



# HUB<sup>24</sup>

Part I

# HUB24 INVEST IDPS GUIDE

Information on key service features

10 November 2023

[HUB24.COM.AU](https://HUB24.COM.AU)

This document is Part I of the IDPS Guide for HUB24 Invest. It should be read in conjunction with Part II of the HUB24 Invest IDPS Guide.

Issued by HUB24 Custodial Services Ltd (ABN 94 073 633 664, AFSL 239 122)

# ABOUT THIS IDPS GUIDE

**This Investor Directed Portfolio Service Guide ('IDPS Guide') dated 10 November 2023 for HUB24 Invest is issued by HUB24 Custodial Services Ltd ('HUB24', the 'Operator', 'we', 'us' or 'our') (ABN 94 073 633 664, AFSL 239 122).**

The IDPS Guide gives you information about HUB24 Invest ('the Service', 'HUB24 Invest', 'the product', 'this product'), operated by HUB24 and is designed to help you decide whether to use our services.

HUB24 is the operator and custodian of the Service. The IDPS Guide has been prepared and issued by HUB24.

## IMPORTANT INFORMATION

The IDPS Guide describes the main features, benefits, costs and risks of investing through the Service. It is made up of the following two documents:

- IDPS Guide (Part I) – Information on key Service features
- IDPS Guide (Part II) – Information on fees and other costs

(collectively referred to as 'this IDPS Guide').

## OTHER IMPORTANT DOCUMENTS

- IDPS Contract (which will accompany or be available with Part I of the IDPS Guide)
- Investment Booklet for the Discover Menu,
- Investment Booklet for the Core Menu,
- Investment Booklet for the Choice Menu,
- Target Market Determination, and
- The Application Form

It is important you read and understand all parts of this IDPS Guide in conjunction with the other important documents and the HUB24 Financial Services Guide so you can understand how the Service works. This IDPS Guide should be read together with the relevant Investment Booklet and where appropriate, any relevant disclosure document for an underlying investment option, prior to making any decision to invest. The various documents referenced are available free of charge by contacting your financial adviser ('adviser') or the Operator or through the product website.

The information contained in this IDPS Guide is general information only and does not take into account your individual objectives, financial situation, needs or circumstances.

Before acting on this information, you should consider its appropriateness, having regard to your personal objectives, financial situation, needs and circumstances. Before you make any decision about whether to acquire or continue to hold the product or an investment available in the product, you should consider the IDPS Guide and obtain professional financial advice tailored to your personal circumstances, from your adviser.

The Operator is not authorised to provide personal financial product advice and you should consult an adviser before investing through the Service. It is also a requirement that your adviser performs the role of adviser as described in this IDPS Guide.

The suitability of the Service and of a particular investment within it, depends on your individual objectives, financial situation and needs. You should discuss these in detail with your adviser before investing through the Service. We will only accept investors through an adviser, except in the case of certain wholesale clients (as defined by the *Corporations Act 2001 (Cth)* (the 'Corporations Act')) and as accepted by us in our discretion, taking into account factors such as the AML/CTF Act requirements and investor location, or otherwise in accordance with our legitimate business interests, acting appropriately.

This IDPS Guide does not constitute an offer to sell or a solicitation of an offer to buy interests or securities in any jurisdiction. The Service is only available to Australian tax residents who receive this IDPS Guide in Australia, whether in paper or electronic form, unless otherwise approved by us. Certain elements of the Service may not be currently available to approved non-resident investors. Investors who receive this IDPS Guide in electronic form are entitled to obtain a paper copy of this IDPS Guide (as well as the Investment Booklet for the Discover Menu, the Investment Booklet for the Core Menu, the Investment Booklet for the Choice Menu, the IDPS Contract and the Application Form) free of charge by contacting us. We reserve the right to not accept an application to become an investor of the Service at our discretion.

The distribution of this IDPS Guide in jurisdictions outside Australia may be restricted by law and persons in possession of this IDPS Guide should be aware of and observe any such restrictions. Failure to comply with those restrictions may violate those laws.

We reserve the right to close an account and will notify the account holder prior to doing so in circumstances including, but not limited to, your account being held in breach of prohibitions contained in this IDPS Guide or the IDPS Contract, or where your account might be in violation (including by the Operator or its related bodies corporate) of an applicable law or regulatory requirement, or otherwise in accordance with our legitimate business interests, acting appropriately.

We reserve the right to change the regulatory structure of the Service from time to time, including by registering all or part of the Service as a managed investment scheme, by giving you not less than five business days' notice of this change.

## TARGET MARKET DETERMINATION

A target market determination ('TMD') has been issued by us which considers the design of this product, including its key attributes, and describes the class of consumers that comprises the target market for this product. A copy of the TMD for this product can be obtained from your adviser or is available on our website at [hub24.com.au/product-documents/hub24-invest-documents/](https://hub24.com.au/product-documents/hub24-invest-documents/).

## CHANGES TO THIS IDPS GUIDE

The information in this IDPS Guide is up to date at the date of publication. However, we may make changes from time to time in response to regulatory requirements or changes, to reflect changes to the Service (including changes in the way accounts are administered), to ensure that the information included in this IDPS Guide remains accurate and up to date or otherwise in accordance with our legitimate business interests, acting appropriately.

If a change occurs that is not materially adverse to investors, we may update this IDPS Guide by publishing the updated information on the product website shown on the front cover of this document. Otherwise, we will issue a supplementary or revised IDPS Guide.

We will provide investors with at least 30 days' notice of any increase in fees as required by law. For any other materially adverse changes, advance notice will also be provided to investors at least 30 days in advance, where practicable, otherwise advance notice of materially adverse changes will be provided as permitted.

We will provide investors with notice of any material change to a matter or of any significant event that affects a matter, being a matter that would have been required to be specified in an IDPS Guide for the Service prepared on the day before the change or event occurs.

You can obtain updated information or any supplementary or revised IDPS Guide or part of this IDPS Guide, by asking your adviser or visiting the product website shown on the front cover. You should regularly check the product website to ensure that you have the most up to date information. You may request a printed or electronic copy of any updated information free of charge by requesting this from your adviser or by contacting the Operator.

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# 1. HUB24 INVEST AT A GLANCE

<b>Who can invest?</b>	<p>Australian tax residents investing as:</p> <ul style="list-style-type: none"> <li>• individuals over 18 years of age</li> <li>• partnerships</li> <li>• associations</li> <li>• companies</li> <li>• trustees of trusts</li> <li>• trustees of self-managed super funds.</li> </ul> <p>We may only accept your application with a valid Tax File Number ('TFN') (or ABN for a corporate entity).</p>
<b>Minimum initial deposit</b>	\$20,000 per account <sup>1</sup>
<b>Minimum cash balance</b>	0.75% of your account balance must be held in your cash account at all times. In certain circumstances, we may approve a lower amount or a higher amount if requested by your adviser.
<b>Additional contributions</b>	\$100 minimum per contribution.
<b>Withdrawals</b>	\$100 minimum per withdrawal.
<b>Regular savings and payment plans</b>	\$100 minimum per month.
<b>Methods of contribution</b>	Cheque, direct debit, BPAY®, electronic funds transfer ('EFT'), in specie transfer.
<b>Methods of withdrawal</b>	Electronic funds transfer or in specie transfer.
<b>In specie transfers</b>	<p>If you choose the Discover Menu you may only transfer in cash, investments from the Discover Menu selection and other investments approved by the Operator for use in the Discover Menu held outside the Service into your account.</p> <p>If you choose the Core Menu you may only transfer in cash, investments from the Core Menu selection and other investments approved by the Operator for use in the Core Menu held outside the Service into your account.</p> <p>If you choose the Choice Menu you may only transfer in cash, investments from the Choice Menu selection and other investments approved by the Operator for use in the Choice Menu held outside the Service into your account.</p> <p>You may be able to transfer investments out of the Service (subject to Operator approval), however, a fee may apply. Please refer to Part II of the IDPS Guide - Information on fees and other costs for more information.</p> <p>In specie transfers for international listed securities are on request and are subject to the Operator's approval. Certificated stock transfers will not be accepted.</p> <p>Please refer to Section 10: General Information, under 'Operator discretion' for more information on how the Operator will exercise its discretion.</p>
<b>Interest on cash balance in your account</b>	Interest on your cash account is calculated daily and paid monthly on any positive balance in your cash account after deduction of the cash management fee from the interest received from the relevant Australian bank or other authorised-deposit taking institution (ADI) in which such cash is deposited. For information about how the cash management fee is calculated and how the target interest rate is determined, please refer to 'Cash management fee' in Part II of the IDPS Guide.

