

Thank you for requesting this Product Disclosure Statement from Funds Focus.

### ***Fee Reduction***

As highlighted within our offers page, whilst most managed funds typically pay an entry fee of up to 5%. Applications lodged through Wealth Focus will receive a rebate of up to 5% directly into your fund, providing you with more money in your fund.

### ***How to Apply***

Please have a read through the PDS and if you would like to invest the application pages can generally be found towards the back of the document. You will only need to send the application section back with a cheque payable direct to the investment company (not ourselves). You should take note of any minimum investment amounts that may apply.

Then mail the completed application directly to us.

We will then check to ensure your form is completed correctly before forwarding your document on to the investment provider on your behalf.

Wealth Focus Pty Ltd  
Reply Paid 760  
Manly  
NSW 1655

Please note that we are unable to track applications mailed directly to the product provider and therefore cannot guarantee that your discounts have been applied in these instances.

Should you wish to take advantage of our free annual valuation and tax report for all your investments you should complete our broker nomination form for The Wealth Focus Investment Service.

Regards

**Sulieman Ravell**  
Managing Director

Wealth Focus Pty Ltd  
ABN 87 123 556 730  
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# skandia one investment solutions



# Skandia One Investment Solutions

## Date: 12 December 2007 First Supplementary Product Disclosure Statement

This is the First Supplementary Product Disclosure Statement ('First Supplementary'), for the Skandia One Investment Solutions Product Disclosure Statement ('PDS'), which has been provided in two parts:

- Part 1 - Skandia One Investment Solutions Features, Fees and Costs Book dated 31 July 2007 (with application forms inserted); and
- Part 2 - Skandia One Solutions Investment Book dated 31 July 2007;

as amended from time to time, issued by Australian Skandia Limited ABN 54 093 415 251 ('Skandia'), Australian Financial Services Licence ('AFSL') Number 234432.

This First Supplementary should be read together with the PDS.

This First Supplementary is provided in two sections:

- Section 1 – Update to Part 1 of the PDS – Features, Fees and Costs Book; and
- Section 2 – Update to Part 2 of the PDS – Investment Book.

The investment managers of the underlying funds of the investment options named in this First Supplementary have given their written consent and, as at the date of this First Supplementary, have not withdrawn such consent to being named, and having statements based on information provided by them, in this First Supplementary, in the form and context in which they are included.

The information in this First Supplementary is of a general nature only and does not take into account your own personal objectives, financial situation or needs. You should read this First Supplementary in its entirety carefully and assess whether the product is appropriate for you and discuss this with your financial adviser before you make an investment decision.



# section 1 - update to PDS features, fees & costs book

Page references under sub-headings are to pages of Part 1 of the PDS,  
the Features, Fees and Costs Book dated 31 July 2007

## 1.1 inside front cover (Refer to front cover)

- In the second column, delete the fourth and fifth paragraphs and replace with the following:  
“Applications on the basis of this document (electronic or otherwise) are to be made by Australian investors only. That is, an investment must be made by persons while physically within Australia and funded from an Australian bank account.”

## 1.2 key features (Refer to page 3)

- **On page 4**, delete the text in the box at the bottom of the page and replace with the following:

Once a valid application form and payment has been received from you and processed, we will send you a welcome pack containing your investment confirmation and Skandia Service Online details. Refer to page 27 for details of the cooling-off period which applies to your investment.

## 1.3 managing your account (Refer to page 5)

- **On page 6**, under “how do I set up dollar cost averaging for my investment?”, in the ‘further information’ column after the third bullet point insert the following paragraph:  
“Where you allocate part or all of your initial investment to a cash Option, the cash Option must be either the Skandia UBS Cash Option or the Skandia UBS Credit Enhanced Cash Option. Please refer to the ‘investment choice’ section of the application form. This facility is not currently available for the Skandia Cash Option or the Skandia Cash Enhanced Option.”

- **On page 7**, under “how do I set up a regular withdrawal plan?”, in the “further information” column after the sixth paragraph insert the following paragraph:  
 “Where you elect to have your regular withdrawals deducted from your cash Option, you must be invested in either the Skandia UBS Cash Option or the Skandia UBS Credit Enhanced Cash Option. Please refer to the ‘regular withdrawal details’ section of the application form. This facility is not currently available for the Skandia Cash Option and the Skandia Cash Enhanced Option.”
- **On page 9**, under the heading “drawdown order options”, delete the note at the end of the section and replace with the following:

**Please Note:**

- *If you specify a drawdown order, auto rebalancing will not apply to your investment. Refer to page 8 for details about auto rebalancing. Additionally, if you switch Options or invest in new Options, your drawdown order will need to be updated for your new Options. Where you do not supply new drawdown order instructions, your existing instructions will apply. Once your drawdown order is completed, any regular withdrawals and fees will be deducted proportionally from any remaining Options.*
- *If you elect for fees to be paid from your cash Option (if you have one), this facility is not currently available for the Skandia Cash Option or Skandia Cash Enhanced Option.*
- **On page 10**, under the heading “dollar cost averaging - how it works”, delete the first sentence of the second paragraph and replace with the following:  
 “To use the dollar cost averaging service, you must make all or part of your initial investment into either the Skandia UBS Cash Option or the Skandia UBS Credit Enhanced Cash Option.”
- **On page 10**, under the heading “distributions”, in the fifth paragraph after the third bullet point insert the following:  
 “Where you choose to have your distributions automatically reinvested as additional units in your cash Option, you must be invested in either the Skandia UBS Cash Option or the Skandia UBS Credit Enhanced Cash Option. Please refer to the ‘distribution options’ section of the application form. This facility is not currently available for the Skandia Cash Option or the Skandia Cash Enhanced Option.”

## 1.4 Fees and costs (Refer to page 14)

- On page 15, under the heading “fees and costs table”, delete the table, text and associated footnotes and replace with the following:

Type of fee or cost	Amount (including GST)	How and when paid
<b>Fees when your money moves in or out of the fund</b>		
<b>Establishment Fee</b> The fee to open up your investment.	Nil	Not applicable
<b>Contribution Fee<sup>1</sup></b> The fee on each amount you contribute to your investment.	4% of the amount contributed, unless you negotiate an adviser upfront service fee (which may be more than 4%).	Deducted from new (initial and, where applicable, subsequent) investments when they are made.  After the fee is deducted from your investment amount, the balance of your investment will be allocated to the Options you have selected. The amount allocated to an Option will be divided by its entry price to determine the number of units in that Option, issued to you.
<b>Withdrawal Fee</b> The fee on each amount you take out of your investment.	Nil	Not applicable
<b>Termination Fee</b> The fee to close your investment.	Nil	Not applicable
<b>Management costs</b>		
These are the fees for managing your investments and include: <ul style="list-style-type: none"> <li>• management fees; and</li> <li>• expense reimbursables (excluding abnormal operating expenses).</li> </ul> <p>An estimate of the total amount you pay for specific Options is shown on pages 24 to 26.</p> <p>Performance fees may also apply to some Options.</p>	Between 1.66% and 3.40% of your Option balance depending on the Option you invest in.	Management fees and expense reimbursables are charged daily and paid monthly in arrears. These fees are reflected in the unit price of the Option and not charged separately to your account.  Performance fees may be charged by the underlying fund managers of some Options, are normally reflected in the unit price for those Options and may be paid monthly, quarterly or annually depending on the underlying fund manager.
<b>Service Fees<sup>2</sup></b>		
<b>Switching Fee</b> The fee for changing Options.	Nil	Not applicable

### Example of annual fees and costs

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

Example - Skandia Balanced Option	Balance of \$50,000 with a contribution of \$5,000 during year	
<b>Contribution fees</b>	4%	For every additional \$5,000 you put in, you will be charged \$200.
<b>Plus - estimated management costs (excluding performance fees)</b>	2.05%	<b>And</b> , for every \$50,000 you have in the fund you will be charged \$1,025 each year.
<b>Equals - Cost of Fund</b>		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 \$1,225.
		<b>What it costs you will depend on the investment option you choose and the fees you negotiate with your fund or financial adviser.</b>

For further information about fees and costs, refer to the ‘additional explanation of fees and costs’ section on pages 16 to 26.

1. This fee may include an amount payable to an adviser. See ‘adviser service fees’ under the heading ‘additional explanation of fees and costs’.
2. Refer to ‘adviser service fees’ under the heading ‘additional explanation of fees and costs’ for details about adviser service fees.

## 1.5 additional explanation of fees and costs (Refer to page 16)

- **On page 18**, under the heading “table of performance fees – self-select Options”, insert the following in appropriate alphabetical order:

Option	Performance fees (including GST and RITCs and hurdles	% Performance fee incurred per 1% outperformance	Payment frequency
<b>Skandia ABN AMRO Concentrated Australian Equity</b>	Estimated at 0.16% based on 15% of the underlying funds performance above the S&P/ASX 200 Accumulation Index plus 3% (performance hurdle). The performance fee is calculated each business day and accrues daily. It is reflected in the unit price and paid annually as at 30 June. Any underperformance of the underlying fund in relation to the benchmark will have the effect of reducing any performance fee accrued in that performance fee period. Any underperformance against the performance hurdle at the end of a performance fee period will not be carried forward to the next performance fee period.	0.1500	Accrued daily and paid annually
<b>Skandia All Star IAM Australian Share</b>	A performance fee may be payable to the investment manager of the underlying fund. This fee is only payable where the underlying fund outperforms the investment benchmark which is the S&P/ASX 200 Accumulation Index. The fee is calculated on the total asset value of the underlying fund less the fee of the investment manager. The performance fee is accrued daily and payable quarterly. The responsible entity of the underlying fund may charge a maximum performance fee of 25% pa, but for the duration of the life of their relevant PDS, has waived its right to the full amount and will charge the lower performance fee of 20.5% pa, inclusive of the net effect of GST. If there is a period of underperformance to the benchmark for the underlying fund, the performance fee accrued is frozen at its current level and further performance fees may not commence to be accrued again until the full amount of underperformance is recouped. Accrued performance fees are reflected in the unit price.	0.2050	Accrued daily and paid quarterly
<b>Skandia Australian Unity Platypus Australian Equities</b>	The performance fee is 15% of any outperformance of the baseline performance defined as the underlying fund performance over the S&P/ASX 300 Accumulation Index plus 1%. For a performance fee to be deducted from the underlying fund, a performance hurdle must be met which comprises three parts; the percentage performance of the underlying fund over the performance fee period (before deducting management costs) must exceed the baseline performance, must also exceed 0% and the end unit price must exceed the high watermark. The high watermark is the mid unit price at which a performance fee was last deducted from the underlying fund. As at the first day of each 3 year period, the high watermark is reset to equal the unit price of the last day of the previous 3 year period.	0.1500	Accrued daily and paid semi-annually
<b>Skandia Hunter Hall Global Ethical</b>	15% of the outperformance over the underlying trust's benchmark, the MSCI World Total Return Index (Net Dividends Reinvested in \$A). Where the performance fee accrued for a period is negative, no performance fee will be charged. The negative balance is carried forward and must be recouped before any further performance fees can be charged.	0.1500	Accrued daily and paid semi-annually
<b>Skandia Investors Mutual Australian ex-50</b>	The performance fee is 15.375% of any outperformance of the S&P/ASX 300 (ex-S&P/ASX 50 excluding Property Trusts). The percentage outperformance (or underperformance) multiplied by the net asset value of the underlying fund prior to taking the performance fee, constitutes the dollar value of the performance fee. The performance fee will be calculated and accrued daily and will be reflected in the unit price. The performance fee will be paid if the accrued performance fees are positive at the end of a half year period (30 June or 31 December). However if the performance fee accruals are positive and the 'actual performance' is negative then the performance fee will not be paid that period (actual performance refers to the percentage change in the redemption price). The performance fee accruals will be carried forward until a half yearly period is reached where the actual performance and the performance fee accruals are positive.	0.1538	Accrued daily and paid semi-annually
<b>Skandia TAAM Asia</b>	10.25% of outperformance over the underlying fund's benchmark, the MSCI All Countries Asia ex-Japan Index (\$A). Where the performance fee accrued is negative, no performance fee will be charged. The negative balance is carried forward and must be recouped before any further performance fees can be charged. If the underlying fund's actual return for the accrual period is negative but the underlying fund has outperformed the benchmark, any positive performance fee will be carried forward but the performance fee will not be paid until the end of an accrual period for which the performance fee accrued and the underlying fund return is positive.	0.1025	Accrued daily and paid semi-annually

- On page 18, under the heading “table of performance fees – self-select Options”, delete the text for the Skandia MIR Absolute Return Option and replace with the following:

Option	Performance fees (including GST and RITCs) and hurdles	% Performance fee incurred per 1% outperformance	Payment frequency
<b>Skandia MIR Absolute Return</b>	<p>The daily performance fee is 20.5% of the difference between the Net Asset Value (NAV) of the underlying fund (before the performance fee and adjusted for applications and redemptions) as at the current valuation day and the NAV of the underlying fund (adjusted for applications and redemptions) as at the previous valuation day. The performance fee is accrued as an expense of the underlying fund daily (so long as the total accrued daily performance fee is not less than zero).</p> <p>The total performance fee for any performance period will be the total of the daily performance fee (including negative amounts) for the relevant performance period. The performance fee, if payable, is deducted from the underlying fund at the end of each performance period. No amount is payable either by or to the underlying fund if the performance fee is a negative amount. All previous negative performance must be offset by positive performance before any performance fee will be payable. If the cumulative performance fee is negative when a redemption is processed, that amount of the cumulative performance fee will be adjusted to reflect the redemption.</p> <p>This Option is in all Skandia Global Access Portfolios.</p>	0.2050	Accrued daily and paid semi-annually

- On page 19, under the heading “table of performance fees – self-select Options”, delete the text for the Skandia PM CAPITAL Absolute Performance Option and replace with the following:

Option	Performance fees (including GST and RITCs) and hurdles	% Performance fee incurred per 1% outperformance	Payment frequency
<b>Skandia PM CAPITAL Absolute Performance</b>	<p>20% of the outperformance of the underlying fund's net asset value of a unit (any positive performance) in excess of the underlying fund's high watermark.</p> <p>For a performance fee to be payable, the 'Gross Asset Value' (GAV) of a unit must exceed its 'High Water Mark' (HWM) where: the GAV of a unit includes total net income, realised and unrealised gains/losses and all expenses of the underlying fund (including management fees, but excluding the performance fee which is the subject of the calculation) on a per unit basis.</p> <p>The HWM of each unit is equal to the greater of, the issue price of a unit which is the price at which the holder originally acquired their units (adjusted for all subsequent income distributions), or the highest net asset value of a unit at the end of a period where a performance fee was last paid (adjusted for all subsequent income distributions).</p> <p>Subsequent income distributions are subtracted from the HWM issue price of a unit and do not include distribution accrued but not yet paid.</p>	0.2000	Accrued daily and paid monthly

- **On page 20**, under the heading “table of performance fees – ready-made portfolios”, delete the text for the following funds:
  - Barclays Global Ascent Fund;
  - Barclays Multi Opportunity Fund;
  - GMO Australian Market Neutral Trust;
  - INVESCO Global Tactical Asset Allocation Fund;
  - Mellon Global Alpha Trust.

These funds have each been removed as an underlying fund in the Skandia Defensive, Skandia Conservative, Skandia Balanced, Skandia Growth with Income, Skandia Growth and Skandia Absolute Return Options.

