



IOOF Balanced Investor Trust

Product Disclosure Statement

This Product Disclosure Statement (PDS) is issued by IOOF Investment Services Ltd ABN 80 007 350 405 AFSL 230703, the Responsible Entity of, and issuer of units in, the IOOF Balanced Investor Trust (Trust) ARSN 165 464 228, APIR Code IOF0232AU. IOOF Investment Services Ltd is referred to in this PDS as 'IISL', 'RE,' 'we,' 'our' or 'us'.

Use of this PDS: This PDS is only available for IOOF group entities (as wholesale investors) and those investors wishing to access the Trust via an Investor Directed Portfolio Service (IDPS) or master trust. When investing in the Trust via an IDPS or master trust, the operator of the IDPS or the trustee of the master trust acquires the rights of a unitholder in the Trust. Your rights and liabilities will be governed by the terms and conditions of the relevant IDPS offer document or master trust PDS, which you must read carefully together with this PDS prior to directing the relevant operator or trustee to invest in the Trust. The investment offered in this PDS is only available to persons receiving the PDS (electronically or otherwise) within Australia. Applications from outside Australia will not be accepted.

References to 'business day' in this PDS, refer to a business day in Melbourne, Victoria, Australia.

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Updated information

Information in this PDS is subject to change from time to time. Where the changes are not materially adverse to investors the information may be updated on the IOOF website (www.ioof.com.au). Alternatively, if you wish to request a paper copy of the updated information, please contact Investor Services on 1800 002 217 or email investorservicesemails@ioof.com.au

This PDS is a summary of significant information you need to make a decision about the Trust. It includes references to other important information contained in a separate 'IOOF Balanced Investor Trust Reference Guide' (Reference Guide) which forms part of the PDS. The references in the PDS begin with an important information mark  and are in bold. You should consider the PDS in its entirety before making a decision about the Trust.

The information provided in this PDS is general only and does not take into account your objectives, personal financial situation or needs. You should consult a licensed financial adviser to obtain financial advice that is tailored to your personal circumstances.

For a copy of this PDS, the 'Reference Guide' and any other important information that forms part of the PDS, you can download the documents from our website at www.ioof.com.au or alternatively please contact Investor Services on 1800 002 217.

Contact details

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1. About IOOF Investment Services Ltd

IOOF Investment Services Ltd (IISL) is part of the IOOF group of companies (IOOF group) and is the Responsible Entity and investment manager of the Trust. Through our investment management services, we have a team of portfolio managers, supported by a host of support services all committed to providing, strong risk-adjusted returns over the long term.

As one of the largest financial services groups in Australia, with over 170 years' experience in helping Australians secure their financial independence, the IOOF group provides services to more than 500,000 clients and has more than \$142.7 billion in funds under management, advice and administration (as at 30 September 2019). The IOOF group consists of IOOF Holdings Ltd ABN 49 100 103 722 and its related bodies corporate, and is currently listed on the Australian Securities Exchange (ASX: IFL).

Being a fully integrated financial services company, we offer:

- financial advice and distribution services
- platform management and administration
- investment management products
- trustee services.

Investment manager

As the Responsible Entity and investment manager for the Trust, IISL is responsible for managing the assets and overseeing the operations of the Trust. IISL has appointed custodians for certain assets of the Trust. The role of the custodians is limited to holding assets of the Trust as agent of the Responsible Entity. The custodians have no supervisory role in relation to the operation of the Trusts and are not responsible for protecting your interests. IISL has the discretion to change custodians at any time, subject to the terms of any custody agreements and appoint additional custodians.

Our investment approach

Our specialist investment team, IOOF Investments, adds value through its multi-manager investment approach on several fronts: those being our active management of underlying investment managers, our dynamic asset allocation process and our robust risk management approach.

With so much choice available, it is imperative that you have the confidence that you have selected the right managers to meet your objectives. At IOOF, we can give you that confidence by doing the hard work and actively managing diversified portfolios of high-quality managers.

Through our investment management services, we have a team of specialised portfolio managers (supported by in-house service providers) all committed to providing strong performance and risk-adjusted returns for the Trust. We specialise in identifying managers that have the 'edge' required to perform.