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<sup>1</sup> If you select the Discover Menu, the 'recommended initial investment amount' for the relevant managed portfolio option, may be lower. Please refer to the relevant Managed Portfolio Service Product Disclosure Statement for the relevant managed portfolio available in the Discover Menu

# 1. HUB24 INVEST AT A GLANCE

Investment choices <sup>1</sup>	Discover Menu	Core Menu	Choice Menu
	<ul style="list-style-type: none"> <li>Managed portfolios (from the Discover Menu selection)</li> <li>Cash, and</li> <li>Other investments made available from time to time by us for the Discover Menu.</li> </ul>	<ul style="list-style-type: none"> <li>Managed portfolios (from the Core Menu selection)</li> <li>Term deposits</li> <li>Cash, and</li> <li>Other investments made available from time to time by us for the Core Menu.</li> </ul>	<ul style="list-style-type: none"> <li>Managed funds</li> <li>Managed portfolios (including those managed portfolios available in the Core Menu)</li> <li>Australian and international listed securities</li> <li>Term deposits,</li> <li>Longevity products</li> <li>Foreign currency</li> <li>Unlisted domestic fixed income securities<sup>2</sup></li> <li>Cash, and</li> <li>Other investments made available from time to time by us for the Choice Menu.</li> </ul>
<b>Efficient trading choices</b>	<ul style="list-style-type: none"> <li>Aggregated trading through our default broker(s);</li> <li>Bespoke trading<sup>3</sup> using our default broker(s), allowing you to buy or sell Australian listed securities outside of our aggregated trading service (subject to Operator approval<sup>4</sup>).</li> <li>Direct market trading<sup>4</sup> through our default broker(s), allowing you to buy or sell Australian listed securities at a specified price, or trade at the current market price;</li> <li>Trading through your broker<sup>4</sup> allowing you to buy or sell Australian listed securities with your broker (subject to Operator approval<sup>5</sup>).</li> </ul>		
<b>Margin lending</b>	Access to a range of external margin lending providers.		
<b>Individual insurance options</b>	Access to a range of insurance providers to facilitate payment of your insurance premiums options from your cash account. This may include cover for death, total and permanent disablement ('TPD'), income protection and trauma.		
<b>InvestorHUB and AdviserHUB</b>	<p>InvestorHUB provides secure online access to your account information and reporting. You can view your investments at any time and access a range of reports, including performance, valuation, tax and transaction reports. You can also access details of your account through our mobile app.</p> <p>AdviserHUB provides your adviser secure online access to your account information and an efficient tool to communicate with us in relation to your investments.</p> <p>InvestorHUB and AdviserHUB can be accessed via the product website.</p>		
<b>CGT parcel allocation methods</b>	<p>Choose from three different capital gains tax ('CGT') parcel allocation methods, according to your preference. These include a minimise gain, maximise gain or 'first in first out' approach.</p> <p>Refer to Section 9: Tax, under 'CGT parcel allocation'.</p>		
<b>Fees</b>	Refer to Part II of the IDPS Guide for information about fees and other costs.		
<b>Consolidated reporting</b>	<p>You and your adviser will receive consolidated quarterly reports and an annual investor statement summarising your account activities, as well as a consolidated annual tax statement. You can access these reports through InvestorHUB or by contacting your adviser.</p> <p>For more information refer to Section 8: Operating your account, under 'How we keep you informed'.</p>		

<sup>1</sup> Please refer to the Investment Booklet for each menu option, as updated from time to time, available on the product website, on InvestorHUB or from your adviser, for the most up to date list of investment options available.

<sup>2</sup> Only available to wholesale clients (as defined by the *Corporations Act 2001* (Cth)).

<sup>3</sup> This service may be available when trading in Australian listed securities on the Choice Menu and Australian listed securities within managed portfolios on the Discover, Core or Choice Menus, and is subject to the terms of the agreement between your adviser or the portfolio manager and us.

<sup>4</sup> Available for Australian listed securities only, which are only available on the Choice Menu.

<sup>5</sup> The Operator may withdraw broker approval:

(a) pursuant to or as contemplated by the rules of the relevant exchange or clearing and settlement facility, or other relevant applicable laws; or

(b) otherwise in accordance with our legitimate business interests, acting appropriately (please refer to Section 10: General Information, under 'Operator discretion' for more information on how the Operator will exercise its discretion).

## 2. ABOUT HUB24 INVEST

The Service allows you to tailor an investment strategy from a range of available investment options. You and your adviser can consider your goals and determine the investment and insurance strategy that's right for you. The Operator manages all your investments, executes your instructions and provides consolidated tax and performance reporting from a single account. You can access information on your account at any time using InvestorHUB.

Your adviser will provide you with all the information and relevant disclosure documents you require in order for you to invest through the Service.

### A FLEXIBLE ACCOUNT THAT WORKS WITH YOU



- ✓ Choose from a wide range of investment options
- ✓ One place to buy, sell and manage your investments
- ✓ Protect your wealth or borrow to invest
- ✓ Choose your broker from our approved list
- ✓ Access simple, easy-to-understand valuation, tax and other reports

<sup>1</sup> Available only on the Core and Choice Menus

<sup>2</sup> Available only on the Choice Menu

## 3. BENEFITS OF HUB24 INVEST

### ACCESS A RANGE OF INVESTMENT OPTIONS ON THE DISCOVER MENU, CORE MENU OR CHOICE MENU

You can diversify your investments across a range of investment types, asset classes and investment styles.

The Service offers you the option to choose between the Discover Menu, the Core Menu and the Choice Menu, which offer different investment options for you to invest in and which have different administration fees.

Access to the investment options and fees that relate to the Discover Menu and the Core Menu depends on the arrangement between us, your adviser and your adviser's licensee. If this arrangement does not include access to the Discover Menu and/or the Core Menu, then you will only have access to the Choice Menu and any references to the Discover Menu and/or the Core Menu within this document will not apply to you.

Your adviser can provide you with further information about any such arrangement and whether you have access to the Discover Menu and/or the Core Menu.

#### Discover Menu

Choose from a select range of investment options, which typically includes:

- Managed portfolios (from the Discover Menu)
- Cash, and
- Other investments made available from time to time by us for the Discover Menu.

#### Core Menu

Choose from a select range of investment options, which typically includes:

- Managed portfolios (from the Core Menu)
- Term deposits
- Cash, and
- Other investments made available from time to time by us for the Core Menu.

#### Choice Menu

Choose from an extensive range of investment options, which typically includes:

- Managed funds,
- Managed portfolios (including those managed portfolios available in the Core Menu),
- Australian and international listed securities,
- Foreign currency
- Term deposits,
- Cash,
- Longevity products
- Unlisted domestic fixed income securities<sup>1</sup>, and
- Other investments made available from time to time by us for the Choice Menu.

Please refer to the relevant Investment Booklet for each menu option for the most up to date list of investment options available at the time.

Separate Investment Booklets are available for the Discover Menu, the Core Menu and the Choice Menu. The list of available investments for each of the Discover Menu, the Core Menu and the Choice Menu is set out in the relevant Investment Booklet. These Investment Booklets are reviewed regularly by the Operator and may change from time to time. You can access the latest Investment Booklets from your adviser or the Operator or on the product website.

You can also get access to a range of additional services provided by third parties, such as margin lending, insurance and choice of your broker.

Through the Service you can customise your account in a way that suits your own personal circumstances by setting up investment preferences on your account. This feature allows you to set up exclusions on particular investments and set up a minimum trade size.

For more information, refer to Section 8: Operating your account.

You should also discuss with your adviser whether establishing investment preferences is suitable for your needs.

### TRANSFERRING BETWEEN THE DISCOVER MENU, CORE MENU OR CHOICE MENU

You may transfer your entire account balance between the Discover Menu, the Core Menu and the Choice Menu at any time by completing a Menu Switch Form available from your adviser. There may be CGT considerations when switching from the Discover Menu, your adviser will be able to discuss this with you.

If you choose to transfer to the Choice Menu you will have access to a large range of investment options and will be subject to the fees applicable for the Choice Menu on your entire account balance. If you transfer to the Choice Menu, only investment options available on the Choice Menu may be transferred across. Any investment that cannot be transferred across (including illiquid investments) must be sold down prior to transferring to the Choice Menu.

If you choose to transfer to the Core Menu, only investment options available on the Core Menu may be transferred across. Any investment that cannot be transferred across (including illiquid investments) must be sold down prior to transferring to the Core Menu.

Once your request to transfer to the Core Menu is complete you will have access to the select range of investment options available on the Core Menu and will be subject to the fees applicable to the Core Menu on your entire balance.

You will only be able to transfer to the Discover Menu from the Choice Menu or the Core Menu where the investment options are available on the Discover Menu. Any investment that cannot be transferred across (including illiquid investments) must be sold down prior to transferring to the Discover Menu.

<sup>1</sup> Only available to wholesale clients (as defined by the *Corporations Act 2001* (Cth))



### 3. BENEFITS OF HUB24 INVEST

Once your request to transfer to the Discover Menu is complete you will have access to the select range of investment options available on the Discover Menu and will be subject to the fees applicable to the Discover Menu on your entire account balance.

You will only be able to transfer to the Discover Menu from the Choice Menu or the Core Menu where the investment options are available on the Discover Menu. Any investment that cannot be transferred across (including illiquid investments) must be sold down prior to transferring to the Discover Menu.

For the avoidance of doubt, you may only transfer your entire account balance between the three menu options and your account balance cannot be distributed across the Discover Menu, the Core Menu and the Choice Menu (i.e. at any point in time, your account can only be applied in one of the three menu options).

For details of the fees that apply to the Discover Menu, the Core Menu and the Choice Menu, please refer to Part II of the IDPS Guide.

#### A RANGE OF MANAGED PORTFOLIOS

The Service offers you access to managed portfolios which can provide an easy, cost-effective and tax-efficient way to implement your investment strategy.

Managed portfolios are available through the Service via one or more non-unitised and registered managed investment schemes (each, a 'Scheme'), such as the HUB24 Managed Portfolio Service (ARSN 645 033 941). Each Scheme is operated and offered by a responsible entity ('RE') that is approved by the Operator.

Each RE of a Scheme may appoint HUB24 as one or more of custodian, administrator and investment manager for the relevant Scheme.

Refer to the product disclosure statements for these Schemes for further details which can be obtained from your adviser or through InvestorHUB.

A portfolio manager is appointed in respect of each managed portfolio to design, construct and advise on the notional portfolio of assets for the managed portfolio (standard managed portfolio).

The relevant portfolio manager will develop the portfolio composition and instruct the Operator to reweight or rebalance your investment in your chosen managed portfolio option in accordance with the standard managed portfolio. The portfolio manager may also provide advice to your adviser's licensee so that your adviser can provide you with advice in respect of the portfolio.

Managed portfolios can consist of a range of financial products including Australian and international listed securities, managed funds, exchange traded funds ('ETFs'), exchange traded products ('ETPs'), other managed portfolios, foreign currency and cash.