- **On page 20**, under the heading “table of performance fees – ready-made portfolios”, insert the following in appropriate alphabetical order:

<b>Underlying Fund</b>	<b>Performance fees (including GST and RITCs) and hurdles</b>	<b>% Performance fee incurred per 1% outperformance</b>	<b>Payment frequency</b>
<b>AXA Rosenberg Global Market Neutral Fund</b>	<p>20% of the performance of the fund (after management fees) above EURIBOR*. The annual performance fee will be subject to achieving a performance ‘high watermark’, where underperformance from any previous performance period which a performance fee was payable must be ‘caught up’ before the performance fee recommences accruing.</p> <p>This fund is in the Skandia Absolute Return Option.</p> <p>*Euribor® (Euro Interbank OfferedRate) is the rate at which euro interbank term deposits within the eurozone are offered by one prime bank to another prime bank.</p>	0.2000	Accrued daily and paid annually
<b>Intech Alpha Strategies Trust</b>	<p>10.25% of the performance of the trust (net of management fee) above the benchmark, the UBS Australian Bank Bill Index. If the trust underperforms the benchmark, the negative amount is carried forward to the next period and must be made up before any performance fee becomes payable.</p> <p>This trust is in all the Skandia Global Access Portfolios.</p>	0.1025	Calculated daily and paid monthly
<b>Intech Global Trading Strategies Trust II</b>	<p>10.25% of the performance of the trust (net of management fee) above the benchmark, the UBS Australian Bank Bill Index. If the trust underperforms the benchmark, the negative amount is carried forward to the next period and must be made up before any performance fee becomes payable.</p> <p>This trust is in all the Skandia Global Access Portfolios.</p>	0.1025	Calculated daily and paid monthly
<b>Orbis/SM Australia Equity Fund</b>	<p>20.50% of the performance of the fund above the S&amp;P/ASX 300 Accumulation Index. The performance fee is subject to achieving a performance ‘high watermark’, where any underperformance from the previous period(s) must be ‘caught-up’ before the performance fee recommences accruing.</p> <p>This fund is in all the Skandia Global Access Portfolios and the Skandia Australian Shares High Alpha Option.</p>	0.2050	Calculated and accrued daily and paid weekly

- **On page 21**, under the heading “Indirect Cost Ratio (ICR)”, delete the last sentence.  
ICRs are no longer published in the annual report.
- **On page 25**, in the table, delete the heading “Australian property securities” and replace with the following:  
“Australian property”.
- **On page 25**, in the table, delete the heading “Global property securities” and replace with the following:  
“Global property”.
- **On pages 24 to 26**, in the “estimated management costs and buy/sell spread” table for the Options listed below, insert the following in appropriate alphabetical order:

Option name	Management fee component (% pa) <sup>1</sup>	Estimated management cost (% pa)	Buy/sell spread (%)	Performance fee may apply
<b>Australian shares</b>				
Skandia ABN AMRO Australian Equity	2.00	2.20	0.30/0.30	
Skandia ABN AMRO Concentrated Australian Equity	2.30	2.50	0.30/0.30	Yes
Skandia All Star IAM Australian Share	2.30	2.50	0.25/0.25	Yes
Skandia Australian Unity Platypus Australian Equities	2.10	2.30	0.25/0.25	Yes
Skandia Investors Mutual Australian ex-50	2.20	2.40	0.25/0.25	Yes
Skandia Perpetual Ethical SRI	2.40	2.60	0.20/0.20	
<b>Global shares</b>				
Skandia DWS Global Equity Thematic	2.15	2.35	0.20/0.20	
Skandia EQT Intrinsic Value International Sharemarkets	2.60	2.80	0.15/0.15	
Skandia Hunter Hall Global Ethical	2.80	3.00	0.30/0.30	Yes
Skandia T Rowe Price Global Equities	2.40	2.60	0.30/0.30	
<b>Regional shares - Asia</b>				
Skandia TAAM Asia	2.20	2.40	0.35/0.35	Yes
<b>Australian property</b>				
Skandia Principal Property Securities	1.95	2.15	0.25/0.25	
<b>Global property</b>				
Skandia AMP Capital Core Property	2.20	2.40	0.17/0.17 <sup>3</sup>	
<b>Australian fixed interest</b>				
Skandia Australian Unity Vianova Strategic Fixed Interest	1.85	2.05	0.00/0.00	
<b>Global fixed interest</b>				
Skandia Credit Suisse Syndicated Loan	2.05	2.25	0.425/0.425	
Skandia ING Diversified Fixed Income	1.75	1.95	0.00/0.00	
Skandia Schroder Fixed Income	1.70	1.90	0.03/0.03	
<b>Cash</b>				
Skandia Cash	1.46	1.66	0.00/0.00	
Skandia Cash Enhanced	1.51	1.71	0.03/0.03	

3. The underlying manager charges a buy/sell spread on the reinvestment of distributions which is borne by the Option.

- **On page 26**, in the table, under the heading “Global fixed interest” delete the information for the Skandia Barclays Overseas Bond Index and replace with the following:

Option name	Management fee component (% pa) <sup>1</sup>	Estimated management cost (% pa)	Buy/sell spread (%)	Performance fee may apply
Skandia Barclays Overseas Bond Index	1.58	1.78	0.15/0.00	

- **On pages 24 to 26**, in the “estimated management costs and buy/sell spread” table for the Options listed below, replace the buy/sell spread with the following:

Option name	Buy/sell spread (%)
<b>Skandia Blended Sector Portfolios</b>	
Skandia International Property Securities (Hedged)	0.30/0.30
<b>Australian shares</b>	
Skandia Prime Value Growth	0.38/0.38
<b>Global shares</b>	
Skandia BT Wholesale International Share	0.40/0.00
Skandia Walter Scott Global Equity	0.30/0.25
<b>Australian property</b>	
Skandia Perpetual Property Securities	0.20/0.20
<b>Global fixed interest</b>	
Skandia Credit Suisse Global Hybrid Income	0.275/0.275

- **On page 26**, in the table under the heading “Alternative investments”, delete the name “Skandia PIMCO Global CommodityRealReturn” and replace with “Skandia PIMCO Global Commodities”.

## 1.6 other information (Refer to page 27)

- **On page 31**, under the heading “Constitution of the Options”, at the bottom of the page, add the following Options to the existing list in appropriate alphabetical order:
  - Skandia ABN AMRO Australian Equity;
  - Skandia ABN AMRO Concentrated Australian Equity;
  - Skandia All Star IAM Australian Share;
  - Skandia AMP Capital Core Property;
  - Skandia Australian Unity Platypus Australian Equities;
  - Skandia Australian Unity Vianova Strategic Fixed Interest;
  - Skandia Cash;
  - Skandia Cash Enhanced;
  - Skandia Credit Suisse Syndicated Loan;
  - Skandia DWS Global Equity Thematic;
  - Skandia EQT Intrinsic Value International Sharemarkets;
  - Skandia Hunter Hall Global Ethical;
  - Skandia ING Diversified Fixed Income;
  - Skandia Perpetual Ethical SRI;
  - Skandia Principal Property Securities;
  - Skandia Schroders Fixed Income;
  - Skandia TAAM Asia;
  - Skandia T Rowe Price Global Equities.”
- **On page 32**, after the “Financial information” section, insert the following:

### **Anti-Money Laundering and Counter-Terrorism Financing requirements**

Under the Commonwealth **Anti-Money Laundering and Counter-Terrorism Financing Act 2006** we are required to obtain additional information from new investors as to their identity, source of funds and similar matters, and to verify that information through sighting appropriate documentation. At a later date, those requirements may also apply in relation to existing investors.

We will let investors know when the forms relating to this additional information will be available. If you have your own financial adviser, they will be able to assist you with the Anti-Money Laundering (AML) forms and sight your documentation. For example, individuals will be required to produce a current photographic identification document such as a current passport or driver's licence, or to provide us with a certified copy of the document. Details of who is allowed to certify the copy of the original document will also be provided.

We will contact you if we require additional information from you and let you know full details. If you have an overseas residential

address, are a high net worth individual, a family trust, or a charity, it is likely that we will need additional information from you.

We reserve the right to request such information as is necessary to verify the identity of any applicant and their personnel (for example, if a unitholder is a company, we may also need to verify the identity of the company directors) and to assess the likelihood of the investor or their staff being involved in anti-money laundering or counter-terrorism financing (risk assessment).

We will keep records of the information that you provide us and of your risk assessment. We may be obliged by Australian law or by investment managers resident in other countries who are subject to similar legislation in their own countries to disclose that information, including to the Australian Transaction Reports and Analysis Centre (AUSTRAC). Otherwise we will keep the information confidential to the extent permitted by law. If you do not provide us with this information, we may not be able to process your transactions, may not be able to issue your units within the time periods outlined in this PDS or may not make redemption payments until we have received the information that we request and all anti-money laundering checks have been completed.

By applying for units through this PDS, you agree to the above terms, and you also agree that in the event of your delay or failure to produce information which we have requested for AML purposes we may in our absolute discretion take such action as we see fit. In particular, we may refuse to accept the application and determine not to issue units to you, may refuse to transfer units you wish to sell or purchase, may cancel or redeem any units which have been issued to you if we believe such action to be necessary or desirable in the light of our obligations under the Commonwealth **Anti-Money Laundering and Counter-Terrorism Financing Act 2006** or any related legislation.

**Skandia Service Centre:****Investor Service:**

1300 300 088

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1300 851 115

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**EMAS**

At Skandia we value our natural environment. To help meet our environmental responsibilities this document (text and cover pages) has been printed on Emaster Silk paper stock. Emaster is an EMAS certified stock, EMAS stands for Eco Management Audit Scheme. This assures that environmentally accredited facilities are used in the paper manufacturing process, that fibre is sourced from sustainable forests and that all processes involved in its manufacture are of the highest environmental standards.

UPDATED FOR  
THE SUPPLEMENTARY  
PRODUCT DISCLOSURE  
STATEMENT DATED  
12 DECEMBER 2007

# skandia one investment solutions



#### Important notes

This Product Disclosure Statement (PDS) is provided in two parts:

**Part 1:** Skandia One Investment Solutions Features, Fees and Costs Book (this document), with application form inserted; and

**Part 2:** Skandia One Investment Solutions, Skandia One Retirement Solutions and Skandia One Corporate Solutions Investment Book.

You should read all parts before making a decision to invest. If you have not received all parts, please contact your financial adviser or the Skandia Service Centre on 1300 300 088.

Skandia One Investment Solutions is offered by Australian Skandia Limited as the Responsible Entity.

#### Throughout this PDS references to:

- 'us', 'we', 'our' and 'Skandia' refer to Australian Skandia Limited ABN54 093 415 251, AFS Licence 234432;
- 'product' refers to Skandia One Investment Solutions;
- 'Part 1' refers to the Features Book, Fees and Costs Book (with application form inserted);
- 'Part 2' refers to the Investment Book;
- 'Option' refers to each of the Investment Options you may choose to invest in, as detailed in Part 2 of this PDS. Each Option is a managed investment scheme registered with the Australian Securities and Investments Commission (ASIC);
- 'underlying fund' refers to the underlying investment vehicle Skandia invests into, for each of the Options;
- 'account' refers to an investor's account within the product;
- 'investor' refers to a person who has an account in Skandia One Investment Solutions.

Further information about the Options is available on our website [www.australianskandia.com.au](http://www.australianskandia.com.au) or on request by contacting the Skandia Service Centre on 1300 300 088. The provision of the requested information may be subject to a charge.

**Where permitted by law, we may update this PDS for changes which are not materially adverse without issuing a supplementary PDS. We will issue this updated information in a Product Information Update that can be obtained from our website [www.australianskandia.com.au](http://www.australianskandia.com.au) or by calling the Skandia Service Centre. We will provide copies of this information free of charge. Where the change in information is materially adverse or as otherwise required by law, we will replace this PDS or issue a supplementary PDS and give investors notice as required or permitted by law.**

Investments in the Options are subject to investment risk and may result in the loss of principal or income invested, or delays in repayment. If you leave the Option within a few years of joining, you may get back less than the amount of investment paid in because of the level of investment earnings by the Option and the product charges. Skandia will provide all information that we believe a person would reasonably need to make an

informed assessment of the management and financial condition of the Options and their investment performance. You can find updated investment performance information on our website.

The information in this PDS is of a general nature only and does not take into account your own personal objectives, financial situation or needs. You should read this PDS in its entirety carefully and assess whether the product is appropriate for you and discuss this with your financial adviser before you make an investment decision.

Interests in the Options offered in this PDS will only be issued after a completed application form (issued with this PDS), has been received by Skandia. An investment in an Option made on the basis of this PDS is an investment in the Option's wholesale class of units. Under the Constitution of each Option, investors in a class of units in an Option have an interest in the Option, but not in the assets of the Option, which may be used to meet all liabilities arising in respect of that Option.

Applications on the basis of this document are to be made by Australian investors only.

Investments in Skandia One Investment Solutions, on the basis of the electronic PDS, are only available to persons receiving the electronic PDS within Australia.

If you are printing an electronic copy of this PDS, you must print all the pages including Part 2. If you make this PDS available to another person, you must provide them with the entire electronic file or printout. You may request a paper copy of this PDS free of charge by calling the Skandia Service Centre.

The investment managers of the underlying funds have given their written consent and, as at the date of this PDS, not withdrawn such consent, to any statements made by them, or statements said in this PDS to be based on statements made by them, being included in this PDS in the form and context in which they are included.

The investment managers are acting as investment managers only and are not guaranteeing, issuing, selling or underwriting this product. Neither Skandia nor any member of the Skandia or Old Mutual Groups guarantees the performance of the Options, the value of investments, or any repayment of capital.

Skandia authorises the use of this PDS as disclosure to investors or prospective investors of an Investor Directed Portfolio Service (IDPS), IDPS-like service provided through a registered managed investment scheme or a nominee and custody service.

All monetary amounts referred to in this PDS are, unless specifically identified, references to Australian dollars.

#### Keep your PDS

**You should retain a copy of the current PDS and any other supplementary material for future reference. You should consider all current information when making an initial investment or ongoing investment in Skandia One Investment Solutions. New information to keep you up to date is available in Product Information Updates found on our website [www.australianskandia.com.au](http://www.australianskandia.com.au)**



# contents

## **features, fees and costs book – part 1 of PDS** **page** **(this document)**

### **investing with Skandia** **2**

A brief outline of the benefits of investing with Skandia.

### **key features** **3**

Outlines some important key features about the product including investment minimums, investment choices, services offered and how to make an investment.

### **managing your account** **5**

Information on establishing and transacting on your account.

### **keeping you informed** **11**

Details about how to access up-to-date information about your account and information that we will send you.

### **fees and costs** **14**

Information and descriptions of the fees and costs of the product, what is paid to your financial adviser and other important information about fees and costs.

### **other information** **27**

Information about receiving income (distributions) from your investment, unit pricing, taxation, regulatory details and terms and conditions.

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### **investment information** **part 2 of PDS**

Detailed information on the Skandia ready-made and self-select Options, including how to read the Option profiles and the risks associated with investing.

### **application form and checklist – included with this PDS**

Includes the application form for you to make an investment.



# investing with skandia

Skandia provides innovative investment and superannuation solutions as well as administration services.

We are one of Australia's largest multi-managers with an established administrative platform and are able to capitalise on product design and innovative investment opportunities for the benefit of our advisers and investors.

In Australia we have over \$15 billion in funds under management (March 2007).

Skandia is a wholly-owned subsidiary of Old Mutual plc, a global financial services company headquartered in London. The combined group has a market capitalisation of over AUD\$23 billion and combined funds under management of approximately AUD\$600 billion (31 March 2007), with operations in over 40 countries across the United Kingdom, Europe, North and South America and Asia-Pacific.

our business approach is identifying and focusing on those areas we do best.

### **Specialist in co-operation**

Our approach is to build relationships with leading specialists in financial services – such as fund managers and financial advisers – to deliver world-class, long-term savings solutions. At Skandia, our core abilities are the selection of investments and fund managers, portfolio construction, product development and marketing support to licensed financial advisers.