Furthermore, we know that investment performance is predominantly attributed to asset allocation. So, as you can imagine, we focus our time and energy on getting it right. Our approach to asset allocation is active, as we believe the right decisions about investment exposures can benefit an investor's portfolio. Equally important is our approach to risk management. Risk is considered at every stage of our investment process.

From asset allocation to manager selection and portfolio construction, our strong investment management and ongoing risk management practices will provide you confidence and peace of mind that we are expertly and actively managing the Trust's assets to achieve the optimal risk-adjusted returns for our investors. Investments in the Trust are held either directly or indirectly in a selection of investments (including units in registered managed investment schemes) offered by a number of investment management companies.

The Trust's underlying investment managers are reviewed regularly and are subject to change without notice where we consider the changes are not materially adverse to investors. We may add, remove or replace underlying investment managers within the Trust's portfolio at any time. A current list of the underlying investment managers can be found on the IOOF website (www.ioof.com.au). If you wish to request a paper copy, please contact Investor Services on 1800 002 217 or email investorservicesemails@ioof.com.au

An investment in the Trust does not represent an investment in, deposit or other liability of IISL, the underlying investment manager(s) through whom the Trust invests, or any other related body corporate within the IOOF group of companies.

Neither IISL, the underlying investment managers through whom the Trust invests, nor any related body corporate within the IOOF group, guarantees the performance of the Trust or the return of capital or income. Your investment in the Trust is subject to investment risk. This could involve delays in repayment and loss of income on the principal invested.

2. How the IOOF Balanced Investor Trust works

The Trust is a registered managed investment scheme that is subject to the *Corporations Act 2001* (Cth) (Corporations Act), its constitution and other applicable law. When you invest your money in the Trust, your money is pooled together with that of other investors. This money is pooled to buy investments and manage them on behalf of all investors in the Trust. So that you know what your share of the Trust is worth, the total value of the assets in the Trust is divided into 'units'. Each unit that a unitholder holds in the Trust gives a unitholder beneficial interest in the Trust as a whole, but not in any particular asset of the Trust. Holding units in a Trust does not give a unitholder the right to participate in the management or operation of the Trust. Each unit in the Trust is of equal value and identical rights are attached to all units.

Unit prices

We will quote you a price for each unit and keep a record of your unit holdings. The unit price is generally calculated at the end of each business day. The unit price will change in response to rises and falls in the market value of the assets in the Trust.

You can increase your investment at any time by purchasing more units in the Trust. Generally, you can reduce your investment by selling, transferring or withdrawing units, although in certain circumstances (such as if the Trust becomes illiquid or when there is a freeze on withdrawals) you may not be able to decrease your investment within the standard time frame.

When making an investment in the Trust, your units will be allocated to you based on the entry price for the business day your request is processed. When making a withdrawal from the Trust, your units will be redeemed based on the exit price for the business day of which your request is processed.

The entry price is usually calculated each business day, by taking the net asset value of the Trust and adding to it an amount which reflects the estimated cost of acquiring the Trust's assets (subject to the Responsible Entity's discretion to reduce or waive such costs) and dividing the total figure by the number of units on issue in the Trust.

The exit price is usually calculated each business day, by taking the net asset value of the Trust and subtracting from it an amount which reflects the estimated cost of selling the Trust's assets (subject to the Responsible Entity's discretion to reduce or waive such costs) and dividing the net figure by the number of units on issue in the Trust.

To obtain the Trust's current unit prices, please visit the IOOF website, www.ioof.com.au, contact Investor Services on 1800 002 217 or email us at investorservicesemails@ioof.com.au

The constitution of the Trust allows us to exercise discretions (for example, determining transaction costs and rounding of the unit price) which may affect unit pricing. Our Unit Pricing Discretion Policy sets out, among other things, the principles we adhere to when exercising these discretions. This Policy is available free of charge by contacting Investor Services on 1800 002 217.

Investment minimums

Investment and withdrawal minimums do not apply for investments in the Trust via an IDPS or master trust. Investors should refer to the offer document of the IDPS or master trust PDS to check what investment minimums apply.

Applications and withdrawals

Indirect investors will need to follow the instructions of the relevant IDPS offer document or master trust PDS for instructions on making investments into or withdrawals from the Trust and distribution instructions. If you have any enquiries, the IDPS or master trust operator can assist you.