Where you invest in a managed portfolio, you are taken to have instructed the Operator to pay any fees in respect of the managed portfolio from your cash account and to meet any obligations and debts relating to your managed portfolio from your cash account or from realising your investments to the RE, your adviser's licensee, investment adviser or the portfolio manager (as applicable) for their services.

Where amounts are owed to an RE or a Scheme (for example because your investment in a managed portfolio has gone into negative balance) you are also taken to have authorised the Operator to deal with your accessible investments (for example monies held in your cash account and other securities) including acquiring, investing in, redeeming, selling, transferring or otherwise disposing of those accessible investments without specific instructions from you to fund those obligations in relation to any of your managed portfolio investments in a Scheme. If payment from your cash account is not possible, these amounts may be paid from the relevant Scheme.

The Operator may provide additional services in its personal capacity to you directly or through issuers of underlying investments such as administration, investment advisory and custody services to a RE of a Scheme offering a managed portfolio which is available through the Service and the Operator may be remunerated for these services.

The key benefits of managed portfolios are beneficial ownership of the underlying assets, flexibility, transparency, tax management and efficiency.

Your adviser can transfer efficiently from one managed portfolio to another within your account. Once your adviser places instructions with us, the Operator generates buy-and-sell trades for the same security, and offsets this within your account, saving you broking fees and minimising potential capital gains.

#### AWARD-WINNING TECHNOLOGY

The Service is underpinned by our award-winning technology, which has won the following awards:

- Best Platform Overall in the 2022 Platform Competitive Analysis and Benchmarking Report,
- Best in Online Business Management in the 2022 Platform Competitive Analysis and Benchmarking Report, and
- Best in Reporting in the Investment Trends 2022 Platform Competitive Analysis and Benchmarking Report<sup>1</sup>, as well as
- Value for Money: Platform in the 2022 Investment Trends Adviser Technology Needs Report<sup>2</sup> award.

Additionally, it has been awarded with the Best Platform Managed Accounts Functionality for 6 out of the past 7 years by Investment Trends. **Note:** Awards and ratings are only one factor to consider when deciding how to invest. For more information, go to <https://investmenttrends.com/projects/platform-benchmarking-report/>.

Our state-of-the-art technology can be accessed 24/7 wherever you are via our website or our easy-to-use mobile apps. From one account, with just a few clicks your adviser can:

- manage and switch your investments easily, including buying or selling managed funds, managed portfolios, listed securities and other assets; and
- set up regular savings, withdrawals and investment plans.

<sup>1</sup> The Investment Trends 2022 Platform Competitive Analysis and Benchmarking Report was based on extensive analyst reviews of 9 platforms across 518 functional points.

<sup>2</sup> The Investment Trends 2022 Adviser Technology Needs Report considered 11 platforms.

## 3. BENEFITS OF HUB24 INVEST



2022 Platform Competitive Analysis and Benchmarking Report

**Best Platform Overall**

HUB24



2022 Platform Competitive Analysis and Benchmarking Report

**Best in Online Business Management**

HUB24



2022 Platform Competitive Analysis and Benchmarking Report

**Best in Reporting**

HUB24



2022 Adviser Technology Needs Report

**Value for Money. Platform**

HUB24

### TAX OPTIMISATION TOOLS

You can benefit from tax optimisation in several ways.

When using our aggregated trading facility, listed security trades will be netted off within your account to save on overall CGT and brokerage costs. Your adviser can estimate the CGT impact of proposed transactions before implementing them. This will help you optimise the tax outcomes of your investment strategy. You can choose from three methods to calculate capital gains to suit your circumstances. These include a minimise gain, maximise gain or a 'first in first out' approach. Your adviser can modify your selection every year if your circumstances change.

### ACCESS TO YOUR ACCOUNT ANYTIME

Using our award-winning technology, your account can be accessed anytime through the internet or via our easy-to-use mobile apps. You will receive real time access to information and notifications about your investments via InvestorHUB, your online portal.

You can monitor your investment portfolio continuously through a large range of online reports, including valuations, performance reporting, transaction reports and income reports.

You can also easily access important information online including:

- a summary of your asset allocation;
- recent cash account balance; and
- trade notifications.

The Service provides you with online consolidated quarterly reports and an annual investor statement summarising your account activities. You will also receive a consolidated annual tax statement containing all income and capital gains information relating to your account. This simplifies the process of completing your annual tax return.

### EFFICIENT TRADING CHOICES

We offer flexibility and control over when and how you trade.

- Direct Market Trading: Direct trading of Australian listed securities can be effected at any time at highly competitive fees, using a market price or at a limit. This is available on the Choice Menu only.
- Aggregated Trading: Consolidating your trades within the scheduled daily trading times may result in netting-off benefits in terms of brokerage costs and CGT.
- Bespoke trading: Using our default broker(s) to buy or sell Australian listed securities outside of our aggregated trading service (subject to Operator approval).
- Trading through your broker: Allowing you to buy or sell Australian listed securities with your adviser (subject to Operator approval).

### MANAGED DISCRETIONARY ACCOUNTS (MDAS) AND WHOLESALE DISCRETIONARY ACCOUNTS (WDAS)

Your adviser may provide you with advice about investing via an MDA Facility or WDA Facility. The MDA or WDA Facility may be provided to you or used on your behalf by your adviser or another person. MDA and WDA investments may be made via the Service where the MDA client or WDA client also invests through the Service. The MDA Facility or WDA Facility is only available through the Choice Menu.

The MDA and WDA services provided by the MDA or WDA Service Provider, or your adviser, are separate from the Service and the Operator may not be aware that MDA investments or WDA investments are made via the Service.

Where the Operator is aware that MDA investments or WDA investments are being made via the Service, the Operator may enter into an agreement with the MDA or WDA Service Provider to provide it with the MDA or WDA Facility which will have the effect of holding your MDA investments or WDA investments and reporting on them in one place, i.e. through the Service.

## 3. BENEFITS OF HUB24 INVEST

The MDA Facility and WDA Facility are technology-based administration and implementation services provided by the Operator that allows the MDA or WDA Service Provider to implement, manage and monitor your MDA investments or WDA investments through the Service.

Your adviser, the MDA or WDA Service Provider may, for example, implement an investment strategy it devises, and create a portfolio of investments matching that strategy. The MDA or WDA Facility allows the MDA or WDA Service Provider to implement those investments, rebalance them and report on their individual performance.

An MDA Service Provider or WDA Service Provider (as the case may be) will determine, make, and manage your investments. The Operator is only responsible for providing the Service, the MDA Facility and WDA Facility, and is not responsible for what investments the MDA or WDA Service Provider makes on your behalf or how they are managed.

The Operator reserves the right at any time, in accordance with the terms of the Service and any of its policies, not to follow or implement the instructions provided through the MDA or WDA Facilities.

Please refer to Part II of the IDPS Guide when investing via an MDA Facility or WDA Facility for more information on the fees relating to the provision of services under the MDA Facility and WDA Facility.

The WDA Facility is only accessible to wholesale clients as defined by the *Corporations Act 2001* (Cth).

### WHOLESALE CLIENT SERVICES

The Service may be used by your adviser to provide you with advice and services as a wholesale client (within the meaning given to this term in the *Corporations Act 2001* (Cth)).

The Operator may not be aware of the wholesale service arrangement between you and your adviser.

For more information on whether you are eligible to be categorised as a wholesale client and the impact of this, please speak to your adviser.

## 4. RISKS

Before you consider investing through the Service, it's important you understand the risks that can affect your investment. Broadly, these risks can be categorised into the risk of using the Service and the risk associated with financial products and services you access through the Service.

You should also consider the specific risks of the investments you choose. Investment risks may vary significantly from the examples set out below and will depend on the actual investments you access.

### Here are some ways to help manage risks:

- Your adviser can help you choose an investment strategy that best suits your individual needs and objectives. It's extremely important you discuss your concerns about risks with your adviser.
- Read all the information in this IDPS Guide, the Investment Booklets and the IDPS Contract. Also read the product disclosure statements or disclosure documents for the products or investments options available through the Service.
- Review your investment strategy at least once a year, and whenever your circumstances change (e.g. if you change jobs, buy a house or have a child).
- Diversify your investment strategy. Diversification involves spreading your investments over a number of asset classes. The more you diversify, the less impact any one particular asset or asset class can have on your overall investment strategy.
- Consider the risks set out in this section. This is a high-level summary of some of the general risks of the Service and risks associated with investments accessed through the Service, including via managed portfolios.

Please note that you cannot expect to eliminate investment risks altogether – you can only reduce, control and monitor them.

### RISKS ASSOCIATED WITH THE SERVICE

The following summary is a guide to the key risks associated with the Service. It is not an exhaustive list of all the risks of investing through the Service.

