the Application Form, you agree that confirmation of transactions involving your Account will be provided to you by means of your Account which you access online using your password. Your Account will indicate the date and details, including the amount paid for the investments and any associated fees and charges, of each transaction made in respect of your Account.

Annual Statements

We will issue your Account annual statements to you after the end of each financial year.

Valuing your Account

Updated valuations of your Account will generally be available each Business Day. ASX listed securities will be priced at previous close of market prices. Other assets will generally be valued at the bid price for the relevant asset. Upon their disposal, such assets will be realised at the actual sell price for those assets, and accordingly, the realisation proceeds may be less than the value recorded in your Account for those assets.

Tax Reporting

Tax reports are available online at any time to assist you with your tax planning or in the preparation of your tax return, however tax reports may not be correct for months after the end of the financial year, depending on the investments held, due to the reliance on third party information. We will issue tax reports each year when they have been finalised.

Performance Reporting

Daily performance reporting of your entire Account is available online. Performance reporting is not always up to date on the website and tax reports may not be correct for some time after the end of the financial year depending on the investments held, due to the reliance on third party information.

Professionally Managed Accounts Financial Information

A copy of the Annual Financial Report for the Professionally Managed Accounts will generally be available by the end of September each year and published on the website. This report will provide consolidated information on the overall financial position of the Professionally Managed Accounts and will not contain any information particular to an individual investor's Account. We will send you a copy of the Annual Financial Report to your email or other electronic address notified to us if you have elected to receive it on your Application Form.

Responsible Entity Reporting Requirements

The Professionally Managed Accounts is a disclosing entity as defined under the Corporations Act. As a disclosing entity, the Professionally Managed Accounts is subject to additional regular reporting and disclosure obligations.

Any continuous disclosure notices required pursuant to the Corporations Act will be available at

www.InvestSMART.com.au. You have a right to request us to provide to you free of charge the half yearly condensed financial report, the audited annual financial report and any continuous disclosure notices.

9. How the Professionally Managed Account is taxed

Investing, and dealing with investments, often has tax implications which can be complex, and which are invariably particular to your circumstances. The tax information set out below is a broad overview of the possible Australian income tax consequences for Australian Residents who invest through the PMA. As the taxation consequences of investing differ between investors, it is important that you seek your own professional advice before you make investment decisions.

Taxation of the PMA

The PMA is not taxed since all investments are held by investors directly in their separate Accounts. You have a vested and indefeasible interest in your assets held through the PMA. All income and gains on the investments accrue directly to you.

Tax on Income

Depending on the types of investments made, your Account can derive income in the form of dividends, interest, gains on the disposal of investments and other types of income. Usually income is taxable but tax credits (for example, franking credits or foreign income tax offsets) may be available to offset part or all of any resulting tax liability. If you receive franking credits, your entitlement to use those credits to offset tax or obtain a refund of tax may be affected by your holding of the underlying investments which resulted in the credits. Generally speaking you must hold the relevant investments at risk for more than 45 days (90 days for preference shares) to be entitled to the credit. Please see your tax adviser for further information, as some exceptions do apply. Tax reporting available online includes an estimate of the available tax credits in relation to your Account.

Tax on Capital Gains

The disposal of investments in your Account may result in a taxable gain or loss under the capital gains tax provisions of the Income Tax Assessment Act. These disposals may be triggered by the investment decisions of an Investment Manager or by you in the case of a withdrawal or switching

(transferring) between Model Portfolios (if available).

A feature of the PMA is that when you choose to move between Model Portfolios, your investments move with you to the extent that there is commonality between the Models. This means that, where an investment is held in both your old and new Model Portfolio, there will be no sale or disposal of the investment in your Account for capital gains tax purposes, to the extent that the holdings offset each other. Capital gains will be calculated based on the nominal gain on disposal of investments. Where the asset disposed of was held for 12 months or more, eligible investors may be able to claim concessional tax treatment.