### **An innovative business strategy**

By offering access to a wide range of fund managers and investments, Skandia offers you the freedom to create portfolios individually tailored to your changing investment needs. In keeping with our desire to provide you with the very best service available, Skandia has established links with many of the leading fund managers in the market. This pioneering approach gives you a wide choice of investment solutions, coupled with funds management expertise from some of the best in the business.

### **Tailored solutions**

By concentrating exclusively on serving the needs of financial advisers and their clients, Skandia has created one of the most original and flexible product ranges available today.

### **Service excellence**

All good products need first-class administration and back-up in order to become successful and to sustain a level of excellence. The outstanding success of Skandia can be attributed to a total commitment in bringing competitive products to financial advisers and their clients while consistently maintaining a high level of service.



# key features

For a list of defined terms referred to in this PDS, see the inside front cover of this document.

<b>Transacting</b>	<b>For more details refer to pages 5 to 10</b>
	<b>Minimum Amount</b>
<b>Initial investment<sup>1</sup></b>	\$3,000
<b>Additional investments</b>	\$1,000
<b>Ongoing account balance</b>	\$3,000
<b>Regular investment plan</b>	\$100 per payment ( <i>\$3,000 minimum initial investment</i> )
<b>Switch</b>	All or part (up to 90%) of your investment from one Option to another
<b>Withdrawal<sup>2</sup></b>	\$1,000
<b>Regular withdrawal plan<sup>2</sup></b>	\$1,200 p.a.
<b>Dollar cost averaging</b>	\$250 per Option per month
<b>Auto rebalancing</b>	You can have your investments automatically realigned to your chosen investment strategy on a half-yearly or annual basis.
<b>Skandia Service Online</b>	Online access to information about your investment.
<b>Your investment choices</b>	<b>For more details refer to Part 2 of this PDS</b>
<b>Ready-made portfolios</b>	<b>Skandia Global Access Portfolios</b> are diversified across the major asset classes, investment fund managers and local, regional and global markets. <b>Skandia Blended Sector Portfolios</b> invest in a single asset class and diversify across investment fund managers and local, regional or global markets.
<b>Self-select Options</b>	A wide choice of Options from an extensive range of fund managers are available for investors to choose from.
<b>Fees and costs</b>	<b>For more details refer to pages 14 to 26</b>
<b>Contribution fee</b>	4%, unless you negotiate an adviser upfront service fee.
<b>Management costs</b>	Skandia offers a range of Options with competitive management costs.
<b>Withdrawal fee</b>	Nil, however a buy/sell spread may apply.
<b>Contact details</b>	
<b>Internet</b>	www.australianskandia.com.au
<b>Phone</b>	1300 300 088
<b>Mail</b>	Skandia, GPO Box 5442, SYDNEY NSW 2001
<b>Email</b>	auinvestorservice@skandia.com

1. Skandia reserves the right to reduce the minimum initial investment amount, from time to time, at its discretion.
2. The ongoing minimum account balance of \$3,000 must be maintained. Your withdrawal amount may be up to the value of 90% of any Option or the full balance of an Option.

## How to invest

### Investing is simple, just follow these steps:

#### 1. Ensure you read the whole PDS

Please ensure that you have read the whole PDS (Parts 1 and 2) and any supplementary documents. If you have any questions about information in this PDS, please contact your financial adviser or the Skandia Service Centre on 1300 300 088.

#### 2. Review the available Options

Discuss your financial objectives and create an investment strategy with your financial adviser. Review the Options in the Investment Book (Part 2) with your financial adviser, choose the appropriate Options to invest in and select them on the application form.

#### 3. Complete the application form

Complete the application form included with this PDS, ensuring that you invest the minimum amounts required and sign and date the application form.

**Note:** You must be 18 years or older to invest. We are unable to accept applications in the name of children under 18 years of age. If you invest on behalf of a child we will open the account in your name, with an account designation (name of child) which you can specify on the application form. This means you will be the owner of the investment. We strongly recommend that you seek advice on the tax and other implications of investing for a child under 18 years of age.

#### 4. Mail your form to us

For your records, please keep a copy of your completed application form, the PDS and any other forms you send us. If you are making your initial investment by cheque, please make your cheque payable to "Skandia – SOIS (investor name)" and attach your cheque to your application form.

##### Mail your form(s) to us at:

Skandia  
Reply Paid 5442  
SYDNEY NSW 2001

#### 5. Sending us your initial investment via BPAY® and EFT

If you do not wish to make your initial investment via cheque, you can pay by BPAY® or Electronic Funds Transfer (EFT). Contact the Skandia Service Centre on 1300 300 088 and we will give you your Customer Reference Number (CRN) and instructions on how to make the payment.

**BPAY® biller code: 57240**

##### EFT details:

- Please make the transfer payable to: **SOIS (investor name)**
- Account number: **319880**
- BSB: **032 024** Bank: **Westpac, 60 Martin Place, Sydney NSW 2000**
- BIC: **WPACAU2S** (SWIFT code).

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*Once your application form and payment have been received and processed, we will send you a welcome pack containing your investment confirmation and Skandia Service Online details. Refer to page 27 for details of the cooling-off period which applies to your investment.*

# managing your account

The following table provides you with an easy reference guide to assist you in managing your investment with Skandia. Investments will be accepted in accordance with the current PDS as at the time of the investment.

**A copy of the current PDS, any supplementary documents and Product Information Updates can be obtained from our website [www.australianskandia.com.au](http://www.australianskandia.com.au) or by contacting the Skandia Service Centre on 1300 300 088.**

How do I...	What do I need to do?	Further information
<b>...make an initial investment?¹</b>	<p>Complete the application form included with this PDS;</p> <p><b>OR</b></p> <p>Download and print the PDS from our website and complete the application form included with this PDS;</p> <p>Then mail the form (and cheque if required) to us at:</p> <p><b>Skandia</b>  <b>GPO Box 5442</b>  <b>SYDNEY NSW 2001</b></p>	<p><b>Payment Options:</b> BPAY®, EFT or cheque</p> <p><b>BPAY®</b>            Biller Code: <b>57240</b>            Customer Reference Number (CRN): <b>Contact Skandia for your CRN</b></p> <p><b>EFT</b>            Transfer payable to: <b>SOIS (investor's name)</b>            Account number: <b>319880</b>            BSB: <b>032 024</b>            Bank: <b>Westpac, 60 Martin Place, Sydney NSW 2000</b>            BIC: <b>WPACAU2S</b> (SWIFT Code)</p> <p>Your initial investment must meet the minimum amount required of \$3,000.</p>
<b>...make a one-off additional investment (a 'top-up')?¹</b>	<p>Complete a top-up form available from our website, then mail the form (and cheque if required) to us.</p>	<p><b>Payment Options:</b> BPAY®, EFT or cheque</p> <p>Your additional investment or top-up must meet the minimum amount of \$1,000. If you elect to have auto rebalancing, top-ups to your investment may affect your auto rebalancing arrangement.</p> <p><b>Refer above for BPAY® and EFT payment details.</b></p>
<b>...set up a regular investment plan?</b>	<p>Complete the 'regular investment details' and 'direct debit authorisation' sections of the application form included with this PDS;</p> <p><b>OR</b></p> <p>Complete the regular investment form available from our website, then mail the form to us.</p>	<p><b>Payment option:</b> direct debit (refer to page 37 for the direct debit terms and conditions).</p> <p>Your regular investment must meet the minimum amount required of \$100 per investment.</p> <p>The frequency of your regular investment is flexible – you can choose to invest monthly, quarterly, half-yearly or annually.</p> <p>Your regular investment will be deducted from your nominated bank account on the day of the month nominated by you.<sup>2</sup></p> <p><b>If you have a regular investment plan, you cannot use auto rebalancing.</b></p>

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1. Generally, a completed application form or transaction request and payment received prior to 11am in our Sydney office on a NSW business day, will receive that day's close of business unit price. Please refer to page 8 for further details on processing transactions.
2. If the date you have selected falls on a non-business day in NSW in any month, then this transaction will occur on the last NSW business day prior to your selected date. For example, if you have selected the 15th of the month for your regular investments and this date is a Sunday, then your regular investment will occur on the Friday before (being the 13th of the month) if this is a NSW business day.

How do I...	What do I need to do?	Further Information								
<p><b>...switch my funds between Options?¹</b></p>	<p>Log on to Skandia Service Online using your <b>client ID</b> and <b>online PIN</b> and request a switch through our secure service; <b>OR</b> Complete the switch form available from our website, then mail the form to us.</p>	<p>You can switch an existing investment from one Option to another without completing another application form. You may choose to switch your entire investment portfolio or just vary the investment proportions allocated to each Option. Switches may incur transaction costs due to a 'buy/sell spread' applied to some of the Options. Refer to the 'Estimated Management Costs and buy/sell spreads' table on page 24 for more details. As switching involves the purchase and redemption of units in Options, it may also have capital gains tax consequences. Switching online may have capital gains tax implications as this transaction will update your entire investment. Refer to page 29 for more details. Skandia reserves the right to defer switches at any time. For example, a switch may be deferred while there is a previous transaction pending on your account or in other circumstances permitted by the Option's Constitution. <b>If you elect to have auto rebalancing, switching Options may affect your auto rebalancing arrangement. Refer to page 8 for further details.</b> <b>Switching Options may affect your drawdown order if you have specified one and this may require updating.</b></p>								
<p><b>...set up auto rebalancing for my investment?</b></p>	<p>Select this service by completing the details in the 'auto rebalancing' section of the application form.</p>	<p>Over time your actual investment may drift from your selected allocation due to market movements and any reinvested distributions. For example:</p> <table border="0"> <tr> <td><b>Selected allocation:</b></td> <td><b>Actual allocation:</b></td> </tr> <tr> <td>Option A 40%</td> <td>Option A 42%</td> </tr> <tr> <td>Option B 40%</td> <td>Option B 35%</td> </tr> <tr> <td>Option C 20%</td> <td>Option C 23%</td> </tr> </table> <p>If you want to maintain a particular investment strategy and asset allocation, your investment needs to be rebalanced to your selected allocation. You can request that we automatically rebalance your investments for you on either a half-yearly (in April and October) or annual basis (in April). By selecting this service you authorise us to apply and withdraw units in your chosen Options to maintain your selected allocation. These transactions may incur a buy/sell spread and capital gains tax. <b>If you have selected the auto rebalancing service, you cannot select the dollar cost averaging, regular investment or regular withdrawal services.</b> You can update your auto rebalancing options online, as well as updating your selected allocation via the switch service online. Updating auto rebalancing or your selected allocation via the switch service online may incur a buy/sell spread and could have capital gains tax implications as this transaction will update your entire investment. Refer to page 9 for more details about selected allocations. <b>Before you consider setting up auto rebalancing, you should consult your financial adviser to ensure that the service operates in accordance with your expectations.</b></p>	<b>Selected allocation:</b>	<b>Actual allocation:</b>	Option A 40%	Option A 42%	Option B 40%	Option B 35%	Option C 20%	Option C 23%
<b>Selected allocation:</b>	<b>Actual allocation:</b>									
Option A 40%	Option A 42%									
Option B 40%	Option B 35%									
Option C 20%	Option C 23%									
<p><b>...set up dollar cost averaging for my investment?</b></p>	<p>Complete the dollar cost averaging details in the 'investment choice' section of the application form.</p>	<p>You can set up a monthly dollar cost averaging service, to make smaller regular investments from your account over a period of time rather than one initial investment at a set price. To set up a dollar cost averaging facility you need to:</p> <ul style="list-style-type: none"> <li>• Allocate part or all of your initial investment to a cash Option;</li> <li>• Nominate which other Option(s) to transfer investment amounts to each month; and</li> <li>• Nominate the amount you wish to transfer to each Option (minimum \$250 per Option per month).</li> </ul> <p>Dollar cost averaging will occur on the 26th day of each month, unless the 26th falls on a non business day in NSW, in which case the transaction will occur on the next NSW business day. <b>If you have a dollar cost averaging service, you cannot use auto rebalancing.</b> Refer to page 10 for further details about dollar cost averaging.</p>								

1. Generally, a completed application form or transaction request and payment received prior to 11am in our Sydney office on a NSW business day, will receive that day's close of business unit price. Please refer to page 8 for further details on processing transactions.

How do I...	What do I need to do?	Further Information
<b>...make a withdrawal?<sup>1</sup></b>	Complete the withdrawal form available from our website, then mail the form to us.	<p>You can choose to withdraw all or part of your investment at any time.</p> <p>Withdrawals must meet the minimum withdrawal amount of \$1,000 or the balance of your account, if lower.</p> <p>Unless otherwise advised, the withdrawal amount will be drawn proportionally from all your selected Options, having regard to the amount invested in each Option.</p> <p>When making a partial withdrawal, you must ensure that your account balance remains at the minimum investment amount at all times.</p>
<b>...set up a regular withdrawal plan?</b>	<p>Complete the details in the 'regular withdrawal details' and 'direct credit bank account details' sections of the application form;</p> <p><b>OR</b></p> <p>Complete the regular withdrawal form available from our website, then mail the form to us.</p>	<p><b>Payment option:</b> direct credit</p> <p>Regular withdrawals can be deposited to your nominated bank account on a monthly, quarterly, half-yearly or annual basis. You can also nominate to have your withdrawals increased each year in line with the Consumer Price Index (CPI)<sup>3</sup>.</p> <p>Your regular withdrawal will be paid on the fixed date you select<sup>2</sup>.</p> <p>You can elect to have your withdrawals deducted from your cash Option (if you have one) in the first instance, in order to minimise potential capital gains. If this option is selected your regular withdrawal will be deducted from your cash Option until the balance is exhausted. The payment will then continue to be deducted proportionally from all other selected Options.</p> <p>You can also elect to have your withdrawals deducted in a specified drawdown order from nominated Options. Refer to page 9 for more details about drawdown orders.</p> <p>If you do not have a cash Option or a drawdown order, your regular withdrawals will be deducted proportionally from all your selected Options.</p> <p><b>If you have a regular withdrawal service, you cannot use auto rebalancing.</b></p>
<b>...appoint an adviser?</b>	Complete the 'adviser details' section of the application form.	If changing an adviser, please provide us with a written request.
<b>...appoint an Authorised Nominee?</b>	Complete the 'appointment of Authorised Nominee' section of the application form.	<p>Using the Authorised Nominee service, you can appoint your financial adviser to transact on your investment for you.</p> <p>Your Authorised Nominee can:</p> <ul style="list-style-type: none"> <li>• Make additional investments or top-ups;</li> <li>• Switch Options;</li> <li>• View your account details;</li> <li>• Change your auto rebalancing facility;</li> <li>• Change annual report and information arrangements online, or in writing;</li> <li>• Any other activities that Skandia may from time to time approve.</li> </ul> <p>Your Authorised Nominee <b>cannot</b> change your personal details or bank account details, withdraw your account balance or appoint another Authorised Nominee.</p> <p><b>Important:</b> You will not be able to carry out certain activities regarding your investment yourself until you terminate the appointment of your Authorised Nominee. You can cancel your Authorised Nominee arrangement at any time by notifying us of the cancellation in writing.</p> <p>For terms and conditions applying to this service, refer to page 37.</p>
<b>...change my personal details?</b>	<p>Log on to Skandia Service Online using your <b>client ID</b> and <b>online PIN</b> and change your details through our secure service;</p> <p><b>OR</b></p> <p>Complete the change of details form available from our website, then mail the form to us;</p> <p><b>OR</b></p> <p>Contact the Skandia Service Centre.</p>	Certain changes will require written instructions.