Service risk	What it means
<b>Advice risk</b>	<p>This is the risk that your adviser may recommend a strategy or investment that's not appropriate for you or provide delayed or inaccurate instructions to us.</p> <p>You may also decide to leave your adviser, or your adviser may cease to be authorised by their licensee or move to another licensee. In these circumstances, there is the risk that you may not be able to continue to invest through the Service, the fees and other costs that apply to your account may (but will not necessarily) increase, and some of the investment options available to you will change or no longer be available, including some investments that you may hold via a managed portfolio.</p>
<b>Cyber risk</b>	<p>This is the risk of financial or data loss, business disruption or damage to the Operator's reputation as a result of a cyber attack breaching its information technology systems. A cyber attack could result in financial information or personal data stored within its information technology systems being accessed or disclosed to unauthorised persons or, the encryption of business critical files by ransomware, and online fraud.</p> <p>We mitigate this risk through our cybersecurity framework which includes, but is not limited to, security monitoring, active detection, access controls, system security, vulnerability management, data encryption, firewalls and anti-malware protection. Cyber risk cannot, however, be entirely eliminated. The Operator and their related bodies corporate disclaim any liability arising from cyber risks to the maximum extent permitted by law. If you believe that your personal or financial information may have been compromised, please notify the Operator as soon as reasonably possible so that action can be taken.</p>
<b>External fraud (including identity theft)</b>	<p>This is the risk that someone may fraudulently obtain your personal information and impersonate you and provide fraudulent instructions to the Operator that may cause you to lose some or all of your investment. The Operator has compliance measures in place to address this risk and takes steps to verify the information provided. As trades can usually only be processed through your adviser there are a number of procedures in place to prevent fraud of this type. However, these measures cannot eliminate the risk of external fraud. If you believe that your personal information may have been compromised, please notify us as soon as reasonably possible so that we can take appropriate action.</p>
<b>Insurance risk</b>	<p>Before applying for insurance cover under an insurance policy, you should carefully read the product disclosure document applicable to the individual insurance policy. The product disclosure document sets out important information about the insured benefits provided, the terms and conditions of those benefits, and the exclusions and restrictions on the payment of those benefits. We do not guarantee the suitability or performance of any available individual insurance policy or insurer.</p>

## 4. RISKS

Service risk	What it means
<b>Investment variance risk</b>	<p>The actual investment performance you experience may vary from a portfolio manager's managed portfolio (standard managed portfolio) due to a number of factors, including, but not limited to the timing of your investments into and withdrawals from the managed portfolio, if you invest below the minimum suggested initial investment amount for the managed portfolio, the timing of rebalances, minimum trade requirements, the managers' use of progressive portfolio implementation<sup>1</sup> and any investment preferences (for example investment exclusions and substitutions) you establish.</p> <p>Any applicable managed portfolio investment performance fees paid to the portfolio manager are calculated based on the performance of the standard managed portfolio which may differ to your actual investment performance due to the factors described above. This means the actual dollar amounts you pay in investment performance fees may be higher or lower than if the calculation of the investment performance fees was based on the performance of your managed portfolio.</p>
<b>Legal and regulatory risk</b>	<p>Changes to taxation or other laws in Australia and internationally may impact the tax-effectiveness of your investment and/or the returns generated by your investment.</p>
<b>Operational risk</b>	<p>The operation of the Service relies on our technology and on the technology of other service providers. A failure in our or their systems or processes may have an impact on your account, such as a delay in processing investment transactions.</p>
<b>Portfolio risk</b>	<p>Your adviser, the MDA or WDA Service Provider (where applicable) and managers of managed portfolios may be unsuccessful in meeting the investment objectives of investments and portfolios that they maintain for you. The Operator does not and cannot supervise the advice provided to you by your adviser and whether it is appropriate for you.</p>
<b>Third party risk</b>	<p>Service providers or certain persons appointed by you or the Operator, including sub-custodians (or their appointed sub-custodians) and investment managers, or your broker, or any providers of longevity products may default on their obligations, which could potentially result in losses to the value of your investment. We will appoint counterparties and service providers who we consider have a low risk of defaulting, however these risks cannot be eliminated entirely.</p> <p>There is also a risk that the Operator may not accept a transaction executed by your broker if it does not meet the terms of the agreement between the Operator and your broker. For example, if there's not enough money in your cash account or the security is suspended or placed in a trading halt.</p>
<b>Timing risk</b>	<p>There can be delays in the purchase or redemption of investments within your account, for example, because of minimum holding requirements or because of systems processing requirements or delays. We are neither responsible nor liable for any loss you incur because of a delay in executing your investment instructions, provided we have acted appropriately.</p>

<sup>1</sup> For more information about progressive portfolio implementation, refer to Section 5: Your investment choices under the heading 'Managed portfolios' and sub-section 'Progressive portfolio implementation'.

## 4. RISKS

### RISKS ASSOCIATED WITH INVESTMENTS

This summary sets out key risks associated with investments accessed through the Service. You should consult the product disclosure statement or disclosure document for the specific investment for any specific risks related to that investment.

Investment risk	What it means
<b>Concentration risk</b>	This is the risk that a concentration of investment in a small number of securities may be subject to greater volatility, due to its exposure to a limited number of industries, sectors or countries, than investing in a larger number and/or more diverse array of securities.
<b>Country risk</b>	<p>Country risk is a general term that refers to the collection of risks associated with investing in a foreign country.</p> <p>It includes specific types of risk such as, but not limited to:</p> <p><b>Political</b> – the risk of political instability in a country</p> <p><b>Foreign exchange</b> – refer to the 'Foreign exchange risk' section below for more information</p> <p><b>Sovereign</b> – the risk of a foreign government intervention in an entity, asset or market, resulting in losses; and</p> <p><b>Transfer</b> – the risk of a foreign government or regulator restricting transfers of assets.</p> <p>Other more general consequences that you may need to consider when investing outside your country may include such things as differing laws and regulatory environments (offering less protection to investors), differing standards of information provided to you in terms of quality and timeliness, and time differences which could lead to delays in the transmission of information which in turn could restrict your and/or your adviser's ability to react to events.</p>
<b>Credit risk</b>	Your capital and/or the interest earned on that capital may not be paid due to the underlying bank or deposit-taking institution or corporation defaulting.
<b>Derivatives and sophisticated investment products risk</b>	The use of sophisticated financial products such as derivatives has the potential to cause losses that are large in relation to the amount invested. Some managed funds use derivatives, and this may imply some embedded leverage that could, under some circumstances, magnify losses. The cost of using this type of financial product may also reduce returns. There is also a risk of a counterparty to a derivative defaulting on their obligations.
<b>Diversification risk</b>	Lack of diversification across asset classes over your entire portfolio of investments may cause your portfolio's return to fluctuate more than expected. For example, if you invest entirely in shares rather than spreading your investment funds across other asset classes (such as property, cash and fixed interest), share market movements could significantly affect your investment.
<b>Foreign exchange risk</b>	If parts of your investment are priced in a foreign currency, or you hold foreign currency, international factors such as exchange rate fluctuations and movements in international stock markets may affect the value of your investment. These investments may also not be hedged (protected) effectively, or at all, against exchange rate fluctuations.
<b>Inflation risk</b>	Your investments may not keep pace with inflation, so over time your money may have less purchasing power.
<b>Interest rate risk</b>	Changes in interest rates may affect the value of interest bearing securities and shares in some companies.
<b>Investment objective risk</b>	There is a risk that at a point in the investment/economic cycle the performance of your investments may not align with the investment's stated investment objective and/or benchmark. This is particularly the case where the investment may have absolute return objectives (e.g., RBA plus or inflation plus objectives, which could give rise to expectations of positive returns) in a falling market environment, or where there are strong performance differentials within markets favouring/disadvantaging particular investment processes, strategies or styles.
<b>Investment option risk</b>	The investment options you select may change or cease to be offered through the Service, which may affect the investment composition in your account, your risk profile and your investment strategy.
<b>Listed securities risk</b>	For an investment in listed securities there is a risk that the prices of your selected investments may fall in price or lose all of their value. Listed securities are typically exposed to market risk. In addition to market risk, the value of a specific company's share price can rise or fall depending on, among other matters, the market's perception of the company's internal operations, management, financial position, or business environment. Share prices can be volatile, which means the value of your investment can increase or decrease frequently.

## 4. RISKS

Investment risk	What it means
<b>Liquidity risk</b>	In difficult market conditions, some normally liquid assets may become illiquid. This could restrict the ability to sell them or to make withdrawal payments from managed funds and managed portfolios or process investment switches in a timely manner. For example, we might not be able to sell listed securities that are rarely traded, or that are restricted or suspended from trading. Another example might be a property trust where the underlying property (e.g. a shopping centre) takes a long time to be sold. Term deposits are generally an illiquid investment as they may not be redeemable before their maturity date, as early redemption usually results in reduced returns or early withdrawal costs.
<b>Longevity risk</b>	If you invest in longevity products, you may have restrictions on withdrawals from the product. Longevity products are designed to assist investors to fund their retirement by continuing to pay income after the deposit value has been exhausted. The income paid is dependent on the product's features and the options selected as well as the premium amounts paid. The income received may not meet all of your income needs and/or may not cover increased costs of living due to inflation.
<b>Manager risk</b>	Underlying investment managers for managed funds or portfolio managers for managed portfolios may not anticipate market movements or execute investment strategies effectively. Changes in their staff may also have an impact on the performance of the chosen investment.
<b>Market risk</b>	Movements in a market sector due to, for example, interest rate movements, economic factors, pandemics, political, military, pandemics or social events may have a negative impact on your investment and/or on the returns your investment generates. Market values can change rapidly, and it is possible to lose some or all of your initial investment.
<b>Margin lending risk</b>	Investment losses will be magnified by the use of borrowing (i.e. margin loans), resulting in greater potential losses to investors. Margin loans will also be subject to borrowing costs (which may reduce returns) and to margin calls by margin lenders.  If the value of your investments continues to fall and you are unable to meet margin calls, this could result in significant losses. The margin lender may also sell the assets in the geared account to repay any margin calls and/or the margin loan, potentially resulting in losses through the forced sale of part or all of the investments in the geared account.  A margin lending facility may also be subject to additional risks not set out in this IDPS Guide. You should discuss this in detail with your adviser before considering taking a margin loan. You may also be subject to the margin lender's solvency and stability. For example, in recent years, providers of funds to certain margin lenders have repossessed or sold the client assets of defaulting margin lenders to recoup repayments.
<b>Sector risk</b>	There are risks associated with a particular industry's specific products or services due to, for example, changes in consumer demand or commodity prices.
<b>Specific asset risk</b>	There are risks associated with specific assets, for example, certain managed funds may use leverage (i.e. borrowing to invest), undertake short selling (i.e. selling shares they don't actually own) or invest in sophisticated financial products such as futures, foreign exchange contracts, options and other derivatives. Use of these methods could cause large losses in proportion to the money invested in them. Before selecting these types of assets as part of your investment strategy, you must read the relevant product disclosure statement or disclosure document.
<b>Emerging market risk</b>	Due to the nature of emerging markets, there is an increased risk that the political and/or legal frameworks in those markets may change and adversely impact investments you hold with exposure to those markets. This could include the ability to sell assets. Underlying managed funds in a managed portfolio that invests in global markets may have exposure to emerging markets. Investment in emerging markets may involve a higher risk than investment in more developed markets. Investors should consider whether or not investment in emerging markets should constitute a substantial part of their investment exposure.  Companies in emerging markets may not be subject to: <ul style="list-style-type: none"> <li>• accounting, auditing and financial reporting standards, practices, and disclosure requirements comparable to those applicable to companies in major markets; or</li> <li>• the same level of government supervision and regulation of stock exchanges as countries with more advanced securities markets.</li> </ul> Accordingly, certain emerging markets may not afford the same level of investor protection as would apply in more developed jurisdictions.  There are also risks that, while existing in all countries, may be increased in emerging markets due to the legal, political, business, and social frameworks being less developed than those in more established economies.