Should a disposal result in a capital loss, the loss may be able to be offset against capital gains arising in that or subsequent years but is not permitted to be offset against other income. This includes gains or losses realised outside the PMA; gains and losses are consolidated based on your overall tax position and are not isolated to or quarantined to your Account. In some cases (e.g. you are in the business of trading in investments), gains and losses on the disposal of some investments may be taxed on revenue account and not be subject to the capital gains tax rules. You should consult your tax adviser in this regard.

Foreign Investments

Foreign income (e.g. foreign dividends) may be subject to withholding tax in the country from which the income is derived. Generally speaking, this income will be taxable in Australia with foreign income tax offset available for the foreign withholding tax paid.

Taxation Reform

The Federal Government can change taxation laws at any time. This could result in change to the taxation treatment of your investment. We strongly recommend that investors monitor reforms closely and seek their own independent professional advice on the potential application of those reforms to their specific circumstances.

Providing Your Tax File Number

The Application Form attached to this PDS includes provision to quote your Tax File Number (TFN), Australian Business Number (ABN) or exemption. As outlined there, you may choose not to do so, however if you do not quote your TFN, ABN or exemption we will be obliged to deduct tax at the highest marginal rate plus the Medicare Levy on your behalf.

Goods and Services Tax

GST will be charged on or incorporated in various expenses paid by the PMA including the fees charged for managing the Model Portfolios and administering the PMA. All fees in this PDS are quoted inclusive of GST and net of reduced input tax credits.

Tax Reporting

Tax reports are available online at any time to assist you with your tax planning or in the preparation of your tax return.

Quoting your Tax File Number (“TFN”) or an Australian Business Number (“ABN”)

It is not compulsory for investors to quote their TFN, ABN, or exemption details. However, should an investor choose not to, the Responsible Entity is required to deduct tax from an investor’s distributions at the maximum personal rate (plus the Medicare levy). Collection of TFNs is permitted by taxation and privacy legislation.

Foreign Account Tax Compliance Act

Under the Foreign Account Tax Compliance Act (“FATCA”), InvestSMART is deemed to be a “foreign financial institution” and is required to obtain and disclose information about certain US and US-owned investors. InvestSMART may request investors to provide certain information about themselves in order to comply with its FATCA obligations (“FATCA Information”). To the extent that all FATCA Information is obtained, imposition of US withholding tax on payments of US income or gross proceeds from the sale of particular US securities shall not apply to the Fund. Although InvestSMART attempts to take all reasonable steps to comply with its FATCA obligations and to avoid the imposition of this withholding tax, this outcome is not guaranteed. Under the terms of the intergovernmental agreement between the US and Australian governments, InvestSMART may provide FATCA Information to the Australian Taxation Office. InvestSMART may use your personal information in order to comply with FATCA and may contact investors if it requires additional information to comply with its FATCA obligations.

Common Reporting Standard

The ‘Common Reporting Standard’ or ‘CRS’ is the global standard for the collection, reporting and exchange of financial account information on foreign tax residents. InvestSMART is required to obtain tax information from prospective investors who indicate that they are a non-tax resident of Australia. InvestSMART will be required to provide the Australian Tax Office (ATO) with any relevant tax information regarding an investor’s non-residency status.

10. How to apply

To make an investment in the PMA and open your Account, you must complete the online Application Form or the Application Form that accompanies this PDS. Relevant ID documentation will be requested if you are a new investor to InvestSMART or your details have changed since the last time you invested through InvestSMART, or if required by the CMA provider and nominated broker.

11. Additional Information

Complaints resolution

Should investors have any concerns or complaints, as a first step please contact InvestSMART's Compliance Officer or Compliance Manager on +61 8305 6000 and InvestSMART will do its best to resolve this concern quickly and fairly. If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority, or AFCA. AFCA provides fair and independent financial services complaint resolution that is free to the consumer. You can contact the Australian Financial Complaints Authority ("AFCA") by calling 1800 931 678, by emailing info@afca.org.au or by writing to AFCA at GPO Box 3, Melbourne VIC 3001.