1. Generally, a completed application form or transaction request and payment received prior to 11am in our Sydney office on a NSW business day, will receive that day's close of business unit price. Please refer to page 8 for further details on processing transactions.
2. If the date you have selected falls on a non-business day in NSW in any month, then this transaction will occur on the last NSW business day prior to your selected date. For example, if you have selected the 15th of the month for your regular withdrawals and this date is a Sunday, then your regular withdrawal will occur on the Friday before (being the 13th of the month) if this is a business day in NSW.
3. The Consumer Price Index (CPI) is used to measure inflation through an increase in average prices.

How do I...	What do I need to do?	Further Information
<b>...reinvest my distributions?</b>	<p>Log on to Skandia Service Online using your <b>client ID</b> and <b>online PIN</b> and change your distribution details through our secure service;</p> <p><b>OR</b></p> <p>Select the appropriate option in the <b>'distribution options'</b> section of the application form;</p> <p><b>OR</b></p> <p>Select the appropriate option in the <b>'distribution details'</b> section of the change of details form available from our website, then mail the form to us.</p>	<p>You can also request to receive your distributions paid out to you through direct credit.</p> <p>For more details on distribution payment options refer to page 10.</p>
<b>...change or cancel my selected services?</b>	<p>You can change or cancel your selected services by notifying us in writing;</p> <p><b>OR</b></p> <p>By completing and mailing the appropriate form from our website.</p> <p>For certain services (such as regular investments and auto rebalancing) you can change or cancel certain details online.</p>	

## processing transactions

Generally, if we receive your completed application form and payment by 11am on a NSW business day, we will process your application using the unit price applicable to your selected Option(s) at the close of business for that day. If your application is received after this time, it will usually be processed using the corresponding unit price applicable at the close of business on the next NSW business day. This also applies to requests for top-ups, switches, withdrawals, changes to regular investment plans and updates to your selected allocation.

Usually these transactions will be processed within 24 hours of us receiving a request on or during a normal NSW business day. However, your transaction may take longer than 24 hours to process due to variances in Option balance dates, transacting of assets within the Option, delays in obtaining unit prices from the underlying funds or other reasons.

If you invest, switch, or withdraw all or part of your investment close to 30 June, or when a distribution is about to be made, we will endeavour to process your transaction as soon as practical.

Where your application payment is dishonoured, any units issued in relation to the payment will be cancelled. Any transaction costs, other fees and expenses resulting from the dishonour will be charged to you.

Skandia reserves the right not to process your transaction until your payment is cleared. In addition, a transaction may not be processed while there is a previous transaction pending on your account. Skandia may also defer transactions in other circumstances permitted by the Option's Constitution and by law.

## deferring or cancelling transactions

### Auto rebalancing

Where you request a transaction such as a top-up, switch, or partial withdrawal (which we will then implement) that may be inconsistent with your current auto rebalancing arrangement, we may, at our discretion, either:

- Apply or adjust your auto rebalancing as we believe you intend, and then send you a confirmation statement. You should review this statement carefully to confirm that what we have done reflects your intentions;
- or
- Switch off auto rebalancing on your account and ask for further instructions.

### Closure of an Option and other events

If an Option in your selected allocation is closed, or another event occurs which conflicts with the operation of a pre-existing service on your account, we may at our discretion, switch off that service on your account and ask for further instructions. Such services include regular investments, regular withdrawals, dollar cost averaging, reinvestment of distributions or auto rebalancing.

## selected allocations

Your selected allocation is an investment strategy chosen by you which directs investments into your chosen Options for transactions such as top-ups, regular investment plans and auto rebalancing.

For example, your selected allocation could be:

Option A 50%

Option B 50%

When you make future transactions such as top-ups, regular investments or auto rebalancing, your money will be directed into your investment according to your selected allocation, unless you advise us otherwise.

Based on the above example, an investment of \$100,000 would have \$50,000 allocated to Option A and \$50,000 allocated to Option B.

Your selected allocation will be the arrangement made in relation to your initial investment, unless you have subsequently requested us in writing to update it.

You can update your selected allocation at any time by providing us with written instructions on a switch form, which is available on our website.

Alternatively, you can update your selected allocation by logging into Skandia Service Online and completing an online switch transaction. Switching online enables you to update your selected allocation and realign your Options according to your new selected allocation at the same time.

## drawdown order options

You can specify the order in which your regular withdrawals (if selected) and any adviser additional ongoing service fee will be deducted from your selected Options. This is called a drawdown order.

For example, if you have allocated your investment across Options A, B and C, you can specify that all these deductions are made firstly from Option A, and when that Option is exhausted, deductions are to be made from Option B, and then Option C when Option B is exhausted. You must include all your selected Options in your drawdown order – for example, if you have selected 20 Options, you must number them from 1 to 20.

If you have not requested a drawdown order or instructed that fees be paid from your cash Option (if you have one), we will deduct your regular withdrawals and any adviser additional ongoing service fee proportionally from all your selected Options. You can specify your preferred drawdown order on the application form.

***Note:** If you specify a drawdown order, auto rebalancing will not apply to your investment. Refer to page 8 for details about auto rebalancing. Additionally, if you switch Options, you will need to provide us with new drawdown order instructions for your new Options. If you do not provide new drawdown order instructions, regular withdrawals and fees (where applicable) will be deducted proportionally from your Options.*

**Note:** Switching and updating your selected allocation online may incur a buy/sell spread and have capital gains tax implications, as this transaction will update the actual allocation of your entire investment. Refer to page 6 for more details. For information about buy/sell spreads, refer to page 22.

Volatility refers to unpredictable movement up and down in the value of an investment.

## dollar cost averaging – how it works

The aim of dollar cost averaging is to minimise the effect of market volatility on your investment purchase price, by making regular purchases of units in an investment over time. You will receive more units when the price is lower and less units when the price is higher.

To use the dollar cost averaging service, you must make all or part of your initial investment into a cash Option. Every month, an amount you select is automatically transferred from the cash Option you have selected to other Options you have chosen within your investment.

You should note that it is possible for your average investment purchase price to be higher than the set price at the time of your initial investment. Your long-term philosophy should therefore be ‘time in the market’ not ‘timing the market’.

## distributions

Any income you may receive from your investment is paid in the form of a distribution. Your distribution may include income from interest, dividends and realised capital gains.

The frequency with which you will receive distributions depends on which Option(s) you have selected. The date of distribution is generally the last day of the month, quarter, half-year or year to which the distribution period relates. For the distribution frequency of each Option, please refer to the ‘Options at a glance’ section in Part 2 of this PDS.

You will receive distribution information each quarter for your investment (where applicable), as detailed on page 12.

The amount and type of distributions you receive from an Option will depend on the asset classes the Option invests in. The amount of your distributions from the Option will be based on the number of units you hold in the Option at the date of distribution. If you choose to reinvest your distribution, the additional units will be purchased at the unit price based on the Option’s net asset value per unit immediately after the distribution.

You can choose to have your distributions:

- Automatically reinvested in additional units of the Options from which they arose;
- Automatically reinvested in additional units of your cash Option, if you have selected one; or
- Paid to your bank account.

If you have chosen to have your distributions reinvested into your cash Option:

- Where your cash Option balance reduces to zero, your distributions will be reinvested into the Option from which they were paid; or
- Where you hold an investment in more than one cash Option on the Skandia investment menu, your distributions will be paid as additional units in the Skandia UBS Cash Option.

If your investment balance in the Skandia UBS Cash Option then reduces to zero, your distributions will be paid as additional units in Skandia UBS Credit Enhanced Cash Option.

You can select your preferred distribution option on the application form included with this PDS. You can change your distribution option by logging onto Skandia Service Online on our website or by calling the Skandia Service Centre on 1300 300 088.

Skandia reserves the right to vary the distribution frequency of any Option. Please check the ‘Fund Information’ section of our website.

Distributions have tax implications. Did you know that if you invest just before a distribution payment is made, a portion of your capital invested may be returned to you as income? Please speak to your financial adviser about any tax and other financial implications this may have.

For information on the taxation of distributions, please refer to page 29.



# keeping you informed

## **Skandia Service Online** [www.australianskandia.com.au](http://www.australianskandia.com.au)

Skandia Service Online is a secure area within our website that allows you and your adviser to monitor and transact on your investments 24 hours a day, 7 days a week.<sup>1</sup>

We include your Skandia client ID number with your initial welcome pack. A short time later, you will receive your online personal identification number (PIN) and information about Skandia Service Online. Your **Skandia client ID** and **online PIN** allow you to access the secure investor site within Skandia Service Online and you can then:

- View account and unit balances;
- View and print statements;
- View your transaction history;
- Switch your investment between Options; and
- Change your account details.

**Note:** *Some of these services may not be available if you appoint an Authorised Nominee. Please refer to page 7 for further information.*

Terms of Use govern Skandia Service Online and these are available on our website.

The Skandia website provides detailed information including:

- Performance history and unit prices for each of the Options;
- General information about us and our products and services; and
- Copies of our forms and publications, including annual reports, Product Information Updates and this document.

For your financial adviser, there are other tools and investment resources on the Skandia website to assist them in building and reviewing your investment portfolio at any time.

To keep up-to-date on your investment visit our website regularly.

## **Skandia Service Centre** **1300 300 088**

The Skandia Service Centre is staffed by a dedicated team of friendly professionals, delivering high quality service to both investors and their financial advisers.

Our service staff have a thorough understanding of Skandia's products.

### **Contacts**

If you have questions about your investment(s), you can contact your financial adviser or call the Skandia Service Centre on 1300 300 088 and one of our helpful consultants will assist you. For security reasons, we may require you to quote a password when you make a telephone enquiry. You can specify this password on your application form.

Alternatively, you can also email any questions to us at [auinvestorservice@skandia.com](mailto:auinvestorservice@skandia.com)

If you need to post any information to us please use the following address:

**Skandia**  
**GPO Box 5442**  
**SYDNEY NSW 2001**

1. Access to Skandia Service Online may occasionally be affected by factors such as your ability to gain access to the internet and periods of service downtime, scheduled maintenance or outages.

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**Regular Reporting**

You will receive a welcome pack after investing and you will also receive the following types of reports and information.

**Confirmation statement**

We will provide you with a statement confirming initial investments, top-ups, switches and withdrawals. Your initial confirmation statement will also include your personal information, details of your investment, the Option(s) you have chosen and the selected allocation of your investment to each Option(s).

**Statements for your account**

We will provide you with an Annual Periodic Investment Statement (30 June) and a Half-Yearly Investment Update (31 December) each year. These statements will show your opening and closing balance, information about your account as may be required by law, and information about your transactions for that year.

**Distribution information**

You will receive a distribution statement as at March and September (where applicable), and distribution information will also be included in your Annual Periodic Statement and Half-Yearly Investment Update (see above). These documents will show details of each distribution you receive or reinvest in the relevant period.

**Tax statements**

To assist you in preparing your annual tax return, we will provide you with a tax statement and a Capital Gains Tax statement (where applicable) relating to your investment.

**Annual report**

Unless you have elected otherwise, we will send you an annual report for the Options, which includes their audited financial statements.

Viewing your reports and information online at our website is generally the quickest and most efficient way to keep up-to-date with your investment. You may elect either on your application form or in writing to us to receive and view the above reports in an electronic form. If you have elected to receive documents electronically they may be emailed to you or we may send you an email advising you that they are available to view via our website or Skandia Service Online.



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# 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 fund balance rather than 1% could reduce your final return by up to 20% over a 30-year period (e.g.. reduce it from \$100,000 to \$80,000).

You should consider whether investment 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.fido.asic.gov.au](http://www.fido.asic.gov.au)) has a Managed Fund Fee calculator to help you check out different fee options.

This document shows fees and other 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 Options assets as a whole. Taxes are set out on pages 29 to 30.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Fees and costs for particular Options are set out on pages 24 to 26.

## Fees and costs table

Type of fee or cost	Amount (including GST)	How and when paid
<b>Fees when your money moves in or out of the fund</b>		
<b>Establishment Fee</b> The fee to open up your investment.	Nil	Not applicable
<b>Contribution Fee<sup>1</sup></b> The fee on each amount you contribute to your investment.	4% of the amount contributed, unless you negotiate an adviser upfront service fee (which may be more than 4%).	Deducted from new (initial and, where applicable, subsequent) investments when they are made.  After the fee is deducted from your investment amount, the balance of your investment will be allocated to the Options you have selected. The amount allocated to an Option will be divided by its entry price to determine the number of units in that Option, issued to you.
<b>Withdrawal Fee</b> The fee on each amount you take out of your investment.	Nil	Not applicable
<b>Termination Fee</b> The fee to close your investment.	Nil	Not applicable
<b>Management costs</b>		
These are the fees for managing your investments and include: <ul style="list-style-type: none"> <li>management fees; and</li> <li>expense reimbursables (excluding abnormal operating expenses).</li> </ul> <p>An estimate of the total amount you pay for specific Options is shown on pages 24 to 26.</p> <p>Performance fees may also apply to some Options.</p>	Between 1.70% and 3.40% of your Option balance depending on the Option you invest in.	Management fees and expense reimbursables are charged daily and paid monthly in arrears. These fees are reflected in the unit price of the Option and not charged separately to your account.  Performance fees may be charged by the underlying fund managers of some Options, are normally reflected in the unit price for those Options and may be paid monthly, quarterly or annually depending on the underlying fund manager.
<b>Service Fees<sup>2</sup></b>		
<b>Switching Fee</b> The fee for changing Options.	Nil	Not applicable

### Example of annual fees and costs

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

Example - Skandia Balanced Option	Balance of \$50,000 with a contribution of \$5,000 during year	
<b>Contribution fees</b>	4%	For every additional \$5,000 you put in, you will be charged \$200.
<b>Plus - estimated management costs (excluding performance fees)</b>	2.05%	<b>And</b> , for every \$50,000 you have in the fund you will be charged \$1,025 each year.
<b>Equals - Cost of Fund</b>		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 \$1,225.
		<b>What it costs you will depend on the investment option you choose and the fees you negotiate with your fund or financial adviser.</b>

**For further information about fees and costs, refer to the 'additional explanation of fees and costs' section on pages 16 to 26.**

1. This fee may include an amount payable to an adviser. See 'adviser service fees' under the heading 'additional explanation of fees and costs'.  
 2. Refer to 'adviser service fees' under the heading 'additional explanation of fees and costs' for details about adviser service fees.



# additional explanation of fees and costs

## **Fees and costs for the Options**

Details of current fees and costs, including changes to Option fees and costs, are available through [www.australianskandia.com.au](http://www.australianskandia.com.au) (see page 34 of this PDS for more information about electronic notification).

You should refer to the current management fees and costs applying to your account (which are available at any time) by logging on to [www.australianskandia.com.au](http://www.australianskandia.com.au) and refer to Part 2 of the PDS (Investment book) and any related updating information that will be applicable to your investment in an Option before making an investment decision.

## **contribution fee**

You will be charged a 4% contribution fee on all initial and subsequent investments unless you negotiate an adviser upfront service fee. In that case, the contribution fee will be used to pay the adviser upfront service fee and will equal the amount of the adviser upfront service fee.

Please refer to the 'adviser service fees' section on page 21.

After the contribution fee is deducted from your investment amount, the balance of your investment will be allocated to the Options you have selected. The amount allocated to an Option will be divided by its entry price to determine the number of units in that Option, issued to you.

The contribution fee is inclusive of Goods and Services Tax (GST).

## **management cost components**

These are the fees for managing your investments and include management fees, expense reimbursables (excluding abnormal operating expenses) and, where applicable, performance fees.

### **Management fee**

The management fee for each Option is set out in the 'estimated management costs and buy/sell spread' section on pages 24 to 26. The management fee is calculated daily on the net asset value of the Option and paid on a monthly basis in arrears. Part of the fee is charged by the underlying fund manager. The fee includes GST and reduced input tax credits (RITCs) where applicable.

The management fee will be adjusted to reflect any changes in the fees and costs charged by the underlying fund manager. This includes any increases in the underlying fund's Indirect Cost Ratio (ICR) after the date of this PDS.