## 4. RISKS

Investment risk	What it means
	<p>Examples of increased risks include:</p> <ul style="list-style-type: none"> <li>• political or social instability (including recession or war)</li> <li>• institutional manipulation of currency or capital flows</li> <li>• deflation, inflation, or loss in value of currency, and</li> <li>• greater sensitivity to interest rates and commodity prices.</li> </ul> <p>As a result, investment returns of investments with exposure to emerging markets are usually more volatile than those in developed markets. This means that there may be large movements in investment value over short or long periods of time.</p>
<b>Short selling risk</b>	<p>Some portfolio managers of underlying managed fundsManaged Funds may use short selling. Short selling means the underlying managed fund sells a security it does not own to try and profit from a decrease in the value of the security. This is generally done by borrowing the security from another party to make the sale. The short sale of a security can greatly increase the risk of loss, as losses on a short position are not limited to the purchase value of the security.</p> <p>Short selling strategies involve additional risks such as:</p> <ul style="list-style-type: none"> <li>• <b>Liquidity risk</b> - Particular securities or investments may be difficult to purchase or sell, or difficult to rebalance within a timely period and at a fair price. As a result, withdrawal requests may not be able to be fully met when they are received. Liquidity risk may potentially be amplified where a managed account investment is made in listed interest rate securities and unlisted managed funds due to the illiquid nature of these assets.</li> <li>• <b>Leverage risk</b> - It is also possible for an underlying managed fund's long positions and short positions to both lose money at the same time.</li> <li>• <b>Prime broker risk</b> - When short selling is employed, the assets of the relevant underlying managed fund are generally held by a prime broker (which provides broking, stock lending and other services). As part of this arrangement, assets may be used by or transferred to the prime broker, and there is a risk that the prime broker does not return equivalent assets or value to the option (for example, because of insolvency). This would have a substantial negative impact on the value of the underlying managed fund.</li> </ul>
<b>Timing risk</b>	<p>The processing of transactions for particular assets may be delayed by us or our default broker(s) in order for bulk trades to be made in those assets in order to minimise brokerage. By delaying transactions in order to avoid incurring additional brokerage, investors in the relevant asset classes are exposed to movements in the value of listed securities and foreign currency.</p>
<b>Fixed income risk</b>	<p>Fixed income investments are subject to default risk. This is where the credit issuer fails to meet interest payments or repay the principal of your capital or both. By investing in a fixed income investment there is a risk that if you terminate your investment before the maturity date, you could be subject to costs or reduced interest.</p>
<b>Tax risk</b>	<p>Taxation law is complex and its impact on HUB24 Invest may vary according to your individual circumstances. Over time, tax law and practices may change and may become retrospective in their application. You should seek your own professional taxation advice in relation to the HUB24 Invest.</p>
<b>Valuation risk</b>	<p>The Operator will utilise third parties to provide market values for holdings within each account as at the relevant redemption value or prior trading day's close price. However, there may be times where a security's or holding's price is not current. This could occur for a number of reasons such as (but not limited to) the infrequent pricing of the holding (for example managed funds that are only priced monthly) or where a security is under a temporary trading halt or is no longer trading due to being under external administration. In these circumstances your account value may appear greater than the true value of your investments. In the case of securities suspended from trading you may have beneficial ownership of a security that cannot be sold. This can also have an impact on the fees you pay.</p>

**It's important you discuss your specific risks with your adviser.**



## 5. YOUR INVESTMENT CHOICES

### SETTING YOUR INVESTMENT GOALS

The Service provides you with a range of investment options from multiple asset classes so you can determine an investment strategy with your adviser that addresses your personal needs and goals.

This IDPS Guide outlines some basic principles of investing that you should discuss with your adviser. It is important that you discuss how much risk you are prepared to accept and your investment objectives with your adviser, together with the timeframe you have to construct an investment strategy.

Your adviser can then help you build an investment strategy that suits your individual circumstances and financial objectives. This will enable you to achieve the right balance between risk and return, taking into account factors such as your investment goals, investment timeframe and how comfortable you are with changes in the value of your investment.

All investments come with some level of risk, although the degree of risk may vary depending on the asset class or nature of an investment. Generally, low levels of uncertainty (low risk investments) are associated with low potential returns, whereas high levels of uncertainty (high risk investments) are associated with high potential returns.

Diversification – spreading your investments over a number of asset classes – can assist you in reducing the short-term variation of your returns. The more you diversify, the less impact any one particular asset class can have on your overall investment strategy. When one asset class goes down in value, another may go up.

### DESIGNING YOUR INVESTMENT STRATEGY

To design and build your investment strategy, you and your adviser can choose investments from a range of approved asset classes such as cash, fixed interest, property, infrastructure, Australian equities, international equities, alternatives or a combination of asset classes.

The types of investments (underlying investments) available to implement your chosen investment strategy(ies) depends on whether you select the Discover Menu, the Core Menu or the Choice Menu.

#### **The Discover Menu typically includes the following types of investments:**

- Managed portfolios (from the Discover Menu selection)
- Cash, and
- Other investments made available from time to time by us for the Discover Menu.

#### **The Core Menu typically includes the following types of investments:**

- Managed portfolios (from the Core Menu selection)
- Term deposits
- Cash, and
- Other investments made available from time to time by us for the Core Menu.

#### **The Choice Menu typically includes the following types of investments:**

- Managed funds
- Managed portfolios (including those managed portfolios available in the Core Menu)

<sup>1</sup> Only available to wholesale clients (as defined by the *Corporations Act 2001* (Cth)).

- Australian and international listed securities
- Foreign currency
- Term deposits
- Cash
- Longevity products
- Unlisted domestic fixed income securities<sup>1</sup>, and
- Other investments made available from time to time by us for the Choice Menu.

The list of available investments for each of the Discover Menu, the Core Menu and the Choice Menu is set out in the Investment Booklets, which are available on the product website, on InvestorHUB or from your adviser.

Please refer to the Investment Booklet for each menu option for the most up to date list of investment options available.

The Operator provides a range of investment choices and product features that enable you and your adviser to select options appropriate for you. However, the Operator does not participate in setting your objectives or designing your investment strategy.

### HOW YOU CAN INVEST

#### AUSTRALIAN LISTED SECURITIES

Australian listed securities are generally only available if you select the Choice Menu. They will not be available to you if you select the Discover Menu or the Core Menu (however, you may potentially obtain exposure to Australian listed securities through managed portfolios that are available on the Discover Menu or the Core Menu).

If you select the Choice Menu, the Service offers you the opportunity to invest directly in listed securities including ordinary shares, exchange-traded funds ('ETFs'), other exchange-traded products ('ETPs'), listed investment companies ('LICs'), interest rate securities and hybrids (such as preference shares and convertible notes).

An ETP is generally a managed fund or other product that is traded on a stock market, and includes an ETF. An ETF is a managed fund that aims to track or follow a particular index. There are various ETFs which provide access to particular investments, such as Australian and international shares, commodities, listed property trusts or a combination of asset classes. Other types of ETPs are exchange-traded managed products that are not ETFs. These include exchange traded managed funds, exchange traded commodities and exchange traded bonds.

LICs use a company structure and the money raised is used to buy shares in other listed companies and are then traded on a stock exchange. LICs are generally actively managed and aim to outperform a particular objective.

Interest rate securities are a class of investment where, essentially, investors lend money to a company or institution which pays interest in return for a period of time. The time period is usually for a fixed period of time.

Hybrids are a group of securities that combine elements of broader groups (debt and equity).

Through your adviser you can trade Australian listed securities by using:

- our aggregated trading service;

## 5. YOUR INVESTMENT CHOICES

- our direct market trading service;
- bespoke trading (subject to Operator approval); or
- your broker (subject to Operator approval).

Refer to Section 6: Efficient trading choices for more information.

Income received from listed securities is automatically paid to your cash account, unless there is a dividend reinvestment plan on offer and you choose to participate, in which case it is reinvested in the particular financial product that generates the income. Disclosure documents for financial products held through the Service are updated from time to time, so you may not have the most current version at the time your distributions are reinvested as additional holdings in the relevant securities. You can obtain the current disclosure documents on InvestorHUB or through your adviser. Information on your Australian listed securities can be accessed through InvestorHUB.

### INTERNATIONAL LISTED SECURITIES

International listed securities are only available to you if you select the Choice Menu. They will not be available to you if you select the Discover Menu or the Core Menu (however, you may potentially obtain exposure to international listed securities through managed portfolios that are available on the Discover Menu or the Core Menu).

If you select the Choice Menu, the Service offers you the opportunity to invest directly in international listed securities markets, including US, Asian and European stock exchanges.

In trading international listed securities, you will be subject to the applicable tax laws of the jurisdiction in which the securities are listed and in some cases there may be restrictions on the exchanges you can access and certain types of corporate actions that you may be able to participate in.

It is important that you inform your adviser or the Operator if you become a non-resident for tax purposes to ensure the appropriate tax treatment is applied to your account.