To apply for investment in the Trust, please see section 8 – **'How to apply'** for further instructions.

How to withdraw

You may redeem part or all of your investment from the Trust at any time by writing to us and providing:

- your name and contact details (as registered investor(s) in the Trust)
- your IOOF account number
- the amount (dollars or units) you wish to withdraw
- details of your financial institution account where the withdrawal proceeds are to be deposited, and
- your signature(s) as investor(s) or authorised signatory(ies).

Note: We do not pay withdrawal proceeds to nominated third party financial institution accounts. Cheques are available for withdrawal upon request.

We will endeavour to pay to your nominated bank account as soon as practicable after your withdrawal request is received, provided your withdrawal request is complete and valid.

There may be some circumstances when withdrawals may be delayed or suspended, such as when units cannot be accurately priced or the Trust becomes illiquid.

If the Trust is illiquid, withdrawals from the Trust will only be possible if we make an offer of withdrawal in accordance with the Corporations Act. We are not obliged to make such an offer. However, if a withdrawal offer is made, investors may only be able to withdraw their investment in accordance with the terms of any current withdrawal offer.

Income distributions (if any)

Investing in the Trust means you may receive income (such as interest, dividends and realised capital gains) in the form of income distributions or attributable income.

The type of income you receive depends on the underlying asset classes within the Trust.

Income attributed or distributed to you is generally assessable income and can be made up of both income (such as interest and dividends) and realised capital gains. Such income is generally calculated based on the Trust's net income at the end of the distribution period divided by the number of units on issue.

The Trust generally distributes income on a half-yearly basis which is sent to unitholders within one month of the last day of the distribution period. However, the constitution of the Trust provides for income distributions to be paid within a period of three months from the last day of the distribution period. There may be times when income distributions may not be made, are lower than expected or are delayed. We may also choose to distribute income or capital at any other time.

You can choose to have your distributions of income:

- reinvested in additional units, or
- paid to a nominated financial institution account.

If you do not make a choice, income distributions will be automatically reinvested in additional units. Where your distributions are reinvested, the units you will receive will be issued without any buy-spread added. If you choose to have your income distribution credited to a nominated financial institution account and the payment is rejected, this will be taken as a direction to reinvest that income distribution and all future income distributions.

You may change your choice of distribution payments up to 10 days prior to the expiration of the current distribution period by sending us a written request.

You will be sent a statement detailing your income distributions or attributable income.

Note: Indirect investors will need to consider the IDPS offer document or master trust PDS about what distribution payment options are available to them.



You should read the important information about **'Investing and withdrawing'** before making a decision. Go to page 2 of the Reference Guide located on the IOOF website (www.ioof.com.au). The material relating to **'Investing and withdrawing'** in the Reference Guide may change between the time you read this PDS and the day when you acquire the product.

3. Benefits of investing in the IOOF Balanced Investor Trust

Significant features

The Trust aims to provide capital growth over the medium to long-term by investing in a diversified portfolio of growth and defensive assets through a range of investment managers and to achieve total returns after fees in excess of the Consumer Price Index (CPI) plus 3.5% pa over a rolling ten year basis.

The Trust has a greater exposure to growth assets such as property, Australian and international shares, and alternative assets, with a moderate exposure to defensive assets such as fixed interest and cash.

A mix of passive, factor-based¹ and active investment managers have been selected to manage the assets of the Trust providing differing, yet complementary investment styles to achieve more consistent investment returns.

Significant benefits

Investing in the Trust offers investors a range of benefits including:

- **Access to investment opportunities** – investing in the Trust means your money is pooled with that of other investors. This provides investment buying power not often available to you as an individual investor with smaller amounts to invest.
- **Access to specialist investment managers** – to be appointed to our Trust, investment managers must demonstrate they have an investment approach that is sustainable. They have also been carefully selected for their evident management styles and specialist sector knowledge.
- **Diversification** – the Trust is diversified across a wide range of asset classes, investment strategies and investment managers. This extensive diversification aims to mitigate risk and reduce volatility in fluctuating market conditions.
- **Disciplined approach to investment and market research** – the IOOF investment team conducts regular and thorough manager and market research to identify new opportunities and optimise the performance of our portfolios.
- **Easy access to Trust information** – obtain up-to-date information about the Trust by visiting the IOOF website at www.ioof.com.au, contacting Investor Services on 1800 002 217, or emailing us at investorservicesemails@ioof.com.au

 You should read the important information about **'How we keep you informed'** before making a decision. Go to page 3 of the Reference Guide located on the IOOF website (www.ioof.com.au). The material relating to **'How we keep you informed'** in the Reference Guide may change between the time you read this PDS and the day you acquire the product.