Skandia also reserves the right to increase the fee in circumstances as detailed on page 23. If we decide to increase the management fee we will give you at least 30 days written notice (or other period required or permitted by law).

The management fee is an estimate only and may also be subject to rounding.

### **Expense reimbursables (excluding abnormal operating expenses)**

Skandia is entitled to be reimbursed for various expenses associated with the day to day establishment, registration, operation, administration and management of each Option including legal expenses, accounting and audit fees, printing, postage and unit registry expenses.

Expense reimbursables are presently capped at the lower of actual expenses incurred by the Option, or 0.20% p.a. of the net asset value of the Option.

The estimated management costs on pages 24 to 26 include expense reimbursables of 0.20% p.a.

### **Performance fees**

The underlying fund managers of the Options outlined in the tables on pages 18 to 20 are entitled, in certain circumstances, to receive performance fees based on the outperformance of the underlying fund against specific performance hurdles.

The underlying fund manager generally sets the performance hurdle based on a market index or benchmark, such as the S&P/ASX 300 Accumulation Index or cash for some Australian share Options. The performance hurdle is used to measure when the calculation of the performance fee commences.

#### **performance fee example**

Assume an amount of \$10,000 is invested for 12 months and that the investment return achieved over the year is 10%. If the underlying fund manager's performance hurdle for the year is 8%, then the excess performance above the hurdle is 2%. If the performance fee is based on 15% of the amount of performance above the hurdle, then the underlying fund manager's performance fee is calculated as follows:

Amount invested = \$10,000

Investment return achieved (at 10%) = \$1,000

Investment return based on hurdle (8%) = \$800

Investment performance above benchmark (10% - 8% = 2%) = \$200

If the performance based fee is 15%, then the fee charged by the underlying fund manager is:

\$200 x 15% = \$30

In practice, the performance based fee is recovered throughout the year by measuring actual performance against benchmark on a daily or monthly basis.

The performance fee is normally reflected in the daily unit price of these Options, and may be paid monthly, quarterly, semi-annually or annually, depending on the terms stipulated by the underlying fund manager.

Performance fees are only payable when the underlying fund outperforms its performance hurdle. Performance fees are also frequently accompanied by a high water mark ('HWM'), which places a condition around the payment of the performance fee. A HWM ensures that underperformance relative to the hurdle must be recouped before any further performance fees can be charged. That is, the underlying fund manager must generally bring the value of the underlying fund back above the previous highest value of the underlying fund (the HWM) taking account of cash flow before any further performance fee is payable to the underlying fund manager.

The performance fee information disclosed in this PDS is based on information disclosed by the underlying fund manager. While Skandia has made every effort to ensure that this information is accurate, it has relied on material supplied and verified by the underlying fund manager.

The actual performance fee charged to the Option will be that amount determined and charged by the underlying fund manager.

Performance fees charged by managers of underlying funds may change. If you are affected by the change we will notify you via a Product Information Update on our website.

Also, in the future, we may add investments to our Ready-made portfolios that have a performance fee. We will notify you of any change via a Product Information Update on our website [www.australianskandia.com.au](http://www.australianskandia.com.au)

#### Table of performance fees – self-select Options

Option	Performance fees (including GST and RITCs) and hurdles	% Performance fee incurred per 1% outperformance	Payment frequency
<b>Skandia Ausbil Australian Emerging Leaders</b>	15.375% of gross (exclusive of management fees) amount of any performance above the hurdle return comprising of 70% of the S&P/ASX Midcap 50 Accumulation Index return and 30% of the S&P/ASX Small Ordinaries Accumulation Index return. If a period of underperformance to the benchmark occurs, the performance fee accrued is frozen at its current level and further performance fees may not commence to be accrued again until the full amount of underperformance is recouped.	0.1538	Accrued daily and paid monthly
<b>Skandia Macquarie Diversified Fixed Interest</b>	A performance fee may apply from the underlying fund's exposure to the emerging markets debt sector. The underlying fund obtains exposure to this sector indirectly, through the Macquarie Emerging Markets Debt Fund, which invests wholly into an externally managed emerging markets debt fund. The underlying fund can have a maximum exposure to this sector of 15% of its net asset value. A performance fee is payable in the externally managed emerging markets debt fund to its manager of 20% (pre-GST) of the return above the JP Morgan Emerging Market Bond Index Global Diversified denominated in USD. If it arises, the performance fee is payable in arrears at the end of each 12 month calculation period, and is subject to a high watermark which is reset every 12 months in June. The high watermark is the previous highest level of outperformance achieved in any previous reporting period.  The Performance fee of 0.0308% assumes 15% exposure to the Macquarie Emerging Markets Debt Fund.	0.0308	Accrued daily and paid annually
<b>Skandia Macquarie Income Opportunities</b>	A performance fee may apply if the underlying fund has exposure to the emerging markets debt sector. The underlying fund obtains exposure to this sector indirectly, through the Macquarie Emerging Markets Debt Fund, which invests wholly into an externally managed emerging markets debt fund. The underlying fund can have a maximum exposure to this sector of 10% of its net asset value. A performance fee is payable in the externally managed fund to its manager of 20% (pre-GST) of the return above the JP Morgan Emerging Market Bond Index Global Diversified denominated in USD. If it arises, the performance fee is payable in arrears at the end of each 12 month calculation period, and is subject to a high watermark which is reset every 12 months in June. The high watermark is the previous highest level of outperformance achieved in any previous reporting period.  The Performance fee of 0.0205% assumes 10% exposure to the Macquarie Emerging Markets Debt Fund.	0.0205	Accrued daily and paid annually
<b>Skandia Macquarie International Infrastructure Securities</b>	10% of the return of the underlying fund (after management fees and expenses) above the Macquarie Global Infrastructure Total Return Index (\$A hedged). If the total cumulative outperformance of the underlying fund on a day is less than its previous maximum cumulative outperformance since inception of the underlying fund (the high watermark), no further performance fees will be charged until the underlying fund's total cumulative outperformance has exceeded that high water mark. In addition, no performance fee is accrued on any day if the underlying fund has a negative return on that day, even if the underlying fund outperforms the Macquarie Global Infrastructure Total Return Index (\$A hedged) or exceeds its high watermark.  This Option is also in the Skandia Defensive, Skandia Conservative, Skandia Balanced, Skandia Growth with Income, Skandia Growth and Skandia Absolute Return Options.	0.1000	Accrued daily and paid semi-annually
<b>Skandia MIR Absolute Return</b>	The daily performance fee is 20.5% of the difference between the Net Asset Value (NAV) of the underlying fund (before the performance fee and adjusted for applications and redemptions) as at the current valuation day and the NAV of the underlying fund (adjusted for applications and redemptions) as at the previous valuation day. The performance fee is accrued as an expense of the underlying fund daily (so long as the total accrued daily performance fee is not less than zero). The total performance fee for any performance period will be the total of the daily performance fee (including negative amounts) for the relevant performance period. The performance fee, if payable, is deducted from the fund at the end of each performance period. No amount is payable either by or to the underlying fund if the performance fee is a negative amount. All previous negative performance must be offset by positive performance before any performance fee will be payable.  This Option is also in the Skandia Blended Australian Shares Option and all Skandia Global Access Portfolios.	0.2050	Accrued daily and paid semi-annually

Option (continued)	Performance fees (including GST and RITCs) and hurdles	% Performance fee incurred per 1% outperformance	Payment frequency
<b>Skandia Orion Australian Share</b>	15.375% of the difference between the fund's gross return (before fees and expenses) and the performance benchmark. The performance benchmark is the daily return of the S&P/ASX 300 Accumulation Index plus an additional 0.50%. If the aggregate of the performance fees over the period is negative, then no performance fee amount will be reflected in the unit price, but the negative amount will generally need to be offset by future positive performance fees before any performance fee becomes payable. If the aggregate performance fee is negative, the amount is carried forward. Every three years the manager may determine not to carry forward this amount.  This Option is also in the Skandia Blended Australian Shares Option and all Skandia Global Access Portfolios.	0.1538	Accrued daily and paid quarterly
<b>Skandia PM CAPITAL Absolute Performance</b>	20% of the outperformance of the underlying fund's net asset value of a unit (any positive performance) in excess of the underlying fund's high watermark.	0.2000	Accrued daily and paid monthly
<b>Skandia Portfolio Partners High Growth Shares</b>	20% of the underlying fund's performance (after management fees) above its performance hurdle, the S&P/ASX 200 Accumulation Index plus 5% per annum. Any underperformance must be recouped before a performance fee will accrue, however any underperformance against the performance hurdle at the end of each year will not be carried forward to the next year.  This Option is also in the Skandia Blended Australian Shares Option and all Skandia Global Access Portfolios.	0.2000	Accrued daily and paid annually
<b>Skandia Premium China</b>	15% of the outperformance over the MSCI China Free Index \$A (after the deduction of manager costs). If the total outperformance of the underlying fund over the index is less than its historical peak, no further performance fees will be charged until such time as the underlying fund's total outperformance has recovered to that peak level.	0.1500	Accrued daily and paid quarterly
<b>Skandia Prime Value Growth</b>	20.5% (inclusive of GST) of performance (after other fees and costs) above the S&P/ASX 300 Accumulation Index, subject to positive performance. Where performance is less than the benchmark, no performance fee is accrued in the unit price and the negative balance is carried forward to the next month and must be offset before future performance fees become payable.	0.2050	Accrued daily and paid monthly
<b>Skandia van Eyck Blueprint</b>	For the Skandia van Eyck Blueprint funds, the investments may include other managed funds of which van Eyck is a manager. Further, if the underlying manager's fund is listed on the Australian Stock Exchange, any management fee and performance fees that may apply to the underlying manager's fund, within the van Eyck Blueprint funds, is not given here as the market will price the listed units, taking into account any fees payable to the underlying manager.	—	—
<b>Skandia Ventura Australian Opportunities</b>	A performance fee is payable to one of the investment managers of the underlying funds in the Ventura Australian Opportunities Fund. The performance fee is 25.625% of the return of the portfolio that is managed by that investment manager above a hurdle rate of return. The hurdle rate of return is the S&P/ASX 300 Accumulation Index plus 2% p.a. to the extent that past underperformance by the investment manager has been recovered. Russell Investment Management Ltd estimate the cost of this performance fee to the Ventura Australian Opportunities Fund to be 0.11% p.a.  The performance fee of 0.0513% assumes 20% exposure to the underlying manager with the performance fee.	0.0513	Accrued daily and paid quarterly

## Table of performance fees - ready-made portfolios

As the Skandia Global Access Portfolios and the Skandia Blended Sector Portfolios have or may have exposure to the underlying funds listed below (or other investment funds which charge performance fees) they will pay a proportional amount of such performance fees where applicable.

Underlying Fund	Performance fee rate (including GST and RITCs) and hurdles	% Performance fee incurred per 1% outperformance	Payment frequency
<b>Barclays Global Ascent Fund</b>	20.5% of the performance of the fund (before management fees) above the RBA Cash Rate Target. Performance fees are not refunded when the accumulated fund performance is below the hurdle following a management fee payment date. In these circumstances, no performance fees are charged to the fund until the accumulated fund performance is again above the hurdle.  This fund is in the Skandia Defensive, Skandia Conservative, Skandia Balanced, Skandia Growth with Income, Skandia Growth and Skandia Absolute Return Options.	0.2050	Accrued monthly and paid quarterly
<b>Barclays Multi Opportunity Fund</b>	20.5% of the performance of the fund (before management fees) above the RBA Cash Rate Target. Performance fees are not refunded when the accumulated fund performance is below the hurdle following a management fee payment date. In these circumstances, no performance fees are charged to the fund until the accumulated fund performance is again above the hurdle.  This fund is in the Skandia Defensive, Skandia Conservative, Skandia Balanced, Skandia Growth with Income, Skandia Growth and Skandia Absolute Return Options.	0.2050	Accrued monthly and paid quarterly
<b>Barclays Total Return – Absolute Equity Fund</b>	20.5% of the performance of the fund (before management fees) above the RBA Cash Rate Target. Performance fees are not refunded when the accumulated fund performance is below the hurdle following a management fee payment date. In these circumstances, no performance fees are charged until the accumulated fund performance is again above the hurdle.  This fund is in all the Skandia Global Access Portfolios and the Skandia Australian Shares High Alpha Option.	0.2050	Accrued daily and paid quarterly
<b>Eley Griffiths Group Small Companies Fund</b>	15.375% of any performance after administration/investment cost and recoverable expenses above the S&P/ASX Small Ordinaries Accumulation Index provided the high water mark has been exceeded. The high water mark means no performance fee is payable in respect of a calculation period where at the end of the period the unit price on an accumulation basis (i.e. with distributions reinvested, but not performance fees) is below the previous highest unit price on an accumulation basis at the end of a calculation period. In addition, before a performance fee can be charged the fund must make a positive return.  This fund is in the Skandia Blended Australian Smaller Companies Option, Skandia Blended Australian Shares Option and all Skandia Global Access Portfolios, excluding the Skandia Growth with Income Option.	0.1538	Accrued daily and paid semi-annually
<b>GMO Australian Market Neutral Trust</b>	20.5% of performance (after management fee) above the UBSA Bank Bill Index. If the Trust under performs the UBSA Bank Bill Index, the negative amount is carried forward over to the next period and must be made up before any performance fee becomes payable.  This trust is in the Skandia Defensive, Skandia Conservative, Skandia Balanced, Skandia Growth with Income, Skandia Growth and Skandia Absolute Return Options.	0.2050	Accrued monthly and paid semi-annually
<b>INVESCO Global Tactical Asset Allocation Fund</b>	20.5% of outperformance over the fund's benchmark, the UBS Australian Bank Bill Index. Where the performance fee accrued for a period is negative, no performance fee will be charged. The negative balance is carried forward and must be recouped before any further performance fees can be charged.  This fund is in the Skandia Defensive, Skandia Conservative, Skandia Balanced, Skandia Growth with Income, Skandia Growth and Skandia Absolute Return Options.	0.2050	Accrued daily and paid quarterly
<b>Kinetic Emerging Companies Fund</b>	20% of the fund's net return (after management fees and expenses) above the S&P/ASX Small Ordinaries Accumulation Index. If the aggregate of the daily performance fee is a negative at the end of the performance period, no performance fee will be deducted. The negative amount will be carried forward and generally needs to be offset by future positive performance before any performance fee becomes payable. However, every three years the manager may determine not to carry forward this amount.  This fund is in all Skandia Global Access Portfolios (excluding the Skandia Growth with Income Option), the Skandia Blended Australian Smaller Companies Option and the Skandia Blended Australian Shares Option.	0.2000	Accrued daily and paid quarterly
<b>Mellon Global Alpha Trust</b>	20.5% of the performance of the Trust (after management fees) above RBA Cash Rate Target. The quarterly performance fee will be subject to achieving a performance "high watermark", where any underperformance from the previous period(s) must be "caught-up" before the performance fee recommences accruing.  This trust is in the Skandia Defensive, Skandia Conservative, Skandia Balanced, Skandia Growth with Income, Skandia Growth and Skandia Absolute Return Options.	0.2050	Calculated and paid quarterly
<b>Smallco Investment Fund</b>	18.64% of the increase in the adjusted net asset value of the fund (after management fees), if the fund has reached a new all time end of six month high (the high water mark). The adjusted net asset value is the net asset value of the fund adjusted for inflows and outflows.  This fund is in the Skandia Blended Australian Smaller Companies Option, Skandia Blended Australian Shares Option and all Skandia Global Access Portfolios, excluding the Skandia Growth with Income Option.	0.1864	Accrued monthly and paid semi-annually

## Indirect Cost Ratio (ICR)

The ICR is a historical annual measure of the management costs deducted directly from the assets of the Option and expressed as a percentage of the average annual net assets of each Option.