Cooling Off Rights

You have a 14 day cooling off period in which to decide if the investment is right for you. The 14 day period commences from the earlier of the time your investment is confirmed by us and the 5th Business Day after your Account is activated. Your refund will be paid by either an in-specie transfer of investments or cash following the sale of investments (at your request) commencing at the next Rebalance Date following receipt of your instructions to exercise your cooling-off right. Irrespective of whether you choose to be paid in cash or by having the individual investments returned to you, the value of your investment is likely to have changed over the period due to market movements. For this reason, depending upon the circumstances, the amount returned to you may be greater or less than the amount you initially invested.

Responsible Entity's legal relationship with you

InvestSMART is the Responsible Entity of the Professionally Managed Accounts managed investments scheme ("Scheme") and holds AFSL No. 246441 which authorises it to operate the PMA. We can retire as Responsible Entity on 30 days' notice or we can be removed in accordance with the Corporations Act.

Constitution

Our responsibilities and obligations as the Responsible Entity of the Scheme are governed by the Constitution for the Scheme, the Corporations Act and general trust law. The Constitution contains a few provisions relating to the rights, terms, conditions and obligations imposed on both investors and us. You can obtain a copy of the Constitution from us free of charge on request.

The Constitution contains a provision that investors and all persons claiming through them are bound by the terms of the Constitution. The main provisions which relate to your rights under the Constitution include:

- your absolute entitlement to the assets and cash credited to your Account;
- your right to withdraw from the Scheme and what you are entitled to receive when you withdraw or if the Scheme is wound up;
- your rights to attend and vote at meetings of the Scheme – these mainly reflect the requirements of the Corporations Act which also deals with investor rights to requisition or call a meeting;
- and resolutions passed by a requisite majority at a meeting of investors are binding on all investors; and
- your ability to transfer or register investment interests (where accepted by us) over your Account.

There are also provisions governing our powers and duties, some of which are discussed elsewhere in this PDS. Others include:

- when we can terminate the Scheme and what happens if we do. The Scheme will terminate 80 years less one day after it was established unless terminated earlier. We can terminate the Scheme by giving the required notice, and if we do, you share pro rata in the net proceeds from us selling the investments;
- our right to be paid by, or receive a benefit from, an incoming Responsible Entity, and not be required to account to investors for such payment or benefit;

- when we can amend the Constitution. Generally, we can only amend the Constitution where we reasonably believe that the changes will not adversely affect your rights as an investor. Otherwise the Constitution can only be amended if approved by special resolution at a meeting of investors;
- our right to refuse to accept application for interests without giving any reason;
- our right to determine minimum application, withdrawal and holding amounts and powers in support of these minimums;
- our ability to terminate your participation in the Scheme on 14 days' notice or if you breach any terms and conditions of the Scheme Constitution or your Account;
- our right to deduct amounts you owe us from withdrawal proceeds; and
- our broad powers including to act on properly authorised instructions, invest, and generally manage the Scheme.

Your Account will be credited with:

- all monies you pay into the PMA;
- all other monies and assets that we receive from you or on your behalf;
- any investments acquired on your behalf; and
- such other amounts and assets that we determine to be appropriate to credit to the Account.

Your Account will be debited with:

- all monies paid out to you;
- any monies required to settle a investment transaction for you;
- any monies required for the payment of fees, charges, expenses and taxes associated with your Account or instructions;

- any assets disposed of on your behalf; and
- such other amounts as we determine to be appropriate to debit to the Account.

In some circumstances we need not act on your instructions (such as where your Account does not include sufficient funds or where it is impractical or impossible to do so – for instance when markets are closed or disrupted).

The Constitution provides that the liability of each investor is limited to its investment in the Scheme. An investor is not required to indemnify us or our creditors in respect of the Scheme. However, no complete assurance can be given in this regard as the ultimate liability of a member has not been finally determined by the courts.

All liabilities, which in our opinion are attributable to a particular investor or investor's Account, are to be satisfied either or both:

- from that investor's Account; and/or
- by you upon receipt of an invoice from InvestSMART.

No limitation of liability applies for such liabilities.