4. Risks of managed investment schemes

All investments carry some level of risk. Different investment strategies carry different levels of risk, depending on the assets that make up the investment strategy. Those assets with the highest long-term returns (such as shares) may also carry the highest level of short-term risk.

Risks can be managed but cannot be completely eliminated. It is important to understand that:

- the value of your investment will go up and down
- investment returns will vary and future returns may be different from past returns
- returns are not guaranteed and there is always the chance that you may lose money on any investment you make
- laws affecting your investment in a managed investment scheme may change in the future
- the appropriate level of risk for you will depend on your age, investment time frame, where other parts of your wealth are invested and what your risk tolerance is.

The significant risks for the Trust are:

- **Market risk** - unexpected conditions such as market sentiment, government regulations and local and international political events may have a negative impact on the returns of all investments within a particular market. Market risk may have different impacts on each type of asset, investment style and investor.
- **Company or security specific risk** – refers to a number of risks that can affect the value of a specific security. For example, a fall in the profit performance of a company may adversely impact its share price and may also affect the interest rate it has to pay to borrow funds which, in turn, will affect the value of its debt securities.
- **Currency risk** – trusts investing in international markets are exposed to changes in exchange rates. Changes in the value of foreign currencies may fall in value relative to the Australian dollar, which can have an adverse impact on investment returns.
- **Interest rate risk** – changes in interest rates can influence the value and returns of investments.
- **Counterparty or credit risk** – the risk of a loss arising from the failure of a borrower to repay its debt or meet its financial obligations. It arises primarily from investments in fixed interest securities, mortgage securities and from certain derivatives.
- **Liquidity risk** – the risk that the Trust will experience difficulty in either realising assets or otherwise raising sufficient funds to satisfy commitments associated with financial instruments.
- **Derivative risk** – IISL and the underlying investment managers may utilise a range of derivative instruments such as forward foreign exchange contracts for hedging and investment purposes. Hedging involves establishing offsetting positions in derivative markets to protect the value of the underlying physical assets from anticipated adverse price movements over time. Gains or losses can result from investments in derivatives.

¹ Factor-based strategies are designed to capture the return of factors which have historically demonstrated excess market returns over the long run. These rules-based, transparent indexes target stocks with favourable factor characteristics – as backed by robust academic findings and empirical results.

- **Trust risk** – this is the risk associated with the Trust itself. For example, there is a risk that the Trust may delay or suspend withdrawals, or that a change to the level of fees may impact returns to investors.
- **Investment manager risk** – this is the risk that IISL or the selected investment managers (responsible for the Trust's investments) will not achieve the investment objective of the Trust, may underperform the relevant performance benchmark or may underperform other investment managers.
- **Responsible entity risk** – responsible entity risk is the risk that the responsible entity for the Trust, IISL, does not properly discharge its duties in the management of the Trust.
- **Legislative risk** – changes to existing law or the introduction of new law could have a significant impact on an investment. Legislative risk generally entails an amendment, introduction or abolition of one or more laws that may directly impact a given investment.

How you can manage risk

When investing, it is always important to consider your investment objectives, your investment time frame and the levels and types of risk you are willing to accept, among other things. Before investing, we recommend you speak to your financial adviser who can help you understand the various types of risks associated with investing and assess whether this investment option is appropriate for your specific requirements.

5. How we invest your money

WARNING: You should consider the likely investment return, risk and your investment time frame when choosing to invest in the Trust.