The ICR takes into account the management fee, expense reimbursables and performance fees that are deducted directly from the assets of the Option. The ICR excludes all fees applied or deducted directly from your account. The ICR for each Option also includes the ICR of the relevant underlying fund.

It does not include transaction costs represented by any applicable buy/sell spread.

The ICRs for each Option (which include the ICRs of the relevant underlying funds) are set out in the annual report.

## service fees

### Switching fees

Skandia does not currently charge a switching fee for switching between Options. A buy/sell spread may apply. Please refer to the 'transaction costs' section on page 22.

## adviser service fees

Your financial adviser is obliged to disclose to you the amount of any fees payable to them.

### Adviser upfront service fee

If you have a financial adviser, an adviser upfront service fee may be negotiated between you and your financial adviser. You can agree with your financial adviser to pay either a percentage fee of up to 4% (including GST) of your initial investment or alternatively a dollar amount, that may represent more than 4% of your initial investment.

For top-ups and regular investments, the adviser upfront service fee may only be a percentage of up to 4% (including GST) of each payment.

Any agreed adviser upfront service fee is paid by Skandia to your financial adviser from your contribution fee and equals the amount of that contribution fee. Your adviser may rebate all or part of this amount to you. The adviser upfront service fee is inclusive of GST.

### Ongoing service fee

If you have a financial adviser, they will receive an ongoing service fee of 0.55% (including GST) per annum of the value of your investment in each Option.

This fee is paid by Skandia out of the management fee it receives from the Option and is not charged separately to your account.

### Additional ongoing service fee

Your financial adviser may charge you an additional ongoing service fee for monitoring and managing your investment. You can pay this fee directly to your financial adviser or have it deducted from your account by selecting this option on your application form. If paid from your account, you can choose to have it deducted and paid as a percentage of your account balance or as a set dollar amount. The payment will be deducted from your account and effected by the sale of units.

Skandia may impose maximum limits on the additional ongoing service fee that can be deducted from your account. Any additional ongoing service fee paid to your financial adviser is by arrangement between you and your adviser. Neither Skandia nor your financial adviser can increase the fee that you agree with

your adviser, unless you and your adviser complete a form for this purpose.

You may instruct Skandia at any time in writing not to pay the fee to your financial adviser. Skandia may terminate the additional ongoing service fee arrangement at any time by giving you 30 days notice in writing, or immediately where to continue the arrangement would cause Skandia to be in breach of any applicable law.

### platform payments and commission

If these amounts are paid, they are paid by Skandia and are not an additional cost to you. These fees are paid out of Skandia's own resources. Your financial advisers, their licensee or related parties may receive platform payments in the form of marketing allowances or other benefits. These payments are based on the total value of business they provide up to a maximum of 0.50% per annum (including GST).

Your financial adviser will provide you with a Financial Services Guide (FSG) and a Statement of Advice (SOA), which will detail their fees, benefits and services.

Skandia may receive commissions from certain underlying fund managers based on the total funds under management provided to them. These are transactions between Skandia and the underlying fund managers and are not an additional cost to you.

Any soft dollar payments (payments made other than in cash) Skandia makes or receives will be in accordance with the Investments and Financial Services Association (IFSA) Industry Code of Practice. We keep a public register of certain payments as required by the Code.

You may view a copy of our public register at our head office.

### transaction costs

#### Buy/sell spread

Any difference between the entry unit price and the exit unit price of an Option at any given time is referred to as the 'buy/sell spread'.

Where applicable this difference relates to the transaction costs incurred when buying and selling the underlying assets of an Option when investments or withdrawals are made. Where applicable, the buy/sell spread corresponds to the buy/sell spread of the underlying fund.

The buy/sell spread will differ from Option to Option as transaction costs vary depending on the type of underlying asset being purchased or sold. It may also vary due to the brokerage rates and transaction size.

A buy/sell spread does not apply to all Options and in some cases is not currently charged.

The current buy/sell spread for each Option is set out in the 'Estimated management cost and buy/sell spread' section on pages 24 to 26.

Generally, a buy/sell spread is not charged by the underlying fund manager for the reinvestment of distribution, except where stipulated by a footnote to the table in the 'estimated management costs and Buy/Sell spread' section.

#### Sell spread example

The following example shows the dollar effect of the buy/sell spread on a transaction. The example assumes a withdrawal from an Option with a sell spread of 0.20%: Closing balance before a withdrawal = \$100,000

Sell spread = \$200 (0.20% x \$100,000)

Total withdrawal proceeds after withdrawal = \$100,000 - \$200 = \$99,800

Please note that buy/sell spreads are factored into the calculation of unit prices. Therefore, when you request or view your account balance the effect of the buy/sell spread has already been included.

## tax and other government charges

The various fees listed above that are payable by the Option include any applicable GST and are net of GST Input Tax Credits (ITCs) and reduced input tax credits available to the Option. The benefit of any ITCs will be reflected in the unit price of the Option as a whole. Please refer to the 'other information' section on pages 27 to 38. Information regarding other taxes affecting your investment are outlined on page 29.

## other fees

Bank fees and similar charges incurred by Skandia as a result of withdrawals, the failure of any transfer of funds from a nominated bank account, or the dishonour of a cheque, will also be payable by you and charged to your account.

An Option's Constitution entitles us to be reimbursed from the Option for any abnormal operating expenses incurred. Abnormal operating expenses are costs that are not generally incurred during the day to day management of the Options and may include for example, the cost of holding investor meetings. These costs are incurred infrequently.

## can the fees change?

There are currently no establishment, termination, withdrawal, switching or account management fees applied to your account. A buy/sell spread may apply to withdrawals and switches.

Skandia reserves the right to apply and/or increase any fees and costs it is entitled to charge or recover under the constitution and where permitted by law, including any of the fees and costs shown on pages 14 to 26. Skandia reserves the right to do so without consent. The management fee may also vary where the ICR of the underlying fund changes, at the underlying fund manager's discretion.

If a decision is made to increase any of these fees or costs (excluding buy/sell spread costs) or introduce a fee or cost, we will give you at least 30 days written notice (or another period as required or permitted by law).

The buy/sell spread where charged will change to correspond to any change in the buy/sell spread of the underlying fund or a buy/sell spread may be introduced at any time. **If you are affected by the change, we will notify you via a Product Information Update on our website.**

The maximum total of administration and management fees payable to Skandia under each Option's Constitution is 2.5% p.a. of the net asset value of the Option, plus an account maintenance fee of \$66 p.a. (or another amount agreed with the investor) per investor, excluding underlying manager fee charges.

The maximum withdrawal fee payable under the Option's Constitution is 5% (including GST) of the withdrawal amount.

The account maintenance fee may be indexed to the Consumer Price Index (CPI) at such times as and in the manner determined by Skandia and may be applied prospectively or retrospectively.

Skandia also reserves the right to charge fees in the future in relation to:

- access to your personal information under Privacy (see 'Your Privacy' on page 32); or
- requests for information in relation to Options.

## wholesale or professional investors

Skandia may individually negotiate its fees with certain investors or members categorised as 'wholesale' or 'professional' under the Corporations Act.

Skandia may also negotiate special arrangements concerning fees (including fee reductions or waivers) with other investors in certain circumstances determined by us, as permitted by law.

## estimated management costs and 'buy/sell' spreads

Option name	Management fee component (% pa) <sup>1</sup>	Estimated management cost (% pa)	Buy/sell spread (%)	Performance fee may apply
<b>Skandia Global Access Portfolios</b>				
Skandia Defensive	1.70	1.90	0.00/0.00	Yes
Skandia Conservative	1.75	1.95	0.00/0.00	Yes
Skandia Balanced	1.85	2.05	0.00/0.00	Yes
Skandia Growth with Income	1.85	2.05	0.00/0.00	Yes
Skandia Growth	1.95	2.15	0.00/0.00	Yes
Skandia Aggressive Growth	2.15	2.35	0.00/0.00	Yes
<b>Skandia Blended Sector Portfolios</b>				
Skandia Australian Shares High Alpha	2.00	2.20	0.30/0.30	Yes
Skandia Blended Australian Shares	1.95	2.15	0.00/0.00	Yes
Skandia Blended Australian Smaller Companies	2.25	2.45	0.00/0.00	Yes
Skandia Blended Australian Geared Shares	2.20	2.40	0.00/0.00	
Skandia Blended Global Shares	2.15	2.35	0.00/0.00	
Skandia International Share High Opportunities (Hedged)	2.05	2.25	0.25/0.25	
Skandia International Share High Opportunities (Unhedged)	2.00	2.20	0.25/0.25	
Skandia Blended Property	1.85	2.05	0.00/0.00	
Skandia International Property Securities (Hedged)	2.10	2.30	0.35/0.35	
Skandia International Bond Active (Hedged)	1.65	1.85	0.10/0.10	
Skandia Absolute Return	2.50	2.70	0.00/0.00	Yes
<b>Australian shares</b>				
Skandia Aberdeen Australian Equities	1.95	2.15	0.25/0.25	
Skandia Ausbil Australian Active Equity	1.95	2.15	0.30/0.30	
Skandia Ausbil Australian Emerging Leaders	2.05	2.25	0.30/0.30	Yes
Skandia Australian Equity	1.95	2.15	0.25/0.25	
Skandia AXA Wholesale Australian Equity Value	1.85	2.05	0.15/0.15	
Skandia Barclays Australian Equity Index	1.60	1.80	0.20/0.20	
Skandia Challenger Wholesale Australian Share	1.95	2.15	0.30/0.30	
Skandia Colonial First State Imputation	1.95	2.15	0.20/0.20	
Skandia Custom Choice Australian Share	2.10	2.30	0.30/0.30	
Skandia Custom Choice Boutique Australian Share	2.20	2.40	0.30/0.30	
Skandia Fidelity Australian Equities	1.90	2.10	0.25/0.25	
Skandia Investors Mutual Industrial Share	2.10	2.30	0.25/0.25 <sup>2</sup>	
Skandia Lazard Australian Equity	1.95	2.15	0.20/0.20	
Skandia MIR Absolute Return	2.75	2.95	0.35/0.35	Yes
Skandia Orion Australian Share	2.05	2.25	0.30/0.30	Yes
Skandia Perpetual Industrial Share	1.95	2.15	0.40/0.00 <sup>3</sup>	
Skandia Portfolio Partners Australian Equity	1.95	2.15	0.25/0.25	
Skandia Portfolio Partners High Growth Shares	2.10	2.30	0.15/0.15	Yes
Skandia Prime Value Growth	2.23	2.43	0.41/0.41	Yes
Skandia Schroder Australian Equity	1.95	2.15	0.30/0.30	
Skandia UBS Australian Share	1.95	2.15	0.25/0.25	
Skandia Ventura Australian Opportunities	2.15	2.35	0.30/0.30	Yes

1. This fee is calculated daily on the net asset value of the Option. Please refer to the 'Management Fee' section in the 'Additional Explanation of Fees and Costs'. The management fee is an estimated investment management fee based on all reasonable information available at the time of publication.
2. The underlying manager charges a buy/sell spread on the reinvestment of distributions which is borne by the Option.
3. The underlying manager currently charges a buy spread on the reinvestment of distributions which is borne by the Option as a whole. On or after 1 October 2007, reinvestment prices will no longer include a buy spread.

Option name	Management fee component (% pa) <sup>1</sup>	Estimated management cost (% pa)	Buy/sell spread (%)	Performance fee may apply
<b>Global shares</b>				
Skandia AXA Bernstein Global Equity Value	2.15	2.35	0.20/0.20	
Skandia Barclays Hedged World Equity Index	1.70	1.90	0.25/0.25	
Skandia BT Wholesale International Share	2.02	2.22	0.20/0.20	
Skandia Credit Suisse International Share	2.15	2.35	0.20/0.20	
Skandia Custom Choice International Share	2.25	2.45	0.30/0.30	
Skandia Fidelity Global Equities	2.15	2.35	0.30/0.30	
Skandia Goldman Sachs JBWere Global Small Companies	2.25	2.45	0.25/0.25	
Skandia GVI Global Industrial Share	2.25	2.45	0.30/0.30	
Skandia Lazard Global Small Cap	2.15	2.35	0.50/0.50	
Skandia Marvin & Palmer Global Equity	2.25	2.45	0.40/0.40	
Skandia MFS™* Hedged Global Equity	2.15	2.35	0.35/0.35	
Skandia MFS™* Unhedged Global Equity	2.15	2.35	0.35/0.35	
Skandia Platinum International	2.75	2.95	0.25/0.25	
Skandia PM CAPITAL Absolute Performance	2.30	2.50	0.25/0.25	Yes
Skandia Templeton Global Equity	2.13	2.33	0.40/0.40	
Skandia Walter Scott Global Equity	2.40	2.60	0.35/0.31	
<b>Regional shares – North America</b>				
Skandia Gabelli All Cap Value	2.50	2.70	0.00/0.00	
Skandia Gabelli Small Cap Value	2.50	2.70	0.00/0.00	
Skandia Marsico Large Cap Growth	2.30	2.50	0.00/0.00	
<b>Regional shares – Europe</b>				
Skandia Fidelity Europe	2.20	2.40	0.30/0.30	
Skandia Platinum Europe	2.75	2.95	0.25/0.25	
<b>Regional shares – Asia</b>				
Skandia Fidelity Japan	2.20	2.40	0.15/0.15	
Skandia Platinum Asia	2.70	2.90	0.25/0.25	
Skandia Premium China	3.20	3.40	0.25/0.25	Yes
Skandia Schroder Asia Pacific	2.30	2.50	0.75/0.75	
<b>Australian property securities</b>				
Skandia APN Property for Income No. 2	2.15	2.35	0.25/0.25	
Skandia Barclays Listed Property Index	1.60	1.80	0.30/0.30	
Skandia Colonial First State Property Securities	1.85	2.05	0.20/0.20	
Skandia Perpetual Property Securities	1.90	2.10	0.10/0.10 <sup>2</sup>	
Skandia Perennial Australian Listed Property Securities	2.00	2.20	0.30/0.30	
Skandia RREEF Paladin Property Securities	1.85	2.05	0.25/0.25	
Skandia SG Hiscock Listed Property Securities	1.85	2.05	0.35/0.35	
<b>Global property securities</b>				
Skandia SGH LaSalle Global Listed Property Securities	2.10	2.30	0.25/0.25	
<b>Australian fixed interest</b>				
Skandia Aberdeen Australian Bond	1.65	1.85	0.00/0.00	
Skandia Australian Unity High Yield Mortgage	2.20	2.40	0.00/0.00	
Skandia Australian Unity Mortgage Income	1.75	1.95	0.00/0.00	

\* Registered in the European Community and the United States, among other countries.

1. This fee is calculated daily on the net asset value of the Option. Please refer to the 'Management Fee' section in the 'Additional Explanation of Fees and Costs'. The management fee is an estimated investment management fee based on all reasonable information available at the time of publication.
2. The underlying manager currently charges a buy spread on the reinvestment of distributions which is borne by the Option as a whole. On or after 1 October 2007, reinvestment prices will no longer include a buy spread.