The Constitution also deals with our liabilities in relation to the Scheme and when they can be reimbursed to us out of the Scheme's assets, for example, subject to the Corporations Act:

- we are not liable for acting in reliance and in good faith on professional advice;
- we are not liable to investors for any loss provided we did not act negligently or we believed we acted in good faith in accordance with the law and the Constitution;
- and we can be reimbursed for all liabilities we incur in connection with the proper performance of our duties in respect of the Scheme.

A copy of our documented policy in relation to the exercise of discretions in determining the value of interests in the Scheme is available from us at no charge.

Compliance Plan

We have lodged a Compliance Plan for the Scheme with ASIC. The Compliance Plan sets out the measures we will take to ensure we comply with the Corporations Act and the Constitution for the Scheme. To oversee compliance with the Compliance Plan, we have established a Compliance Committee. The Compliance Committee is required to report breaches of the Constitution and the Corporations Act to the directors of the Responsible Entity and in some circumstances to ASIC.

Custody

We have not appointed a custodian for the Scheme. Investors retain the underlying legal and beneficial interest in the assets in their Account. We may appoint a custodian at our discretion from time to time in the future.

Related party issues and conflicts of interest

The Responsible Entity may enter into transactions with, and use the services of, any other related entity of the InvestSMART Group. Those arrangements will be based on arm's length commercial terms.

The Investment Managers listed in the Investment Menu are part of the InvestSMART Group and are related parties. The arrangements between InvestSMART and each of the Investment Managers are on arm's length commercial terms.

From time to time, the Responsible Entity may face conflicts in respect of our duties in relation to the Fund, related funds and its own interests. The Responsible Entity has policies and procedures in place to avoid or otherwise manage these appropriately and will resolve such conflict fairly and reasonably and in accordance with the law, ASIC policy and its own policies.

Privacy Policy

As required by law, the Responsible Entity has adopted a privacy policy that governs the collection, storage, use and disclosure of personal information. This includes using an investor's personal information to manage their investment, process any distributions that may be payable and comply with relevant laws.

For example, an investor's personal information may be used to:

- ensure compliance with all applicable regulatory or legal requirements. This includes the requirements of ASIC, the Australian Taxation Office, the Australian Transaction Reports and Analysis Centre, ASX and other regulatory bodies or relevant exchanges including the requirements of the superannuation law; and
- ensure compliance with the AML/CTF Act and with FATCA. The Responsible Entity may be required to disclose some or all of an investor's personal information, for certain purposes (as described under the Privacy Act 1988 (Cth)) to:
 - the Fund's service providers, related bodies corporate or other third parties for the purpose of account maintenance and administration and the production and mailing of statements, such as the Unit Registry, Custodian or auditor of the Fund and certain software providers related to the operational management and settlement of the Units; or
 - related bodies corporate that might not be governed by Australian laws for the purpose of account maintenance and administration.

The Responsible Entity may also disclose an investor's personal information to:

- market products and services to them; and
- improve customer service by providing their personal details to other external service providers (including companies conducting market research).

If any of the disclosures in the previous bullet points require transfer of an investor's personal information outside of Australia, the investor consents to such transfer. All personal information collected by InvestSMART will be collected, used, disclosed and stored by InvestSMART in accordance with its privacy policy, a copy of which will be made available on request.

Anti-Money Laundering and Counter-Terrorism Financing

We are required to comply with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 ('the AML legislation'). The AML legislation requires us to (amongst other requirements) verify the identity of investors making applications into the PMA. We cannot accept an application to invest in the PMA until satisfied that the identity of the investor has been verified in accordance with the AML legislation. The processing of applications may be delayed until the requested information is received in a satisfactory form and the identity of the investor is verified.

Appointed representatives

InvestSMART is required to verify the identity of legal representatives and agents appointed to act on behalf of an investor. We cannot proceed to act on the instructions of a nominated legal representative until we verify the identity of that representative. Appointed legal representatives include, but are not limited to, an attorney (appointed under power of attorney) and executors of estates.

Consents

The Investment Managers listed in the Investment Menu have given and not withdrawn their written consent to being named in the Investment Menu as the Investment Manager in respect of their Models in the form and context in which they are included. They do not make any other statement in the Investment Menu.