IOOF Balanced Investor Trust			
Investment return objective	To provide capital growth over the medium to long term by investing in a diversified portfolio of growth and defensive assets through a range of investment managers. To achieve total returns after fees in excess of the CPI +3.5% pa over a rolling ten-year basis.		
Minimum suggested investment time frame	5 years.		
Suitable investor profile	May be suitable for investors with a medium to high risk-tolerance level seeking both income and capital growth and consistent returns through a well-diversified portfolio, and who are prepared to tolerate short-term volatility.		
Asset classes, asset ranges and target allocation²	Asset class	Asset range	Target allocation
	Cash and short-term securities	0–15%	4%
	Diversified fixed interest	15–40%	26%
	Property ³	0–20%	10%
	Australian shares	10–35%	22%
	Internationals shares	15–40%	29%
	Alternatives ⁴	0–20%	9%
Benchmark	A composite benchmark which incorporates the applicable indices (or benchmarks) for each asset class weighted against the Trust's target allocation. For further information regarding the benchmark used for each asset class (as outlined above), please refer to the Reference Guide.		
Investment strategy	The Trust generally gains its exposure to a diversified portfolio of investments through a mix of investment managers ⁵ . The Trust provides a greater exposure to growth assets such as property, Australian and international shares, and alternative assets, with a moderate exposure to defensive assets such as fixed interest and cash. A mix of passive, factor-based and active investment managers may be selected to manage the assets of the Trust, providing differing yet complementary investment styles to achieve more consistent investment returns. The Trust is authorised to utilise approved derivative instruments for risk management purposes and investment efficiency subject to the specific restriction that the derivative instruments are not used to gear portfolio exposure. The underlying managers may utilise strategies for the management of currency exposure. It is the strategy of the Trust that international currency exposure may be hedged.		
Risk level⁶	Medium to high. Medium to high risk of short-term loss. Likely to produce medium to high returns over the minimum suggested investment time frame.		
Income distribution frequency	Half yearly (as at 30 June and 31 December).		
Trust performance	For up-to-date information on the performance of the Trust, including performance history, please visit our website at www.ioof.com.au		

² The underlying investments of the Trust will generally be managed within these ranges and specified percentages. The asset ranges and specified percentages may be revised, without notice to investors, in response to factors affecting the underlying investments such as changes in economic conditions and market movements. Where a material alteration impacts the nature of the Trust, investors will be given prior written notice.

³ Property asset class may include exposure to global listed property securities, Australian listed property securities and direct property exposure.

⁴ Alternatives asset class captures all non-core assets. Alternative asset class exposure is subject to change from time to time.

⁵ For reasons of investment efficiency, the Trust may gain its exposure by holding units in other IOOF unit trusts and/or through direct investment holdings.

⁶ The risk level is not a complete assessment of all forms of investment risks, for instance it does not detail what the size of a negative return could be or the potential for a positive return to be less than the return an investor may require to meet their objectives.

Environmental, Social and Governance (ESG) considerations

IISL acknowledges that ESG factors are considered by the underlying investment managers in investment decision making processes in order to protect and manage investments for the long term. All other things being equal, entities that best manage ESG factors are more likely to be financially sustainable in the long term. ESG, especially good corporate governance, is a key contributor to sustainable positive outcomes for investors. The underlying investment managers generally take ESG considerations into account when making investment decisions, where the investment manager believes these ESG considerations affect valuation of securities.

Changes to the Trust

The rights of an investor are outlined in the constitution for the Trust. Under the constitution, we have various powers including the right to close or terminate the Trust and change the Trust's investment return objective (including its benchmark), asset classes, asset ranges, neutral positions and currency strategy (if any), without prior notice in some cases. We will inform investors of any material change to the Trust's details in our next regular communication to them or as otherwise required by law.

! You should read the important information about **'Benchmarks'** before making a decision. Go to page 3 of the Reference Guide located on the IOOF website (www.ioof.com.au). The material relating to **'Benchmarks'** in the Reference Guide may change between the time you read this PDS and the day you acquire the product.

6. Fees and 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 contribution fees and management costs where applicable. Ask the fund or your financial adviser.

TO FIND OUT MORE

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

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

Taxes are set out in another part of this document. You should read all of the information about fees and costs because it is important to understand their impact on your investment. You can also use this information to compare the fees and costs with those of other managed investment schemes.

These fees are inclusive of the goods and services tax (GST) and take into account any expected reduced input tax credits (RITCs). Where fees have been quoted to two decimal places, the actual fee may have been rounded.