Trading in international listed securities, through your adviser, is executed through the aggregated trading service and there may be minimum trade sizes that apply.

Refer to Section 6: Efficient trading choices for more information.

Income received from international listed securities is automatically converted to Australian dollars by default and paid to your cash account, unless there is a dividend reinvestment plan on offer, and you choose to participate. Participation in any dividend reinvestment plan is at the discretion of the Operator.

Disclosure documents for financial products held through HUB24 Invest are updated from time to time, so you may not have the most current version at the time your distributions are reinvested as additional holdings in the relevant securities. You can obtain the current disclosure documents on InvestorHUB or through your adviser. Information on your international listed securities can be accessed through InvestorHUB.

### TERM DEPOSITS

Both the Core Menu and the Choice Menu give you access to investments in term deposits (through a bank or financial institution) with a range of durations where the interest rate is fixed. Typically, these term deposits offer durations of three months, six months and one year. We may include other term deposits with differing durations and features as they are made

available by the term deposit providers. During the term, you cannot access your funds (without additional loss of interest and/or additional charges) or add funds to the investment. Interest is generally calculated daily and is paid at maturity.

You will be able to access information on your term deposits through InvestorHUB. InvestorHUB also provides instructions on what you need to do to invest in term deposits.

### MANAGED PORTFOLIOS

#### A range of portfolio managers

The Discover Menu, the Core Menu and the Choice Menu each allow you to choose from managed portfolios offered by a range of portfolio managers. However, both the Discover Menu and the Core Menu offer a choice of fewer portfolio managers than the Choice Menu.

We have a range of portfolio managers with different investment portfolio strategies and objectives to advise us on a variety of managed portfolios. The portfolio managers design each portfolio based on a number of factors such as investment style, asset allocation approaches, investment objectives and different risk profiles.

The Service offers access to a range of these managed portfolios. Generally, the types of managed portfolios offered are either:

- a single sector investment strategy, for example Australian equities, international equities, or listed corporate bonds; or
- a multi-sector investment strategy, for example, an investment strategy that combines a number of asset classes, managers and investment options.

#### Portfolio adjustments

Each Managed Portfolio has specific allocations ('weights') to asset class(es) and underlying investments. The relevant Sub Investment Manager is responsible for monitoring the portfolio's strategy and advises if adjustments are required. Accounts investing in Managed Portfolios may have allocations to investments that differ slightly from those targeted by the Sub Investment Manager, due to but not limited to, variations in execution prices, market fluctuations, cash flows in and out of the Account, insufficient money invested in the Managed Portfolio, the holding of a suspended or illiquid underlying investment in the Managed Portfolio and the operation of weight variation tolerances. Adjustments to a Managed Portfolio could be either:

- **rebalancing**, which involves comparing and realigning the market value weights of your underlying investments to the weights in the managed portfolio; or
- **reallocating**, which involves changing the exposure to different asset classes and investment choices across different sectors and industries within the managed portfolio, by adding or removing specified investment components.

We administer and implement each managed portfolio and any changes to the portfolio composition when the deviation in weightings falls outside the managed portfolio tolerance range. Rebalancing and reallocating of a managed portfolio may occur regularly depending on the managed portfolio selected, sometimes as often as several times per week (generally, your managed portfolio will not be rebalanced or reallocated more frequently than once per Business Day). When such adjustment occurs, you may receive a trade notification. Refer to Section 8: Operating your account, under 'Trade notifications' for more information.

## 5. YOUR INVESTMENT CHOICES

### Dividend reinvestment

On the advice of the portfolio managers, we may elect to use income derived from underlying investments within managed portfolios to participate in any dividend reinvestment plan(s) or to buy additional quantities of those underlying investments.

If we do not, or cannot, participate in dividend reinvestment plan(s), any income generated will be either:

- retained as cash within managed portfolios
- reinvested in other investments as part of the portfolio manager's regular rebalance, or
- paid into your cash account outside of the managed portfolio.

### Progressive portfolio implementation

Progressive portfolio implementation ('PPI') is a way for a portfolio manager to implement a change in managed portfolio weightings by introducing one or more substitute investment(s). The portfolio manager may instruct us to temporarily apply this change in respect of new purchases of the managed portfolio without impacting existing holders of the standard managed portfolio.

If a portfolio manager uses PPI, the underlying investments held in your managed portfolio may differ from the portfolio manager's standard managed portfolio. As a result, the investment performance you experience through a PPI managed portfolio may differ from the standard managed portfolio. This is referred to as investment variance risk. For more information about investment variance risk, refer to Section 4: Risks under 'Risks associated with the Service'.

### MANAGED FUNDS

Managed funds are typically only available if you select the Choice Menu and not be available to you if you select the Discover Menu or the Core Menu (however, you may potentially obtain exposure to managed funds through managed portfolios that are available on the Discover Menu or the Core Menu).

A managed fund is an investment product where an investor contributes money to receive an interest (usually expressed as a 'unit') in the managed fund, which is then pooled together with other investors' monies and managed by a fund manager.

The Choice Menu allows you to choose from a range of managed funds offered by Australian and international fund managers.

Units in the managed funds are held on trust for you in the name of a sub-custodian, but you retain beneficial ownership of the units.

The Operator is often able to obtain wholesale fund fee rates, which are generally lower than the fee rates applicable for direct investment into retail managed funds. A fund manager may provide a rebate of the fees and costs associated with your investment in a managed fund. Generally, these rebates are returned to you in full and will typically be paid into your cash account. Your entitlement to any rebate is determined by the fund manager, however, where you have closed your account prior to the processing of a rebate, you will not be entitled to that rebate. Refer to Part II of the IDPS Guide for more information about fees and other costs.

We allow you to transfer your investment in an existing managed fund or funds into the Service (subject to availability of the investment on the Investment Booklet for the relevant menu

and/or Operator approval in accordance with its legitimate business interests, acting appropriately), provided there is no change to beneficial ownership.

Minimum investment amounts may apply to some investment options. Refer to the disclosure documents available on InvestorHUB or from your adviser.

The current list of all investment options is available on InvestorHUB or in the Investment Booklet for the Choice Menu.

You should obtain from InvestorHUB or your adviser the most recent disclosure documents for each investment you are considering. The disclosure documents for each investment are prepared by the relevant product issuer and contain detailed information about the product issuer, management and administration of the investment, and the fees and costs of investing in the product.

### FOREIGN CURRENCY \*

Where available, foreign currency will be held in an omnibus account with an Australian authorised deposit-taking institution ('ADI') which will be denominated in a currency other than Australian Dollars ('AUD'). There may be separate omnibus accounts for each available currency. The list of approved foreign currencies, where available, is outlined in the Investment Booklet for the Choice Menu, which is available on the product website, on InvestorHUB, from your adviser or by contacting us. Foreign currency is only available if you select the Choice Menu.

Where you hold foreign currency it may be used to buy international listed assets.

### How to invest in foreign currency

Buying or selling foreign currency is facilitated through the aggregated trading service via your adviser.

If you hold foreign currency in a third-party bank account, you may be able to transfer the foreign currency into your account, without needing to convert it to AUD. Please speak with your adviser or contact us if you wish to transfer existing holdings in foreign currency.

Holding foreign currency:

- **Exchange rates** - Where you instruct us to convert currency, the exchange rate applicable will be determined by the relevant ADI holding the foreign currency, at the time the conversion is executed.
- **Valuation** - The AUD value of your foreign currency is calculated from time to time in accordance with the relevant exchange rate notified to us by a third-party data provider and fluctuates in accordance with movements in that rate.
- **Interest** - Any interest received in respect of your foreign currency holdings is passed onto you, less the foreign currency fee. Please refer to Part II of the IDPS Guide – Foreign currency fee for more information.
- **Foreign currency withdrawals** – To make a withdrawal of a foreign currency, the foreign currency will be converted to AUD and then deposited into your cash account.
- **Switching between foreign currency** - You cannot switch directly between foreign currency. If you wish to switch between foreign currency, the relevant foreign currency amount is first converted to AUD and deposited into your cash account. You can then convert the currency from AUD into the required denominated foreign currency.

## 5. YOUR INVESTMENT CHOICES

- **Switching to AUD** - Foreign currency in your account is not available for you to withdraw or to be used to purchase investments (other than for international listed assets in the same jurisdiction as the foreign currency, such as international listed securities – see the bullet point below) until we have converted the funds to Australian dollars, after which time the proceeds are transferred into your cash account. Funds available from sell transactions are available to you only after the sub-custodian has settled the transaction and we have converted the funds to Australian dollars.
- **Trading international listed assets using your foreign currency** - You can use your foreign currency to buy and sell international listed assets (such as international listed securities) in their native currency using the aggregated trading service on AdviserHUB. If you buy international listed assets and you hold sufficient money in the foreign currency relevant to that purchase, you can request that the purchase of international listed assets be settled using your foreign currency. If you hold insufficient foreign currency at the time of trade settlement, we will convert the required amount of AUD from your cash account into the relevant foreign currency.
- **International income (dividends and interest)** - You can receive international income (such as international listed security dividends and foreign currency interest) in their native currency. If you hold international listed assets and you hold foreign currency in the currency relevant to that holding, or if you just hold foreign currency in a foreign currency account, you can elect to receive request that that the any income related to the international listed assets holding or foreign currency account holding, be paid in the relevant native currency.
- **Information about your foreign currency holdings** - If you hold foreign currency, the foreign currency holdings will be included in your account statements, online reports and transaction listings. The value of your foreign currency will be shown in AUD based on exchange rates provided to us by a third-party data provider. The exchange rate used to facilitate transactions may be different from the exchange rate used to calculate the balance of your foreign currency holdings. This means that the AUD value of the amount available to transact may be different from the foreign currency balance shown in AUD in statements and in online reports.