Option name	Management fee component (% pa) <sup>1</sup>	Estimated management cost (% pa)	Buy/sell spread (%)	Performance fee may apply
<b>Australian fixed interest (continued)</b>				
Skandia Barclays Australian Bond Index	1.50	1.70	0.04/0.04	
Skandia Colonial First State Wholesale Income	1.75	1.95	0.00/0.00	
Skandia Credit Suisse Australian Fixed Interest	1.65	1.85	0.05/0.05	
Skandia Custom Choice Diversified Fixed Interest	1.85	2.05	0.00/0.00	
Skandia Macquarie Diversified Fixed Interest	1.75	1.95	0.08/0.08	Yes
Skandia Macquarie Income Opportunities	1.65	1.85	0.15/0.15	Yes
Skandia Perpetual Income	1.80	2.00	0.00/0.00	
Skandia PIMCO Diversified Fixed Interest	1.65	1.85	0.00/0.00	
Skandia UBS Australian Bond	1.65	1.85	0.00/0.00	
Skandia UBS Diversified Fixed Income	1.75	1.95	0.05/0.05	
Skandia UBS Hybrid Income	1.90	2.10	0.15/0.15	
<b>Global fixed interest</b>				
Skandia Barclays Overseas Bond Index	1.55	1.75	0.10/0.00	
Skandia Credit Suisse Balanced Fixed Interest	1.75	1.95	0.07/0.07	
Skandia Credit Suisse Global Hybrid Income	1.90	2.10	0.175/0.175	
Skandia PIMCO Global Credit	1.75	1.95	0.00/0.00	
<b>Cash</b>				
Skandia UBS Cash	1.50	1.70	0.00/0.00	
Skandia UBS Credit Enhanced Cash	1.50	1.70	0.00/0.00	
<b>Alternative investments</b>				
Skandia Goldman Sachs JBWere Australian Infrastructure	1.95	2.15	0.30/0.30	
Skandia Macquarie International Infrastructure Securities	2.00	2.20	0.38/0.25	Yes
Skandia PIMCO Global CommodityRealReturn	1.75	1.95	0.00/0.00	
<b>Multi-sector portfolios</b>				
Skandia Barclays Balanced	1.90	2.10	0.25/0.25	
Skandia Goldman Sachs JBWere Diversified Growth	2.00	2.20	0.20/0.20	
Skandia ING Balanced	1.90	2.10	0.16/0.16	
Skandia ING Managed Growth	2.00	2.20	0.18/0.18	
Skandia Merrill Lynch Balanced*	1.90	2.10	0.175/0.175	
Skandia Perpetual Balanced Growth	2.05	2.25	0.31/0.00 <sup>2</sup>	
Skandia Schroder Balanced	1.95	2.15	0.22/0.22	
Skandia UBS Balanced Investment	2.00	2.20	0.15/0.15	
Skandia UBS Defensive Investment	1.95	2.15	0.10/0.10	
Skandia van Eyk Blueprint Balanced	1.85	2.05	0.20/0.20	Yes
Skandia van Eyk Blueprint Capital Stable	1.75	1.95	0.11/0.11	Yes
Skandia van Eyk Blueprint High Growth	2.00	2.20	0.25/0.25	Yes
Skandia Ventura Diversified 50	2.00	2.20	0.12/0.12	
Skandia Ventura Growth 70	2.06	2.26	0.18/0.18	
Skandia Zurich Managed Growth	2.10	2.30	0.15/0.15	

\* The Merrill Lynch name and logo are trade marks of, and used under license from, Merrill Lynch & Co., Inc.

1. This fee is calculated daily on the net asset value of the Option. Please refer to the 'Management Fee' section in the 'Additional Explanation of Fees and Costs'. The management fee is an estimated investment management fee based on all reasonable information available at the time of publication.
2. The underlying manager currently charges a buy spread on the reinvestment of distributions which is borne by the Option as a whole. On or after 1 October 2007, reinvestment prices will no longer include a buy spread.



# other information

## Other important information

The following pages provide you with additional information:

Cooling-off period	Page 27
How is my investment valued?	Page 28
How are unit prices determined?	Page 28
Taxation	Page 29
Regulatory	Page 31
Terms and conditions	Page 34
Direct Debit Request terms and conditions	Page 37

## cooling-off period

A 14-day cooling-off period applies to your initial investment in Skandia One Investment Solutions. It does not apply to top-ups or regular investments under an existing account. The cooling-off period gives you the right to cancel your initial investment if it does not meet your needs or if you change your mind.

During the 14-day period, you may cancel your initial investment by notifying us in writing. Your initial investment will be refunded after we make any adjustments for alterations in the value of your investment, reasonable administration and transaction costs incurred by us and any tax payable.

Your cooling-off period **start date** will be the earlier of:

- The date when your initial investment has been confirmed; or
- The fifth day after units are issued to you.

Your cooling-off period **end date** will be the earlier of:

- The 14th day after the cooling-off period start date (your confirmation statement will tell you the date the units were issued); or
- If, and when, you transact on your account.

The cooling-off period will not apply with respect to any initial investment in an illiquid Option.

You can check the dollar value of your investment at any time by logging into Skandia Service Online at [www.australianskandia.com.au](http://www.australianskandia.com.au) Note that the dollar value of your investment on Skandia Service Online is calculated using the exit unit price.

Your investment value will take into account any contribution fee payable.

If you wish to invest a set amount you should add the amount of the contribution fee.

**For example:** Cheque amount = net investment amount ÷ [100% - contribution fee %].

Therefore, for an investment of \$10,000 with a contribution fee of 4%, the amount to invest would be \$10,416.67 being  $\$10,000 \div [100\% - 4\%]$ .

#### Buy/sell spread

Any difference between the entry unit price and the exit unit price of an Option at any given time is referred to as the buy/sell spread. Where applicable this difference relates to the transaction costs incurred when buying and selling the underlying assets of the Options when investments or withdrawals are made. Refer to page 22 for more details about buy/sell spreads.

## how is my investment valued?

When you invest in one or more Options, your investment amount is used to purchase units in the selected Option(s). These units are a way of measuring your interest in each of the Option(s) in which you invest. However, purchasing units in one or more Options does not give you any interest, beneficial or otherwise, in any or all of the assets of any of the Options. Each unit represents an equal portion of the relevant Option's net asset value. The value of a unit (i.e. the unit price) is likely to be different for each Option you invest in. Your unit balance is therefore the total of your share of the value of the Option(s) in which you invest.

#### Example:

For an initial investment of \$10,000, an entry unit price of \$1.5500 and a contribution fee of 4% your unit balance would be calculated as:

$$(\text{Dollars invested} - 4\% \text{ contribution fee}) \div \text{entry unit price} = \text{unit balance}$$

$$(\$10,000 - \$400) \div 1.5500 = 6,193.55 \text{ units}$$

To convert this back to a dollar value, the calculation is:

$$\text{Unit balance} \times \text{exit unit price} = \text{dollar value}$$

$$6,193.55 \times \$1.5500 = \$9,600.$$

The example unit prices do not take into account the effects of any applicable buy/sell spread or market movements.

## how are unit prices determined?

The entry unit price for an Option is calculated as the net asset value (gross assets minus liabilities) divided by the total number of units held by all investors in that Option, plus any applicable buy spread.

The exit unit price for an Option is calculated as the net asset value (gross assets minus liabilities) divided by the total number of units held by all investors in that Option, less any applicable sell spread.

The net market value of an Option's assets is calculated using a method of valuation determined by us in accordance with the Option's Constitution. It will normally be based on the price of units in the underlying fund(s). However, we may use a different method of valuation.

For example, where a holiday occurs in the country in which an underlying fund is based, we may use the most recent price for that Option. Where the underlying fund does not calculate or provide a price daily (for example where it is calculating a distribution), we may use the previously calculated price, indexed according to the appropriate benchmark, the last available price or a daily unit price based on estimated valuations.

Our intention is generally to calculate and apply entry unit prices and exit unit prices each NSW business day. Skandia reserves the right to defer the calculation of unit prices in circumstances permitted by the relevant Option's Constitution and by law. For example, in cases where the underlying fund manager delays providing a unit price for the underlying fund, transactions requiring the purchase and/or sale of units in that Option may not be processed until the Option's unit price is determined.

The entry unit prices and exit unit prices displayed on our website are historic and may differ from the corresponding unit prices allocated to your investment, for example, due to the timing difference between when the displayed unit prices are obtained and when your units are allocated, or because of a delay in unit pricing as set out above.

The method Skandia uses to determine unit prices (including the situation when we may apply discretion) is set out in the Skandia Unit Pricing Policy. A copy of this Policy can be obtained by calling the Skandia Service Centre on 1300 300 088. For the latest unit prices, please visit our website at [www.australianskandia.com.au](http://www.australianskandia.com.au)

#### **When are units issued?**

Units will be issued for your investment in an Option when your application is processed and your payment is received at our head office.

Where your payment is dishonoured, any units issued in relation to the payment will be cancelled. Any transaction costs and other fees and expenses resulting from the dishonour will be charged to you.

## taxation

As the Australian taxation system is complicated and subject to continual change, the following taxation information (and any tax comments included elsewhere in this PDS) is intended as a brief guide only for Australian resident individual investors who hold their units in the Options on capital account. There may be other taxation consequences if you invest as a company, partnership or trust for instance, as regards to your entitlement to capital gains tax concessions or if you hold units other than on capital account.

The information is based on tax law current as at the date of this PDS.

**Investors are strongly advised to seek professional tax advice in relation to their own personal situation.**

### taxation of the Options

Generally, the Responsible Entity for the Options will not be liable for Australian income tax in respect of the taxable income of the Options, as it is our intention to distribute all income to which investors are presently entitled. In cases where the Option makes a loss for tax purposes, the Option cannot distribute the loss to investors. However, subject to meeting certain conditions, the Option may be able to take the losses into account in subsequent years.

### taxation of investors

#### **Distributions**

You are liable to pay tax in respect of your distributions. This applies whether you receive your distributions as cash or reinvest them into the Option. The tax you pay depends on what income the distribution is made up of and your own personal tax position. The distribution could include dividends, interest, net capital gains (including discount capital gains) and other income.

Distributions of non-assessable amounts, such as amounts attributable to deductions for capital allowances, are generally not subject to tax. However, receipt of such amounts may give rise to capital gains tax consequences. Please see your tax adviser for further information. Your distribution may also include franking credits in respect of franked dividends and foreign tax credits in relation to foreign tax paid by the Option or the underlying fund. You may be entitled to a credit against your tax liability for these amounts.

If the tax information changes during the life of this PDS, we will update the information through our Product Information Updates which can be found on our website at [www.australianskandia.com.au](http://www.australianskandia.com.au)

### **Capital gains tax**

When you switch or withdraw your investment, you must include any realised capital gain or loss on the disposal of units in the calculation of your net capital gain or loss for the year. A net capital gain should be included in your assessable income. A net capital loss may be carried forward to later years until you have capital gains against which the net capital loss can be offset.

You may be entitled to a discount on the capital gain where your investment has been held for at least 12 months. Please see your tax adviser for further information.

### **Foreign Investment Funds (FIFs)**

Some of the Options may invest in US resident mutual funds. It is expected that such investments will qualify for exemption from the FIF tax regime.

In addition, certain other investments made by some Options may not necessarily qualify for the exemption. This may result in the inclusion of attributed FIF income in your distribution for tax purposes. Please refer to the 'Option profiles' section in Part 2 of this PDS, for details on which Options are affected by FIF.

### **Non-resident investors**

Distributions to non-resident investors may be subject to deduction of Australian tax at the appropriate statutory rates. The investors may also be subject to tax on those distributions in the country in which they currently reside. Such investors should seek appropriate tax advice to determine their tax liability.

Non-resident individual investors who have not previously been Australian residents and who hold their units in the Options on capital account will not generally be subject to Australian capital gains tax (CGT) on disposal of their investments in the Options unless they, together with their associates, held 10% or more of the units in an Option at any time in the two years prior to disposal and certain other conditions are satisfied. Please see your tax adviser for further information.

### **Goods and Services Tax (GST)**

The Options have been registered for GST. Generally, GST will be payable by the Option on fees and reimbursement of expenses charged by Skandia and the Option as a whole will be entitled to claim input tax credits and reduced input tax credits of at least 75% of the GST paid in respect of certain of these expenses.

The benefit of any input tax credits to investors will be reflected in the unit price of the Option as a whole. When units in the Options are subscribed for or redeemed by investors, GST will not apply to the proceeds.

### **Tax File Numbers (TFN) and Australian Business Numbers (ABN)**

You do not have to quote your TFN when investing with Skandia. However, if you do not quote your TFN, and no appropriate TFN exemption information is provided, PAYG withholding tax is required to be deducted from any income distribution entitlement at the highest marginal tax rate plus Medicare levy (currently 46.5%).

If the investor holds units in the course of or furtherance of an enterprise, the enterprise's ABN may be quoted instead.

In the case of joint investors, both investors must quote their TFN, ABN or exemption status in order to avoid tax being withheld from the distributions. Please see your tax adviser for further information on quoting your TFN or visit the Australian Taxation Office website at [www.ato.gov.au](http://www.ato.gov.au)

## regulatory

### Social security

Your investment with Skandia may affect your entitlement to a social security benefit. Please consult your financial adviser or contact the Government's Centrelink office on 13 10 21 for further details.

### Constitution of the Options

Skandia One Investment Solutions' Options have been registered with the Australian Securities and Investments Commission (ASIC) as managed investment schemes in accordance with the provisions of the Corporations Act.

Each Option is a unit trust governed by its own Constitution. The Constitutions are legally binding between Skandia and each member of the Options. The provisions of the Constitutions for the Options prevail to the extent of any inconsistency with this PDS.

Skandia is the Responsible Entity for all the Options and the members of those Options are the investors.

The Corporations Act, general law and the Constitutions set out the rights and interests of investors as members of the Option(s) and also set out the rights, duties and obligations of Skandia as the Responsible Entity of each Option.

These may be affected by changes to the Constitutions or the Corporations Act. The main provisions of the Constitutions include:

- The role of the Responsible Entity. Skandia has full and complete powers to manage the assets of the Options, borrow or raise money or grant any financial accommodation for the purposes of the Options in any matter, and exercise, and to enforce or otherwise deal with any right, power or interest in respect of the assets of the Options;
- The rights of investors, such as to receive distributions of income, make withdrawals, transfer units and receive statements as to the financial affairs of the Options at regular intervals;
- Recovery of fees and expenses by Skandia;
- How units are issued and valued;
- Withdrawal mechanisms;
- Meetings of investors;
- Complaints;
- Retirement and removal of the Responsible Entity.

The Constitutions of the funds listed below allow us to redeem any or all of the units held by an investor at the current withdrawal price and pay such redemption proceeds to the investor, where we decide to close the fund:

- Skandia Aberdeen Australian Bond;
- Skandia Absolute Return;
- Skandia Ausbil Australian Active Equity;
- Skandia Australian Share High Alpha;
- Skandia Aust Unity High Yield Mortgage;
- Skandia AXA Wholesale Australian Equity;
- Skandia Blended Property;
- Skandia BT Wholesale International Share;
- Skandia Challenger Wholesale Australian Share;
- Skandia Colonial First State Imputation;
- Skandia Fidelity Australian Equity;

- Skandia Goldman Sachs JBWere Australian Infrastructure;
- Skandia GVI Global Industrial Share;
- Skandia International Bond Active (Hedged);
- Skandia International Property Securities (Hedged);
- Skandia International Share High Opportunities (Hedged);
- Skandia International Share High Opportunities (Unhedged);
- Skandia Macquarie Diversified Fixed Interest;
- Skandia Macquarie Income Opportunities;
- Skandia Merrill Lynch Balanced;
- Skandia MFS™ Unhedged Global Equity;
- Skandia Perennial Australian Listed Property Securities;
- Skandia Perpetual Income;
- Skandia Perpetual Property Securities;
- Skandia Premium China;
- Skandia Prime Value Growth;
- Skandia Templeton Global Equity.

**In the future, when we add new Options to this list, we will notify you of any change via a Product Information Update on our website [www.australianskandia.com.au](http://www.australianskandia.com.au)**

A copy of the Constitution of each Option is available free of charge on request by contacting us on 1300 300 088.

