



XYZ Managed Investments

Product disclosure statement

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Contact details

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Read this

This PDS provides a summary of the key information you need to make a decision. It includes links to additional information that is part of this PDS marked with a “! ”.

This is important information you should read before making a decision to invest in this product.

The information in this document is general information only and doesn't take into account your personal financial situation or needs. You may wish to consult a licensed financial adviser to obtain financial advice that is tailored to suit your personal circumstances.

1. About XYZ Managed Investments

Managed Investments

When you invest your money in a managed investment scheme, your money is pooled together with other people's money. We use this pool of money to buy investments and manage them on behalf of all scheme members. This means that, through the managed investment scheme, you may have access to certain investments that you would not otherwise be able to access, your transaction costs may be reduced, and you have access to the knowledge of our skilled asset managers. However, we rather than you have day to day control over the operation of the fund.

For more information about managed investment schemes see www.xyzmanagedinvestments.com.au/pds.

About XYZ Managed Investments

XYZ Managed Investments is one of Australia's leading investment management groups. We provide investment opportunities across a range of asset classes, including shares, fixed interests and cash.

We aim to help you build your financial security. Our investment philosophy is focused solely on delivering strong, sustainable returns for our clients. We provide investment, insurance, superannuation and retirement solutions to more than 1 million Australians and manage over \$50 billion in assets.

We have been managing client portfolios in Australia for more than 20 years. Our local and global investment professionals generate value-adding investment insights by combining their own research with information drawn from our parent company's global networks in company research, industry, and economics.

XYZ Managed Investments, part of the XYZ Group, is the Responsible Entity for the following managed investment schemes, which are offered under this PDS: XYZ Australian Equities Trust (ARSN 123 456 789), XYZ International Equities Trust (ARSN 123 456 789), XYZ Balanced Fund (ARSN 123 456 789) and XYZ Growth Fund (ARSN 123 456 789).

2. How to invest with XYZ Managed Investments

You can get started with a minimum investment of \$2,000. Some of our schemes may require a higher minimum investment amount.

So that you know what your share of the managed investment scheme is worth, the total value of the assets in the scheme is divided into 'units'. We will quote you a price for each unit and will keep a record of the number of units you have bought.

The price of units will change from time to time as the market value of assets in the managed investment scheme rises or falls. We will be able to provide you with information about the current unit price to help you decide whether to sell your units or buy more. The price of buying and selling units will vary due to the costs of buying and selling the underlying assets in the fund.

You can increase your investment at any time by buying more units in the managed investment scheme. Generally, you can decrease your investment by selling some of your units, although in certain circumstances (such as a freeze on withdrawals) you may have to wait a period of time before you can reduce your investment.

For more information about increasing and decreasing your investment see www.xyzmanagedinvestments.com.au/pds.

3. Benefits of investing with XYZ Managed Investments

XYZ Managed Investments is the responsible entity for XYZ Australian Equities Trust, XYZ International Equities Trust, XYZ Balanced Fund and XYZ Growth Fund.

Details of this scheme, including what assets it is invested in, are set out later in this PDS at section 5 How we invest your money.

Investing with XYZ Managed Investments offers you a range of benefits:

- Investment choice – you can choose from units in 10 different schemes. That means you can select from a wide range of investment options across different asset classes.
- Flexibility – You can choose the best way to invest to suit your personal circumstances. You can top up your investment at any time. You can quickly switch your investment option when needed.
- Services to make investing easier – we will send you regular statements to keep you up to date with your account.
- You can also keep track of your account through our online portal at www.xyzmanagedinvestments.com.au.

For more information about the benefits of investing in XYZ Managed Investments, including the extent to which we take labour standards or environmental, social or ethical considerations into account when we invest, see www.xyzmanagedinvestments.com.au/pds.

4. Risks of managed investment schemes

Investment risks

All investments have some level of risk. Managed investment schemes invest in a range of asset classes – for example, cash, bonds, equities and property – that have different levels of risk and offer a variety of investment options, reflecting different weightings of these asset classes. The likely investment return, and the level of risk of losing money, is different for each investment option depending on the underlying mix of assets. Those assets with potentially the highest return (such as equities) also have the highest risk of losing money on a shorter term view.

When considering investing in a managed investment scheme, it is important to understand that:

- the value of your investment will go up and down
- returns are not guaranteed
- you may lose some of your money
- previous returns don't predict future performance
- laws affecting your investment in a managed investment scheme may change.

The appropriate level of risk for you will depend on your age, investment time frame, where other parts of your wealth are invested and how comfortable you are with the possibility of losing some of your money in some years.

We and/or your financial adviser can help you understand investment risk and help you design an investment strategy that is right for you.

For more information about the risks of managed investments see www.xyzmanagedinvestments.com.au/pds.

5. How we invest your money

XYZ Managed Investments offers six investment options. Each option has a different level of risk and potential level of returns. You should consider the likely investment return, risk and your investment time frame when choosing which option to invest in.

You can choose from a wide range of options that invest in different asset classes. The table below shows a summary of three of our investment options, the Balanced, High Growth and Stable Options.

For more information on all our options, including information about risks, see www.xyzmanagedinvestments.com.au/pds.