*\*Note: This investment option and associated features are not available at the issue date of this IDPS Guide. Please refer to the Investment Booklet for the Choice Menu on the product website or InvestorHUB for the most up to date information as to when this will be available. We will also publish an update on the product website and notify you via InvestorHUB when this investment option and features become available.*

### LONGEVITY PRODUCTS \*\*

We may offer investors who have selected the Choice Menu the option to invest into longevity products. Longevity products are generally investment based products that are backed or supported by a life insurance policy and that are designed to pay agreed income stream amounts during your retirement until death. These products are designed to assist you in managing income risk and longevity risk during retirement. They will generally require that you have met a specified condition of release (e.g. reached age 65, retirement, suffered permanent incapacity or a terminal medical condition), prior to receiving any income amounts. Each longevity product offered will have specific risks and features that you and your adviser should consider prior to investing. The life insurance policy will typically be held by the Operator on behalf of investors in the longevity product as an insured person which will entitle you to receive the income stream payable from the longevity product.

#### Premium amounts

When selecting a longevity product you will be required to pay a premium amount. This premium amount may be a one off amount or may be paid on an instalment basis to the product provider. The amount you pay as a premium will be determined by (amongst other factors), your age, any deferment period, your intended income amount and any guarantees offered by the product. Where the longevity product offers an income guarantee, the premium amounts are adjusted to incorporate the agreed guarantee. Each product will have its own minimum premium amount. You should understand what this minimum amount is prior to selecting the product. You should speak to your adviser or refer to the longevity product's, product disclosure statement for the current applicable minimum premium amount. The premium amounts will be deducted from your IDPS cash account.

#### Deferment period

Longevity products may offer a deferment period. This allows the value of the longevity product to be built up prior to drawdowns commencing to be made from the longevity product to fund income stream payments to investors. Some longevity products may require a minimum deferral period. You should review the disclosure documents for your chosen longevity product to confirm if a deferral period is offered and if there are minimum deferral periods. During the deferral period you will not be eligible to receive any income from the longevity product.

#### Income payments

The amount of income paid by the longevity product will be dependent on the total premium amount paid into the product, the period of any deferment, your age and any guarantees offered by the Longevity product. You may be able to select options that allow the income amount to be aligned to an index, which would increase your income amounts in alignment with that index. Once income amounts commence generally the income will continue until death. The income amounts will continue beyond the time any capital (from your premium amounts) has been exhausted. The income amounts will be paid into your IDPS cash account at your chosen frequency.

#### Investment options

The longevity product may offer you multiple investment options when selecting the product. The options and any restrictions around the options should be considered prior to selecting a longevity product. You may be restricted in your investment

## 5. YOUR INVESTMENT CHOICES

options once income amounts are being paid to you. You should carefully read the product's disclosure documents to understand what investment options may be available to you.

### Withdrawal options

Longevity products may offer withdrawal options once they have commenced. The amount available for withdrawal and any costs associated with the withdrawal will depend on amongst other things, the withdrawal amount, premium amounts received, any guarantees offered, timing of the withdrawal request, the phase of the product, capital amounts remaining available for withdrawal and any income amounts received. The proceeds from your withdrawal request will be paid into your IDPS Cash account.

*\*\*Guarantees offered through longevity products are done so by the issuer of the longevity product and not the Operator or Administrator. For information on any guarantees please refer to the longevity products disclosure documents available on InvestorHUB or from your Adviser.*

### UNLISTED DOMESTIC FIXED INCOME SECURITIES

Access to unlisted domestic fixed income securities is restricted to wholesale clients only, as defined by the Corporations Act 2001 (Cth) via an adviser from an Australian financial services licensee who has been approved by the Operator to settle and hold unlisted domestic fixed income securities through HUB24 Invest. Unlisted domestic fixed income securities are only available if you select the Choice Menu.

### Trading of unlisted domestic fixed income securities

Unlisted domestic fixed income securities must be acquired or disposed through an approved fixed income securities broker (Broker). After the execution of any buy or sell trade the Broker or your adviser must provide the trade details to HUB24 in order to arrange settlement of the trade. You should speak to your adviser to confirm the full list of available unlisted domestic fixed income securities and any minimum trade requirements.

### Settling unlisted domestic fixed income security trades

To facilitate the settlement of unlisted domestic fixed income securities, you authorise the Operator to deduct proceeds for buy trades from your cash account and deposit sale proceeds into your cash account, upon instruction from the Broker or your adviser.

### Periodic interest payments on unlisted domestic fixed income securities

Unlisted domestic fixed income securities may provide periodic interest payments. These amounts will be deposited into your cash account.

### Maturity of unlisted domestic fixed income securities

When an unlisted domestic fixed income security reaches its maturity date, the amount received from the issuer will be deposited into your cash account.

### REVIEWING YOUR INVESTMENT OPTIONS

You should regularly review your investment strategy with your adviser and make sure your investment choices are appropriate for your personal circumstances. We do not provide personal financial product advice as part of the Service. The Operator provides access to underlying investments without taking into account your individual objectives, financial situation or needs.

### LABOUR STANDARDS, OR ENVIRONMENTAL, SOCIAL OR ETHICAL CONSIDERATIONS

Labour standards, environmental, social, or ethical considerations are not taken into account by the Operator in the selection or retention of investment options. For more information about which underlying investment managers, fund managers or portfolio managers, take into account labour standards or environmental, social or ethical considerations in the selection, retention or realisation of investments, and the extent to which and how they take these factors into account, refer to the applicable product disclosure document for the relevant investment option, which can be accessed via InvestorHUB.

### INVESTMENT BOOKLET

The Investment Booklets for the Discover Menu, the Core Menu and the Choice Menu are available from the product website shown on the front cover. The Investment Booklet for the Discover Menu lists the select range of investment options available to you in the Discover Menu. The Investment Booklet for the Core Menu lists the select range of investment options available to you in the Core Menu. The Investment Booklet for the Choice Menu lists the range of investment options available to you in the Choice Menu. The list of available investments in each of the Discover Menu, the Core Menu and the Choice Menu will change from time to time. You can request a paper copy of the Investment Booklet for the Discover Menu, the Core Menu or the Choice Menu free of charge from your adviser or by contacting us.

The Service provides a variety of investment options so you and your adviser can achieve the level of diversification which may be appropriate to your personal circumstances. Depending on whether you select the Discover Menu, the Core Menu or the Choice Menu, these investment options may range from simple (e.g. listed ordinary shares, term deposits and managed funds) to complex portfolios selected on the basis of investors' risk profiles, asset class or manager capability.

Prior to making investment options available to you through the Service, these investments are subject to an initial examination by members of HUB24's Investment Committee to determine their nature, likely market behaviour and any other relevant characteristics. The HUB24 Investment Committee is made up of internal representatives of HUB24 and regularly reviews the investment options available to ensure it has a choice of investments that are likely to meet the needs of investors and their advisers. The Operator is not constrained by the range of investment options issued by or associated with any related parties of the Service. Factors that the Committee consider prior to their inclusion include whether:

- the investment is offered through a regulated stock exchange or by direct application
- the investment is subject to any restrictions in relation to redemptions and applications (e.g. limited redemption windows, minimum investment periods)
- the investment is widely used and recommended by investors and their advisers
- in the case of a managed portfolio, whether the manager of the managed portfolio is likely to have the required expertise to design and maintain the portfolio in line with its stated objectives, strategies and other investment parameters, and
- the features of the investment can be supported operationally.

## 5. YOUR INVESTMENT CHOICES

The availability of investment choices through the Service is not an endorsement by the Operator or its affiliates and it does not mean they are suitable for you.

The Operator does not make recommendations on investment products. You should discuss with your adviser whether a particular investment is suitable for your needs.

### **Additional documentation you will need**

Your adviser will also provide you with a Statement of Advice ('SOA') and other disclosure documents relevant to your investment options, including:

- Product Disclosure Statement (or 'PDS') for each managed fund, each longevity product and each managed portfolio
- fact sheet for ETFs, ETPs and/or LICs
- general information on direct shares, and/or
- an information guide on term deposits.

All these documents are available on InvestorHUB or from your adviser.

## 6. EFFICIENT TRADING CHOICES

If you select the Choice Menu our flexible trading options give your adviser greater flexibility and control over when and how you trade in listed securities. You may elect to receive a trade summary confirming details of all trades for any day on which trades are executed. All trades placed can be monitored on InvestorHUB.

The Operator is not a market participant or clearing participant of the ASX or any other financial market. We have arrangements in place with brokers to provide broking services in relation to your instructions to buy or sell listed securities or foreign currency. When you choose to trade using our default brokers (refer to 'Aggregated trading' and 'Direct market trading' below), you authorise us to instruct the default broker(s) to execute the relevant transaction under the trading agreement between us and the broker.

### AGGREGATED TRADING

Under aggregated trading, your adviser can place a trade for Australian and international listed securities using our default broker(s), and foreign currency using our sub-custodian through AdviserHUB. This trade will be combined with other trades we receive on that day.

Multiple orders for a particular listed security or foreign currency are aggregated and netted, with the total transaction spread out on the market generally during a specified time period each day. This could, however, result in a higher purchase or lower sale price compared to if you had executed the trade at an optimal market time. (Aggregated foreign currency orders are not netted).

A benefit of aggregated trading is that we combine all listed securities and foreign currency trades required for new investments, withdrawals and rebalancing of managed portfolios with all trades received. We then internally match or net off any buy-and-sell trades for your account where possible, reducing the number of buy-and-sell orders that need to be placed in the market on your behalf. This netting process can result in lower transaction costs for you (e.g. less brokerage costs).

When trades are netted across different accounts within the Service, the trades will incur brokerage. Aggregated trading is used for managed portfolio trades in most cases.

All trades in international listed securities will be settled in Australian dollars, unless you hold the relevant native foreign currency and your adviser has nominated to settle all the international trade in the native currency. The option to hold foreign currency is not available at the date of this IDPS Guide. We will notify you when this option becomes available.