Additional information for New Zealand investors

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 and regulations made under that Act sets out how the offer must be made. There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime. The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (www.fma.govt.nz). The Australian and New Zealand regulators will work together to settle your complaint. The taxation treatment of Australian financial products is not the same as for New Zealand financial products. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser. The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between the currency and New Zealand dollars. These changes may be significant. If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars. The dispute resolution process described in this offer document is only available in Australia and is not available in New Zealand.

12. Investor Authorisations, Acknowledgements and Agreements

Authorisations

Account opening authority to the Responsible Entity

By applying to invest in the PMA, you are authorising InvestSMART to:

- open a broking account with our nominated CHESSE Sponsoring broker on your behalf
- enter into a CHESSE Sponsorship Agreement on your behalf with our nominated CHESSE Sponsoring broker
- open a cash management account with the nominated bank
- instruct our nominated broker to direct debit/credit your cash management account
- fund the cash management account through monies received in a holding account
- receive any communication from the investments in your Account
- this authority continues until the Account is closed or is terminated by you.

Online and fax instructions from you

Instructions may be given to us by you online, in writing or by fax. Please be aware that fraudulent or other unauthorised instructions can be made by persons with access to your Account details. Accordingly, you agree to release and indemnify the Responsible Entity against all claims and demands arising because of our acting on what appeared to us to be instructions given by you.

If InvestSMART receives instructions online or in writing from you, InvestSMART will act in accordance with the written instructions to the extent of any inconsistency.

Investment authority to the Responsible Entity

- by investing in the PMA you are providing us with a standing instruction to make investments on your behalf in accordance with one or more Model Portfolios that you have nominated on your Application Form.
- under this authority, we will rebalance your Account by buying or selling investments in accordance with changes made to your selected Model Portfolios as advised by Investment Managers.
- instructions to change Model Portfolios will be accepted from you.
- additionally, you authorise us to move funds within your Account as instructed by you and as described in the PDS to facilitate the payment of fees and settlement of trades.
- this authority will continue until your Account is closed or is terminated by you.

General declarations

I/We:

- agree to be bound by the provisions of the Constitution (as may be amended from time to time) which governs the operation of the PMA.
- acknowledge and agree that the fees set out under “**Fees and other costs**” will be deducted directly from my/our Account.
- acknowledge and agree that neither the performance of any specific Model Portfolio offered through the Investment Menu (“Investment”) nor any particular rate of return from, nor any repayment of capital invested in any Investment is guaranteed by InvestSMART, InvestSMART Group Limited or any of its associates or subsidiaries, nor the Investment Manager.
- acknowledge that my/our Account will be managed in accordance with the relevant Model Portfolio(s) I/we have selected and notified to the Responsible Entity. Therefore investments will be purchased and sold from my/our Account to reflect any changes made to the Model Portfolio(s) from time to time in accordance with the process outlined in the PDS.
- acknowledge that a Model Portfolio may cease to be offered at any time at the Responsible Entity’s discretion and further contributions discontinued or the Model Portfolio terminated, and all assets held as part of the Model Portfolio realised.
- represent that I/we have access to the internet on a substantial and continuous basis.
- agree to receive any PDS and other information by email or by a hypertext link sent by email, and to access and read this information/ PDS, except that all confirmations of any transactions in connection with my/our Account, including the establishment of my/our Account in the PMA, will be provided to me/us by my/our logging onto my/our Account.
- agree that InvestSMART will not be responsible for any failure to provide any such e-mail or other communications to me/us.
- agree to notify the Responsible Entity in writing of any change in my/our email address before or as soon as possible after the change.
- agree to the disclosure and use of information as contemplated in the section titled ‘**Privacy Policy**’.
- authorise the Responsible Entity to provide me/us with information regarding my/our investments.

Direct debit request service agreement

This section outlines the terms and conditions of the direct debit request arrangement between yourself and InvestSMART Financial Services Limited (“InvestSMART” or “us”).