HIGH GROWTH OPTION	
INVESTMENT RETURN OBJECTIVE*	Inflation + 5%
MIX OF ASSET CLASSES	<ul style="list-style-type: none"> • Australian shares 37% • International shares 35% • Direct property 7% • Infrastructure 12% • Absolute return strategies 0% • Private equity 7% • International fixed interest 0% • Cash 2%
DESCRIPTION OF OPTION	This option is designed for people who want to maximise returns over the long term and are happy to accept higher variability over the medium term. An aggressive diversified portfolio that invests across most of the key asset classes, with a strong weighting to Australian and international shares.
MINIMUM SUGGESTED TIME FRAME	7 years
SUMMARY RISK LEVEL	High May result in higher returns. Some risk of losing money.
BALANCED OPTION	
INVESTMENT RETURN OBJECTIVE*	Inflation + 4%
MIX OF ASSET CLASSES	<ul style="list-style-type: none"> • Australian shares 35% • International shares 20% • Direct property 8% • Infrastructure 5% • Absolute return strategies 1% • Private equity 1% • International fixed interest 15% • Cash 15%
DESCRIPTION OF OPTION	This option is designed for people who want a moderate level of return over the medium term. There will be some fluctuations of returns from year to year.
MINIMUM SUGGESTED TIME FRAME	5 years
SUMMARY RISK LEVEL	Medium to high May result in high returns. Some risk of losing money.
STABLE OPTION	
INVESTMENT RETURN OBJECTIVE*	Inflation + 3%
MIX OF ASSET CLASSES	<ul style="list-style-type: none"> • Australian shares 14% • International shares 12% • Direct property 7% • Infrastructure 9% • Absolute return strategies 5% • Private equity 0% • International fixed interest 27% • Cash 26%
DESCRIPTION OF OPTION	This option is designed for people who are looking for returns slightly ahead of inflation over the medium term with more consistency over the shorter term. A defensive portfolio that invests across most of the key asset classes, with the majority allocated to fixed interest and cash.
MINIMUM SUGGESTED TIME FRAME	3 years
SUMMARY RISK LEVEL	Low to medium Less likely to achieve higher returns. Small risk of losing money.

* The investment objective is the investment return this option will seek to achieve after fees and taxes. It is the amount above the increase in the Consumer Price Index (CPI), often referred to as the rate of inflation. For example, if the objective for an investment option is CPI + 4% and the inflation rate is 2.3% then the objective return would be 6.3%.

You can transfer your money into other investment options at any time or invest future contributions into other investment options.

We may change the types of investments included in each investment option, add an option or remove one of our investment options at any stage. We will tell you in advance if we're going to do this.

6. Fees and costs

Consumer Advisory Warning

The amount of money you get when you withdraw from the scheme will be affected by the fees you pay for XYZ Managed Investments to manage your account. The amount of fees and costs you pay can have a substantial impact on the long-term value of your investment.

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).

To see how fees and costs may affect your investment, use the calculator on our website or on the ASIC website at www.fido.gov.au/fido/fido/nsf.

Main fees and costs for Balanced Option

This section provides summary information about the main fees and costs for our Balanced Option. Similar information is included in other PDSs so you can compare XYZ Managed Investments' fees and costs with those for other schemes.

These fees and costs are maximum amounts – you may pay less in some cases.

For more details about fees and costs for the Balanced and other investment options, see www.xyzmanagedinvestments.com.au/pds.

Main fees and costs for our Balanced Option

WHAT IT'S FOR	HOW MUCH
Fees and costs when you make a contribution to the scheme	3.0% of your initial contribution and any additional amounts invested in the fund
Fees and costs while your money is in the scheme	1.5% of the net value of your investment per year Plus you may also have to pay: <ul style="list-style-type: none">• performance based fees in some circumstances
Fees and costs when you withdraw money from the scheme	0.2% of your account balance

Other fees and costs

There are other fees and costs for this option and for the product. Keep in mind that the level of fees and costs can change.

The fees and costs for our other investment options are different.

How fees and costs are charged to your account

Fees and costs related to investment costs are deducted from your investment earnings before the earnings are added to your account.

Example

Other schemes use the same example as the one below so you can compare fees and costs.

Standard example for our Balanced Option

Based on the fees and costs outlined above, if you transfer an existing balance of \$100,000 into the Balanced Option and a further \$5,000 goes in each year for the next 10 years, you could have paid up to \$31,000 if you withdraw at the end of 10 years. This is an overall cost of 1.7% of your account balance per year.

The example is based on standard assumptions that all managed investment schemes must use. This means you can use this example to compare XYZ Managed Investments' Balanced Option fees and costs with other investment options we offer and with other managed investment schemes. However, the actual fees and costs you will pay will depend on what investment options you choose and how well these investments perform.

Fees paid to a financial adviser

If you have a financial adviser, some of our fees may be paid to your adviser. You may also have to pay other fees to your adviser. See the Statement of Advice given to you by your adviser.

7. How managed investment schemes are taxed

Your investment in a managed investment scheme is likely to have tax consequences, which in general will occur on an annual basis even if you do not change your investment. Managed investment schemes do not pay tax on behalf of members, and as a member you will be assessed for tax on any income and capital gains generated by the scheme. In normal circumstances, you should expect that some income and/or capital gains will be generated each year. As tax matters for managed investment schemes are complicated, you are strongly advised to seek your own professional tax advice.

For more information about how tax applies to managed investments see www.xyzmanagedinvestments.com.au/pds.

8. How to apply

1. Read this PDS.
2. Complete the *Application for membership* form available from www.xyzmanagedinvestments.com.au or by calling 1300 987 654.
3. You can then start to make regular and/or ad hoc payments into your account.

A **cooling-off period** applies. We will return your money to you and no fees will apply (but there may be some tax payable) if you cancel your account in writing:

- within 19 days from the date we issue the product to you; or
- within 14 days from the date you receive confirmation of your transaction.

If you feel we are not dealing with you as you would like, you can make a complaint to us.

XYZ Managed Investments' contact details are on the front cover.

For more information on XYZ Managed Investments' cooling-off period and complaints process see www.xyzmanagedinvestments.com.au/pds.