IOOF Balanced Investor Trust	
Type of fee or cost	Amount
Fees when your money moves in or out of the Trust⁷	
Establishment fee	Nil
Contribution fee	Nil
Withdrawal fee	Nil
Termination fee	Nil
Management costs⁸	
The fees and costs for managing your investment	0.50% pa ⁹

Management costs

The estimated management cost includes the investment management fee which is the fee charged by the Responsible Entity for overseeing and managing the assets of the Trust and the indirect costs.

This fee is not deducted from your account directly but from the assets of the Trust. The fee is calculated on the net asset value of the Trust. It is accrued daily and paid monthly, and the accrued amount is incorporated into the daily unit price of the Trust.

Transaction costs

Certain transaction costs may be incurred in managing the underlying investments of the Trust. The total transaction costs include the buy-sell spread recovery and other transaction costs. Please refer to page 5 of the Reference Guide for further information on transaction costs.

⁷ When money moves in or out of the Trust, you may incur transaction costs (such as the buy-sell spread) which are included in the entry and exit price of the Trust. For more information on estimated transaction costs, please refer to the Transaction Costs section on this page of the PDS.

⁸ Please refer to 'Differential fees' in the Reference Guide for circumstances in which the management costs may be negotiated. The management cost shown is a reasonable estimate only.

⁹ This is the estimated management cost. For more information, please refer to the 'Management Costs' section. The estimated management cost includes the investment management fee and indirect costs (excluding any unusual or non-recurrent expenses). The actual management cost may vary from the estimated management cost, depending on changes to the Trust's underlying assets, changes to underlying investment managers and their fees, where any unusual or non-recurrent expenses are incurred or if there are any changes to other related expenses.

Buy-sell spread

The difference between the entry price and exit price is known as a buy-sell spread. It is an adjustment determined by the Responsible Entity to take into consideration the costs incurred when buying and selling the underlying securities in each Trust.

The estimated buy-sell spread applicable to the Trust is 0.07%–0.07% on investments and withdrawals made to the Trust.

The actual buy-sell spread is subject to change from time to time depending on changes to the Trust's underlying assets and exposure to various investment managers. The buy-sell spread is an additional cost. As it is included in the unit price of the Trust, it is not charged to you separately. It is not a fee paid to the Responsible Entity or an underlying investment manager. Reinvestment of distributions does not incur the buy-sell spread.

Fee changes

We have the right to increase the management cost or charge fees not currently levied, in each case, up to the maximum limits set out in the constitution governing the Trust without your consent. If we choose to exercise this right we will provide you with at least 30 days' prior written notice or otherwise notify you as the law requires. At the date of this PDS, no contribution, withdrawal or switching fees apply.

Example of annual fees and costs for the Trust

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

Example: IOOF Balanced Investor Trust		Balance of \$50,000 with a contribution of \$5,000 during the year
Contribution fees	Nil	For every additional \$5,000 you put in, you will not be charged any contribution fee.
PLUS Management costs	0.50% pa	And , for every \$50,000 you have in the Trust you will be charged \$250 each year.
EQUALS Cost of the Trust		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of \$250¹ . What it costs you will depend on the fees you negotiate.

¹ Additional fees may apply. This example assumes the \$5,000 contribution occurred at the end of the first year therefore it does not include the management costs on the additional \$5,000 invested, nor any market movement on the total amount invested. You may also be charged a buy-sell spread whenever you make an investment or withdrawal. The estimated sell-spread applied to withdrawals from the Trust is 0.07% (this will equal \$35 for every \$50,000 you withdraw).

 You should read the important information about **'Additional explanation of fees and costs'** before making a decision. Go to section 5 of the Reference Guide located on the IOOF website (www.ioof.com.au). The material relating to **'Additional explanation of fees and costs'** in the Reference Guide may change between the time you read this PDS and the day you acquire the product.

7. How managed investment schemes are taxed

Investing in a registered managed investment scheme is likely to have tax consequences. You are strongly advised to seek professional tax advice. The information provided in this PDS is of general nature only.

The taxation implications from an investment in the Trust can be complex and depend on a number of factors including whether you are a resident or non-resident of Australia for taxation purposes and whether you hold the units as a long-term investment or for short-term purposes.