InvestSMART’s responsibilities

InvestSMART will only make direct debits from your nominated bank account. Your initial contribution amount will be confirmed in writing once InvestSMART receives your Application Form. InvestSMART will not disclose your bank account details to any other party, unless:

- such disclosure is for the purpose of this agreement (including disclosing information in connection with any query or claim);
- you have agreed in writing that it can; or
- the law requires InvestSMART to do this.

If a payment date is a weekend or public holiday, your account will be debited on either the Business Day preceding or the Business Day following the weekend or public holiday. If you are unsure about which day your account has been debited, you should ask your financial institution. InvestSMART reserves the right to cancel the direct debit arrangement without notice if any debits are returned unpaid by your nominated financial institution. InvestSMART will give at least 14 days’ notice if it proposes to change these terms and conditions.

Your responsibilities

Before making a direct debit request you should:

- check with your financial institution that the account you want to nominate can support direct debits. Additional charges may also be applied by your financial institution for this service. We recommend that you contact them for further details.
- confirm that the account details that you have provided are correct.
- ensure that you have sufficient cleared funds in your account to cover payment when due. Your financial institution may charge a fee if payment cannot be met.
- ensure that the direct debit request is signed in the same way as the account signing instruction held by the financial institution for the nominated accounts.

You must tell us in writing if you close or change the account that you have previously nominated. You may cancel your direct debit request, stop or defer an individual debit or request a change to the debit amount online in writing or by fax.

It is your responsibility to arrange with InvestSMART a suitable alternative payment method if the direct debit arrangements are cancelled, either by you or the nominated financial institution. You should check your account statement from your financial institution to verify that the amounts debited from your account are correct. If you believe that a debit has not been correctly processed, you should immediately contact our Client Services Team at invest@InvestSMART.com.au or on 1 300 880 160.

Any disputes will be dealt with in accordance with InvestSMART's complaints process, which is outlined under "**Additional information**".

You agree to indemnify us against all losses, costs, damages and liability that we incur arising from you breaching these terms and conditions or providing us an invalid or non-binding direct debit request. This indemnity is a continuing obligation, separate and independent from your other obligations and survives termination of this agreement. This indemnity does not apply as a result of our fraud, negligence or breach of trust.

13. Glossary

TERMS	DEFINITION
\$ or dollar	Australian Dollar
Account	to which their investments are allocated
AFCA	Australian Financial Complaints Authority
AFS Licence	Australian financial services licence
AML/CTF Act	Anti-Money Laundering/Counter-Terrorism Financing Act
Application Form	the application form which accompanies this PDS.
ATO	Australian Taxation Office
Business Day(s)	an ASX trading day.
CHESS	Clearing House Electronic Sub-register System, the Australian settlement system for products traded on ASX and other exchanges. CHESS is owned by ASX Limited.
Compliance Plan	The Compliance Plan of the Fund.
Constitution	The Constitution of the Fund.
Corporations Act	Corporations Act 2001 (Cth).
CRS	Common Reporting Standard
Custodian	the entity that holds the assets of the Fund on behalf of the Responsible Entity.
FATCA	Foreign Account Tax Compliance Act.
GST	Goods and Services Tax
Investment Manager	manages each Model Portfolio and specified in the Investment Menu.
Investment Menu	the Model Portfolios options that are available for investment which comprises part of this PDS and is available through InvestSMART's website at www.investsmart.com.au
Minimum Cash Holding	the cash held in your Account in addition to any cash held in the Model Portfolio(s) which may be used to maintain your Account.
Model Portfolio(s)	the investment model(s) offered under the PMA that are applied to your Account.
Model Portfolio Manager(s)	means the person(s) responsible for providing and managing the relevant Model Portfolio(s) for your Account.
PDS	this product disclosure statement as amended or supplemented from time to time.
Professionally Managed Account or PMA	Registered Managed Investment Scheme which is known as the Professionally Managed Account ARSN 620 030 382
Rebalancing Date	generally, each business day.
Responsible Entity	InvestSMART Funds Management Limited, ABN 62 067 751 759; AFS Licence No. 246441.

INVESTSMART

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