#### **Financial information**

The Options are subject to certain regular reporting and disclosure obligations. You can obtain or inspect copies of documents we lodge with ASIC to fulfill these obligations at an ASIC office. When they become available, you also have the right to obtain from us a copy of the following documents relating to each Option:

- The annual financial report most recently lodged with ASIC;
- Any half-year financial report lodged with ASIC and any continuous disclosure notice given in relation to the Option, after the lodgment of the Option's annual financial report and before the date of this PDS.

As they become available, you can view copies of these documents on our website at [www.australianskandia.com.au](http://www.australianskandia.com.au). Alternatively, we will send you a printed or electronic copy of any of these documents free of charge on your request.

#### **Your privacy**

We recognise that your privacy is important, and are committed to safeguarding the privacy, accuracy and security of your personal information and to comply with all the requirements of privacy law. Skandia has a Privacy Policy that governs how we manage your personal information, a copy of which is available on request. We need to collect certain personal information from you in order to administer your account and provide you with the products and services you require as well as fulfill any legal requirements.

In servicing your account and where permitted by law, we may pass on your personal information to other organisations, such as information technology support, market research and bulk mailing services. We may also provide your details to third parties engaged to help us manage and improve our systems, products and services subject to the requirements of privacy law.

Your financial adviser will also be able to access your personal information unless you change your adviser or instruct us otherwise.

Your personal information may also be disclosed to certain other parties if required by legislation.

From time to time, we may send you information about our other products and services or general marketing updates. You have the option of deciding whether or not you wish to have your name removed from our marketing lists. To opt out of these choices, you can contact our Skandia Service Centre on 1300 300 088, or write to the Privacy Officer, whose address is on this page. We aim to ensure that our record of your personal information is accurate, complete and up-to-date. If your personal information changes, please inform us as soon as possible.

You may access certain information we hold about you on our website at [www.australianskandia.com.au](http://www.australianskandia.com.au). You may correct or update this information via the website, or by contacting the Skandia Service Centre on 1300 300 088 or notifying us in writing.

Skandia will provide you with access to your personal information at no charge, but reserves the right to charge a reasonable fee for this service in the future.

[By signing the application form to invest in Skandia One Investment Solutions](#), you consent to the use and disclosure of your personal information in the manner set out above.

#### **How to contact us**

If you have any questions in regard to your privacy, please write to the Privacy Officer at the address below:

[The Privacy Officer](#)  
[Skandia Service Centre](#)  
[GPO Box 5442](#)  
[SYDNEY NSW 2001](#)

#### **Enquiries and complaints**

Skandia has arrangements in place for handling enquiries or complaints. For enquiries, you may contact your financial adviser or the Skandia Service Centre on 1300 300 088.

If we are unable to resolve the complaint, or you are dissatisfied with the outcome, then you have the right to refer the complaint to the Financial Industry Complaints Service Limited (FICS), of which Skandia is a member. FICS is an external dispute resolution body that has been approved by ASIC. FICS is an independent body that assists customers in the resolution of complaints relating to members of the financial services industry.

#### **Their contact details are:**

[Financial Industry Complaints Service Limited](#)  
[PO Box 579](#)  
[Collins Street West](#)  
[MELBOURNE VIC 8007](#)  
[Toll free: 1300 780 808](#)  
[Email: \[fics@fics.asn.au\]\(mailto:fics@fics.asn.au\)](#)  
[Fax: \(03\) 9621 2291](#)

## terms and conditions

### Declarations, conditions and acknowledgments

By completing the application form and applying for an investment in **Skandia One Investment Solutions**, you:

- Declare that all details in the application form are true and correct.
- Confirm that you have read and understood the entire PDS to which the application relates.
- Agree to be bound by the PDS.
- Acknowledge that the terms and conditions in the PDS are subject to the provisions of the law and any changes to it.
- Acknowledge that you are bound by the Constitutions of the Options in which you invest and that the Constitutions prevail over the PDS in the event of any inconsistency.
- Acknowledge that Skandia reserves the right to change fund managers, change or terminate underlying fund managers, the Options or aspects of either.
- Consent to telephone conversations with Skandia being recorded and listened to for training purposes or to provide security for transactions.
- Acknowledge that any action taken or request given to Skandia cannot be revoked or changed without Skandia's consent.
- Authorise the use of your TFN in accordance with the PDS and tax legislation.
- Acknowledge that neither Skandia, other members of the Skandia or Old Mutual Groups, or the managers of the underlying funds, guarantee the capital invested by investors nor the performance of the Options offered in this PDS, or their underlying funds.
- Acknowledge that the managers of the underlying funds have not authorised or caused the issue of this PDS and therefore are not responsible for the extent of disclosure herein.
- Acknowledge that, if your total account balance falls below the required minimum balance Skandia can, at its discretion, and upon giving you 30 days notice, redeem the balance of your investment and pay the proceeds to you.
- Acknowledge that Skandia has the right to reject any applications and to defer the valuation of units and the processing of applications, top-ups, switches, withdrawals and other transactions in circumstances provided for in the PDS and in the Constitutions of the Options.
- Acknowledge that Skandia has the right to negotiate special arrangements with certain investors in circumstances determined by us, where permitted by law.
- Consent, for the purposes of the Spam Act 2003, to receive emails from Skandia and that you will notify us if you do not wish to receive these communications.
- Agree that if you provide us with an email address in the application form, you elect to receive all communications we need to send you (including annual reports, product disclosure statement including changes, periodic statements, confirmations, product changes generally and other information you may request) electronically to the extent that the law permits. You also acknowledge that we may at our discretion either send them to the email address provided by you or make them available at our website **[www.australianskandia.com.au](http://www.australianskandia.com.au)** (whether or not you have provided us with an email address) or both, subject to satisfying any applicable legal requirements, and you consent to receiving or accessing these documents in this manner.
- Agree that, prior to instructing Skandia to make an additional acquisition in relation to an Option on your behalf, or switching to a new Option, you will

have received or accessed on our website **www.australianskandia.com.au** a copy of the current PDS including any supplementary PDS/s.

- Agree that in relation to any self-select Options you have selected, you will have accessed on our website [www.australianskandia.com.au](http://www.australianskandia.com.au) a copy of the current PDS and/or relevant disclosure documents for the underlying fund manager's investment option, or otherwise received a copy from your adviser, before you instruct Skandia to make an acquisition on your behalf in relation to those Options.
- Agree to receive any communications (including any confirmation of any transaction or dealing, notice of material changes and significant events and other information you may request), details of illiquid investments and documents (including PDS and other disclosure documents for the underlying managed investments and periodic reports) which Skandia is required or permitted to give, or have agreed to give, to you relating to your account via **www.australianskandia.com.au**, or any other electronic means chosen by Skandia (and for these purposes you agree you will be taken to have received the relevant information whether or not you access the information).
- Agree that changes to fees and costs, including fees and costs for Options, may be accessed by you through **www.australianskandia.com.au** and that you should only make an investment decision after accessing that information.
- Acknowledge that if Skandia continues to follow an instruction by you to invest your account in accordance with a particular Option, at the time of an additional investment in the Option, you may not have received:
  1. The current PDS for the relevant underlying fund; or
  2. Information about material changes and significant events that affect the relevant fund (that the underlying fund is required to give a person who acquired an interest in the underlying fund directly, unless an exception applies).

#### **Joint investors**

- Agree to hold your units as joint tenants.
- Acknowledge that, unless otherwise stated, either investor is able to operate the account, including making withdrawal requests and additional applications.
- Acknowledge that all your liabilities as joint investors shall be both joint and several.
- Unless we otherwise determine, we will send all correspondence to Investor A as provided on the application form.

#### **Applying for a child or minor under 18 years of age**

- Agree that Skandia will only accept applications from adult individuals.
- Agree that if you invest for a child, we will open the account in your name, account designation (name of child).
- Agree that this means you will be treated as the owner of the investment as though there is no reference to the child and that you are liable for the applicable taxes.

#### **Trust and superannuation fund investors**

- Confirm that you are Trustee(s) and have the power and authority under the relevant trust deed to invest on behalf of the trust or superannuation fund in Skandia One Investment Solutions.

**Partnership investors**

- Confirm that you are a partner in the partnership and have authority to invest on behalf of the partnership.
- Acknowledge that all the partners' liability as investors shall be both joint and several.

**Companies/Association investors**

- Confirm that you are officers of the company/association.
- Confirm that you have the authority to bind the company/association to the investment.
- If you are a sole signatory signing on behalf of a company, confirm that you are signing as sole director/secretary of the company.

**Investing pursuant to a Power of Attorney**

- If the application form is signed under Power of Attorney, that the Power of Attorney confers, properly, the power to make such investment and the Attorney declares that he/she has not received notice of revocation of that power.
- The Attorney agrees to provide a certified copy of the Power of Attorney with the application unless it has already been provided to us.

**Telephone, fax and electronic instructions**

- You may, at Skandia's discretion, provide certain instructions to us by facsimile or by telephone.
- In the case of joint investors, either investor may send us instructions by facsimile or by telephone.
- Certain instructions may not be accepted over the telephone or by facsimile. You must advise us in writing if you wish to discontinue sending us telephone or facsimile instructions or change any of your account details.
- Telephone and facsimile instructions are subject to the same cut-off times as written and online instructions (refer to page 8 for details).
- Skandia may cancel this arrangement or vary these conditions after giving you 14 days notice.
- You, the investor, bear the risk that someone who knows your account details may send us an instruction by telephone or facsimile. Any action by that person will be deemed to be taken by you. Keep your PIN safe.
- You, the investor, release, discharge and agree to indemnify Skandia from and against all actions, proceedings, accounts, claims, costs, demands, charges and expenses, losses and liabilities however arising, that may be suffered by you or brought against Skandia, in respect of carrying out any of your instructions we receive via telephone, facsimile or online.

**Skandia Service Online terms and conditions**

By completing the application form, you are entitled to use Skandia Service Online and you agree to do so on the terms and conditions as displayed on our website. This includes completing the application form by submitting an electronic application in accordance with the instructions appearing on Skandia's website at [www.australianskandia.com.au](http://www.australianskandia.com.au) from time to time, or in any other manner accepted by Skandia (where permitted by law).

**Electronic documents**

If you elect on your application form or any other Skandia forms to receive documents from us electronically, we may at our discretion send them to an electronic address provided by you, or make them available on our website at

[www.australianskandia.com.au](http://www.australianskandia.com.au) or both, subject to satisfying any applicable legal requirements.

**Product Information Updates will be provided on our website and updated from time to time.**

### **Appointment of Authorised Nominee**

If you have appointed an Authorised Nominee by completing the relevant section of the application form or appointment of Authorised Nominee form, the provisions on pages 7 and the following terms and conditions will apply to the appointment, subject to applicable legal requirements:

- Skandia may, but is not obliged to, permit an Authorised Nominee to do any activities as referred to on page 7.
- You can only appoint one Authorised Nominee at any time.
- You can only appoint, as your Authorised Nominee, a financial services licensee, or their authorised representative, as defined in the Corporations Act, 2001.
- Your Authorised Nominee will have the power to carry out these specified activities through Skandia Service Online or in writing.
- The exercise of any of the powers granted to an Authorised Nominee by the Authorised Nominee or by a person reasonably believed to be acting as your Authorised Nominee will be treated as if you had personally exercised those powers.
- **Skandia will treat your appointed Authorised Nominee as fully empowered to carry out a specified activity and will not accept, or be on notice of, any restriction on such power except as required by law.**
- **This arrangement will continue until written cancellation of the appointment is given to Skandia. Unless you provide such notice, you cannot later claim that your Authorised Nominee was not acting on your behalf. That person will still be able to operate your account unless you notify Skandia in writing that the person is no longer your Authorised Nominee.**
- Skandia may cancel this arrangement or vary these conditions after giving you 14 days notice.
- You agree to release, discharge and indemnify Skandia from and against all actions, proceedings, accounts, claims, costs, demands, charges and expenses, losses and liabilities however arising out of the use of this arrangement.

### **direct debit request terms and conditions**

This section outlines the terms and conditions of the Direct Debit Request (DDR) arrangement between yourself and Australian Skandia Limited [User ID 185160].

#### **Initial terms of the arrangement**

Australian Skandia Limited undertakes to periodically debit the bank account, as nominated in the Direct Debit Authorisation section of the application form (included with this PDS) or regular investment form, for the amount and at the frequency, agreed to in the completed form, for the purposes of your investment in Skandia One Investment Solutions.

#### **Debiting arrangements**

- The first debit under this Direct Debit arrangement will occur on the day of the month you have specified in the application form or regular investment form, after your direct debit request has been received and processed.

- If any debit falls due on a non-business day, we will debit the amount on the next business day following the scheduled debit date.
- We will give you at least 14 days notice in writing of any changes made to the initial terms of the arrangement. This notice will state the new amount, frequency, next debit date and any other changes to the initial terms.
- If you wish to discuss any changes to the initial terms, you can contact the Skandia Service Centre on 1300 300 088 or email us at [auinvestorservice@skandia.com](mailto:auinvestorservice@skandia.com)

#### **Changes to the arrangement**

If you wish to make changes to the DDR arrangement, please contact the Skandia Service Centre on 1300 300 088 or email us at [auinvestorservice@skandia.com](mailto:auinvestorservice@skandia.com). Please allow us at least five business days to process your request. These changes may include:

- Changing the debit amount;
- Changing the frequency of debits;
- Deferring a debit;
- Stopping a debit;
- Suspending the DDR arrangement; or
- Cancelling the DDR arrangement completely.

If you wish to change the nominated bank account from which debits are made, you must provide the new bank account details in the **direct debit authorisation** section of the regular investment form.

#### **Enquiries**

Please direct all enquiries to us in the first instance, instead of your financial institution. Your enquiry should be made at least five business days prior to the next scheduled debit date. All communications addressed to us should include the Contract number of the investment to which the DDR arrangement applies.

All personal information held by us will be kept confidential, except for the information provided to our financial institution to give effect to your DDR arrangement.

#### **Disputes**

If you believe that a debit has been processed incorrectly, please contact the Skandia Service Centre on 1300 300 088 during business hours or email us at [auinvestorservice@skandia.com](mailto:auinvestorservice@skandia.com)

You will receive a refund of the debited amount if we cannot substantiate the reason for the debit.

#### **Your commitment to us**

It is your responsibility to:

- Ensure that your nominated account can accept direct debits (your financial institution can confirm this);
- Ensure that on the debit date there are sufficient cleared funds in the nominated account; and
- Advise us if the nominated account is altered, transferred or closed.

If your debit is returned or dishonoured by your financial institution, we will advise you in writing and you will need to arrange an alternative payment. Any transaction fees payable by us in respect of the return or dishonour will be charged to your account.

**Skandia Service Centre:****Investor Service:**

1300 300 088

**Email:**

[auinvestorservice@skandia.com](mailto:auinvestorservice@skandia.com)

**Facsimile Number:**

1300 851 115

**Website:**

[www.australianskandia.com.au](http://www.australianskandia.com.au)

**Postal Address:**

GPO Box 5442  
SYDNEY NSW 2001

**Head Office:**

Level 18  
1 Castlereagh Street  
SYDNEY NSW 2000

**Victorian Office:**

Level 9  
303 Collins Street  
MELBOURNE VIC 3000

**Queensland Office:**

Christie Centre  
320 Adelaide Street  
BRISBANE QLD 4000

**Western Australian Office:**

45 Ventnor Avenue  
WEST PERTH WA 6005

**South Australian Office:**

Level 1, Suite 5  
213 Greenhill Road  
EASTWOOD SA 5063



**EMAS**

At Skandia we value our natural environment. To help meet our environmental responsibilities this document (text and cover pages) has been printed on Emaster Silk paper stock. Emaster is an EMAS certified stock, EMAS stands for Eco Management Audit Scheme. This assures that environmentally accredited facilities are used in the paper manufacturing process, that fibre is sourced from sustainable forests and that all processes involved in its manufacture are of the highest environmental standards.