The following is a brief summary of taxation information relating to Australian tax residents for income tax purposes:

- The Trust is an Attribution MIT (AMIT) and attributes all its tax assessable income to unitholders each year, so that the Trust itself is not subject to Australian income tax.
- The Trust does not pay the tax liability on behalf of Australian resident unitholders. Instead, as a unitholder you will generally be assessed for tax purposes on your share of income and/or net capital gains derived by the Trust that has been attributed to you.
- In normal circumstances, you may expect that some income (and/or capital gains) will be generated each year.

 You should read the important information about **'Taxation'** before making a decision. Go to section 5 of the Reference Guide located on the IOOF website (www.ioof.com.au). The material relating to **'Taxation'** in the Reference Guide may change between the time when you read this PDS and the day you acquire the product.

8. How to apply

1	<p>Read this PDS together with the IOOF Balanced Investor Trust Reference Guide available from www.ioof.com.au or by calling 1800 002 217.</p> <div style="border: 1px solid green; padding: 5px; margin-top: 10px;"> <p>Indirect investors should contact the operator of the IDPS or trustee of the master trust for details on how to apply. The application form for this PDS is to be completed by IDPS operators or trustees of master trusts only.</p> </div>
2	<p>Eligible investors should read the information and complete all required sections of the IOOF Balanced Investor Trust application form accompanying this PDS. If you are a new investor to the IOOF group, you will also be required to provide proof of identification information and supporting documentation.</p> <p>We need to collect this information to comply with Anti-Money Laundering and Counter-Terrorism Financing Legislation.</p>
3	<p>Read and sign the declaration in the IOOF Balanced Investor Trust application form.</p>
4	<p>Send your completed application form together with your supporting documentation and cheque for your initial investment to:</p> <p>IOOF Balanced Investor Trust Reply Paid 264 Melbourne VIC 8060</p> <div style="border: 1px solid green; padding: 5px; margin-top: 10px;"> <p>Please note: we are unable to accept faxed or emailed initial applications. We recommend you keep copies of your application documentation for future reference.</p> </div>

Complaints

If you have a complaint (or wish to obtain further information about the status of an existing complaint), please contact the Manager, Customer Care on 1800 002 217 or write to:

Manager, Customer Care
IOOF Investment Services Ltd
GPO Box 264
Melbourne VIC 3001

Where possible, concerns will be resolved immediately. If further investigation is required, our Customer Care Team will acknowledge your complaint in writing and will consider and respond to your complaint as quickly as possible. We are required by law to respond to your complaint within 45 days.

If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: www.afca.org.au

Email: info@afca.org.au

Telephone: 1800 931 678 (free call)

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

Cooling-off

A cooling-off period does not apply to the operator of an IDPS or trustee of a master trust, or other wholesale clients (as defined under the Corporations Act) or where units have been issued as a result of an additional investment or distribution reinvestment plan.

9. Other information

Privacy

We are committed to protecting your privacy. Any personal information we collect about you will be handled in accordance with our privacy policy, which outlines how we manage your personal information, how you may access or correct your personal information, and how you may complain about a breach of your privacy. To obtain a copy of the IOOF group privacy policy, please contact Investor Services on 1800 002 217 or visit our website, www.ioof.com.au/privacy

Related party contracts

IISL has investment and service contracts with related parties within the IOOF group, including:

- IOOF Service Co Pty Ltd ABN 99 074 572 919 (IOOF Service Co)**

IOOF Service Co is the services company which IISL has engaged to provide certain ongoing administration and operational services; and is entitled to a monthly fee paid by IISL in consideration of IOOF Service Co providing those services; and
- Australian Executor Trustees Limited ABN 84 007 869 794 (AETL)**

AETL has been appointed by IISL to provide custody services; and is entitled to a fee paid by IISL in consideration of AETL providing those services.

Constitution

The Trust is governed by a constitution. The constitution, Corporations Act and certain other laws govern our relationship with investors. The constitution of the Trust may be inspected at our registered office or we can provide you with a copy on request.

Compliance plan

The Trust is governed by a compliance plan that details how the Responsible Entity will comply with the Trust's constitution and the Corporations Act. The compliance plan of the Trust may be inspected at our registered office or we can provide you with a copy on request.

Borrowing policy

Although the constitution for the Trust enables the Responsible Entity to borrow on behalf of the Trust, it is the Responsible Entity's policy not to borrow for the purpose of gearing.