

## Perpetual Protected Investments – Series 4

### Product facts

#### Capital protection with an investment loan opportunity

#### About Perpetual Protected Investments – Series 4

Perpetual Protected Investments – Series 4 (PPI) allows you to build a capital protected investment portfolio with the opportunity of borrowing to invest from an external lender.

It may be suitable for investors who are looking to:

- choose from **15 managed funds** from a range of fund managers covering Australian and global equities, Chinese and other specialist Asian equities funds and global resources
- **safeguard their investment** through capital protection to take advantage of potential market highs while being protected from the lows
- access a **tax-effective investment** by having absolute entitlement to their portfolio
- **invest for the long term** with **capital protection at the end date**.

#### Key benefits

##### Capital protection at the end date

PPI uses a dynamic management strategy that aims to ensure your portfolio value at the end date (31 May 2017) will be at least equal to your investment amount.

##### Diversification

You can tailor your portfolio and build a growth-oriented portfolio by choosing from a range of investment strategies.

PPI gives you capital protected exposure to Australian and global equities as well as other specialist asset classes including China, Asian equities and global resources.

Because we know choice and diversification are important to you, there is a selection of managed funds and investment managers.

##### Australian equity funds

Ausbil Australian Active Equity Fund  
 Ausbil Australian Emerging Leaders Fund  
 Eley Griffiths Group – Small Companies Fund  
 Perpetual Wholesale Australian Fund  
 Perpetual Wholesale Concentrated Equity Fund  
 Vanguard Australian Shares Index Fund

##### Global equity funds

Aberdeen International Equity Fund  
 Perpetual Wholesale International Share Fund  
 Platinum International Fund  
 T. Rowe Price Global Equity Fund  
 Vanguard International Shares Index Fund (Hedged)

##### Specialist funds

BlackRock Global Allocation Fund (Class D units) (Aust)  
 Colonial First State Wholesale Global Resources Fund  
 Platinum Asia Fund  
 Premium China Fund

##### Cashflow management

Throughout the term of the investment, the fees payable for dynamic management (put option premium) and our administration fees are automatically deducted from your portfolio so you do not have to pay these fees and charges from other sources.

##### Tax-effective structure

As an investor in the product, you own the assets in your portfolio and you have absolute entitlement to those assets.

This means any capital gains and/or losses arising during the term in relation to the fund units in your portfolio should be directly attributed to you. Capital losses (if any) can be used to offset capital gains, including those from your other investments.

##### Gains lock-in

During the term, some of the unrealised gains within your portfolio may be 'locked-in', increasing your protected amount.



## Flexibility at the end date

Having absolute entitlement to the fund units provides you with flexibility and choice.

Because you own the units in the funds you select, you are able to decide what you do with them at the end date, which means you control the timing of any capital gains tax event.

At the end date, you can continue holding the fund units (but with no capital protection), redeem them for cash or potentially roll them over into another series of Perpetual Protected Investments (if one is available).

## Borrowing to invest

The product has been approved by Leveraged Equities Limited for the purposes of a Leveraged Equities Investment Loan ('Loan'). This gives your clients the opportunity to borrow 100% of their initial investment amount.

## Loan options

The Loan is a full recourse loan and offers a number of interest rate options:

Interest rate options	Interest payments
Variable rate	Monthly in arrears
Fixed rate for one year	Annually in advance
Fixed rate for one year	Monthly in arrears
Fixed rate for the term	Annually in advance
Fixed rate for the term	Monthly in arrears

Full details about the Loan can be found in the Leveraged Equities Investment Loan product guide.

You should speak to your financial adviser to ensure that borrowing to invest is appropriate for you and if you have any questions on the Loan.

## Taxation

You should generally be able to claim a 100% tax deduction for the administration fees for the product, and if you borrow to invest the fees and interest on your loan.

## Minimum amounts

	Minimum	Additional
Total investment	\$50,000	\$5,000
Investment per investment strategy	\$10,000	\$500
Leveraged Equities Investment Loan	\$50,000	\$5,000

## Fees

Fees and charges for the product include:

Fee type	How much?
Establishment fee (this is negotiable with your financial adviser as an Investor Advice fee).	Nil or 2.20% (inclusive of GST)
Administration fee	0.75% pa (inclusive of GST)
Put option premium	0.75% pa of your protected amount (inclusive of GST) - reduced to nil if no fund units are held
Underlying management costs applicable to the funds offered in Perpetual Protected Investments – Series 4	Management fees 0.20 – 2.00% pa Cost recoveries nil – 0.30% pa (estimated) Performance fees nil – 0.30% pa (estimated)
Payment of fees	The administration fee and put option premium will be automatically deducted from your portfolio cash account. If there is insufficient money in your portfolio cash account, we may sell funds units or exercise call options to pay these fees.

For further details on all the fees and other costs, please refer to the product disclosure statement for Perpetual Protected Investments – Series 4 for the Product. Leveraged Equities may also charge fees on the Loan.

## Important information

Before you invest in Perpetual Protected Investments – Series 4 it is important that you read and understand the terms set out in the product disclosure statement dated 8 March 2010, in particular the risks of investing as set out in the 'What are the risks?' section.

You must also obtain professional advice from a financial adviser to invest in the product, as it is a complex product that involves the use of managed funds, call options and put options. To be eligible to invest in the product or obtain a Loan, your application must be placed through a financial adviser.

<b>Offer opens</b>	<b>Monday 17 May 2010</b>
<b>Offer closes</b>	<b>Friday 18 June 2010</b>

This information has been prepared by Perpetual Investment Management Limited (PIML) ABN 18 000 866 535, AFSL 234426. It is general information only and is not intended to provide anyone with financial advice and does not take into account anyone's individual objectives, financial situation or needs. You should consider, with a financial and tax adviser, whether the information is suitable for your circumstances. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. The opportunity to invest in Perpetual Protected Investments – Series 4 ARSN 142 210 562 is offered in a product disclosure statement dated 8 March 2010 (PDS) which has been issued by PIML. The PDS should be considered before making an investment decision. Copies of the PDS can be obtained free of charge at [www.perpetual.com.au/ppi4](http://www.perpetual.com.au/ppi4) or by phoning 1800 002 513. The completed and signed original application form must be received by Perpetual by 5pm (Sydney time) 18 June 2010. No company in the Perpetual Group (Perpetual Group means Perpetual Limited ABN 86 000 431 827 and its subsidiaries) guarantees the dynamic management strategy, the performance of any fund, or the return of an investor's capital. Although PIML may distribute loan documentation on behalf of Agreed Lenders, it is not otherwise involved in, or responsible for, the provision of investment loans referred to in this document or the PDS. Investment loans are a separate matter between you and the Lender. Perpetual does not make any recommendation as to whether any loan is appropriate for your circumstances. You should obtain professional financial, legal and taxation advice before taking out an investment loan. Leveraged Equities Limited ABN 26 051 629 282 has consented to being named above.

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## Further information

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