### BESPOKE TRADING

Under the bespoke trading service, your adviser can place a trade for Australian listed securities that are available on the Choice Menu, on your behalf by placing trades outside of our aggregated trading service, our default broker(s). This is subject to Operator approval, in accordance with its legitimate business interests, acting appropriately.

This service may also be available to your adviser or portfolio manager in relation to Australian listed security trades within managed portfolios available on the Discover Menu, Core Menu or the Choice Menu.

Where your adviser or portfolio manager chooses to transact under the bespoke trading service:

- you authorise the Operator to rely on instructions received from your adviser or your portfolio manager to access the bespoke trading service, as if the Operator had received those instructions from you;
- your adviser or the portfolio manager is responsible for ensuring you have sufficient cash or listed securities to discharge obligations under the transaction prior to executing the trade;
- the Operator will act on the instructions received from your adviser or portfolio manager to execute the bespoke trading outcome or strategy as instructed and in accordance with the terms of the agreement between the Operator and your adviser or portfolio manager;
- Bespoke trading instructions provided by your adviser or portfolio manager as notified to the Operator may not be accepted if it does not meet the terms of the agreement between the Administrator and your adviser or portfolio manager. For example, if there's not enough money in your cash account, the security is suspended, placed in a trading halt or for any reason where it is impracticable or impossible to implement; and
- the Operator will not be liable for any loss to you, your adviser or portfolio manager arising from any transaction including where there is any delay in implementing instructions, due to an event outside of our control.

### DIRECT MARKET TRADING

The Service allows your adviser to trade your direct Australian listed securities in real time directly through AdviserHUB using our default broker(s). Your adviser can place orders in two ways:

- **Limit** – this is an order to buy or sell direct shares at a specified price.
- **Market** – this is an order to buy or sell securities at the prevailing market price at the time that the order is executed. If the quantity available at the prevailing market price is not sufficient to satisfy the order, the broker will endeavour to fill the balance of the order at the best available market price that complies with individual exchange rules and standards, however, the execution and the price is not guaranteed.

### TRADING THROUGH YOUR BROKER

The Service allows your adviser to buy or sell Australian listed securities that are available on the Choice Menu, on your behalf by placing trades directly with a broker other than our default broker(s), which is subject to Operator approval, in accordance with its legitimate business interests, acting appropriately. Trades placed with your broker are not placed through AdviserHUB, but through your broker, and orders are executed in accordance with your broker's market and trading requirements, and are subject to the broker's terms of business.

The Operator reserves the right to add or remove brokers at its discretion and without notice to you. You can obtain information about your broker by requesting this from your adviser or by contacting us. This feature will be made available at the discretion of the Operator (please refer to Section 10: General Information, under 'Operator discretion' for more information of how the Operator will exercise its discretion).

If you choose to transact through your broker:

## 6. EFFICIENT TRADING CHOICES

- you authorise the Operator to rely on instructions from any person that the Operator reasonably believes to be your broker, as if the Operator had received those instructions from you
- your broker is responsible for the service they provide you and our role is limited to facilitating the settlement of transactions placed by your broker
- your broker is responsible for checking that you have sufficient cash or financial products to discharge obligations under the transaction prior to executing the trade; and
- transactions placed by your broker and notified to the Operator may not be accepted if it does not meet the terms of the agreement between the Operator and your broker. For example, if there's not enough money in your cash account or the security is suspended or placed in a trading halt.

### TRADE AUTHORITY

We cannot generally deal with your investments without your prior instruction. When we receive a trade instruction, we assume you have authorised your adviser or your broker to instruct us and that your adviser/broker has provided you with specific information on your investment. It is your adviser's/broker's responsibility to ensure your trade instructions are correct. Generally, once a trade is placed it cannot be cancelled or amended.

Trading through the default broker or your broker is subject to the operating rules regarding trades on the relevant exchange or requirements of the relevant product being invested in. The Operator is not liable for delays in the execution of the transactions, market movements or buy-and-sell spreads. The length of time it takes for the trade to be completed will depend on market conditions or external counterparties where you are transacting in managed funds or other investments not listed on an exchange including term deposits.

### TRADE RESTRICTIONS

We may not be able to fully implement buy and sell instructions received for your account where, among other things:

- trading orders may not be able to be fully executed, or may need to be executed in small amounts on the market (for example, if there is very low demand for a direct share)
- a listed security or the exchange itself becomes suspended or halted for trading by the applicable stock exchange
- a minimum trade size is needed. The Operator has the discretion to delay or cancel trades that do not meet the minimum requirements as determined by the Operator
- there's insufficient cash in your account to settle a buy trade, or insufficient listed securities held in your account to settle a sell trade, or
- the trade may be manipulative or contrary to the rules, practices and procedures of the ASX or other applicable stock exchange or have the potential to give rise to disorderly market behaviour.

We reserve the right to reject or cancel trades (for example, if it might result in a breach of any applicable stock exchange operating rules other relevant laws, or actual or suspected fraud) without your consent or prior notice.



## 7. OTHER SERVICES

You and your adviser can access insurance, margin lending, and your broker services through the Service. You should ensure that these services suit your individual circumstances and objectives.

Service	Insurance	Margin Lending	Trading through your broker <sup>1</sup>
<b>Providers</b>	You and your adviser can access a choice of approved insurance providers offering flexible insurance options	You and your adviser can access a choice of approved margin lending providers.	You and your adviser can access a choice of approved brokers <sup>2</sup> .
<b>How it works</b>	You can access a range of insurance options designed to protect you and/or your family by providing financial support during certain lifetime events. Insurance cover available includes death, Total and Permanent Disablement (TPD), income protection and trauma.	<p>You may choose to invest using margin lending facilities approved by your adviser. When you invest through a margin lender, you are directing the margin lender to arrange for your funds to be invested into the Service on your behalf. Your investments will be held in 'geared account'.</p> <p>A geared account is an account holding investments in the Service, which has been funded based on a margin loan agreement. This account may be in the name of your margin lender, depending on the margin loan agreement.</p> <p>The margin lender may be registered as the investor and acquires the investor rights. The margin lender can exercise or decline to exercise these rights on your behalf according to your margin loan agreement.</p>	<p>You may choose to use your broker to place and execute trades. When you use your broker, you are directing your broker to arrange for your instructions to be executed in the market and you are authorising us to rely on instructions from any person that we believe to be your broker.</p> <p>Your broker is responsible for the services they provide you and our role is limited to the settlement of the transaction placed by your broker.</p>
<b>Application for the additional service</b>	Read the insurance PDS for the product and complete the application form with your adviser's guidance. Your adviser will need to notify the insurer through the application process that the insurance premiums are to be deducted from your cash account.	Read the margin loan facility agreement. Your adviser will need to complete application forms for both the margin lender and the Service, and forward both to the margin lender.	Read through your broker's client agreement and any associated product terms, as applicable. You and your adviser will need to complete the application forms for both your broker and the Service.
<b>Payments and funding</b>	<p>Insurance premium payments will be deducted and paid directly from your cash account.</p> <p>You need to ensure there is sufficient cash available in your cash account to cover the insurance premiums for insurance policies as they fall due, otherwise your policy could lapse or be cancelled.</p> <p>You should read the insurance PDS for the product to obtain further information about the impact of non-payment or late payment of premiums. Refer to Section 8: Operating your account, under 'Minimum cash balance' for more information</p>	The investments held in the geared account will generally be used as security for the margin lending facility. We do not enter into a lending agreement with the margin lender as a means of providing this security. The margin lender's interest is generally limited to the geared account balance unless you agree otherwise. The margin lender is typically not entitled to any recourse against your other assets in the Service or your other accounts. There are significant risks associated with margin lending. Refer to Section 4: Risks, under 'Margin lending risk' for more information.	The investments and/or cash positions held in your account will be forwarded to your broker, to enable your broker to allocate orders that do not breach your cash limits or any trade restrictions. The Operator has the right to cancel trades pursuant to your cash positions and/or any trade restrictions.

<sup>1</sup> Trading through your broker is available on the Choice Menu only and is subject to approval by the Operator. Please refer to Section 10: General Information, under 'Operator discretion' for more information of how the Operator will exercise its discretion.

<sup>2</sup> A fee will apply for trading through your broker. Refer to Part II of the IDPS Guide for more information about fees and other costs.

## 7. OTHER SERVICES

Service	Insurance	Margin Lending	Trading through your broker <sup>3</sup>
<b>Role of the provider</b>	The insurer will be responsible for all decisions relating to your insurance cover, including claims under your policy. Complaints related to your insurance policy should also be made to the insurer.	When you invest through a margin lender and wish to make withdrawals or transfer your investment, you will have to direct the margin lender to do so on your behalf. We will process withdrawal requests according to the margin lender's instructions. All correspondence and dealings in your investment will be through your margin lender. Refer to Section 4: Risks, under 'Margin lending risk' for more information.	When you trade through your broker you will have to direct the broker to do so on your behalf. We will settle the trade request according to the broker's instructions and if it meets our trade requirements. All correspondence and dealings in your investment will be through your broker. Refer to Section 6: 'Trading through your broker' for more information.

<sup>3</sup> Trading through your broker is available on the Choice Menu only and is subject to approval by the Operator.

**Note:** Nothing in this IDPS Guide is to be taken as a recommendation or endorsement of any margin lender or the use of margin loans, or insurance provider and/or insurance products or broker provider and/or broker products. We accept no responsibility in relation to the margin loan, the margin lending agreement or the margin lender, the insurance provider or the insurance product, the broker providers or the broker issued products. We are not responsible for any actions taken by the margin lender for the margin loans provided to investors in the Service and we are generally not in the position to (and, therefore, will not) monitor, verify or confirm that a margin lender complies with the relevant margin loan agreement.

## 8. OPERATING YOUR ACCOUNT

### INITIAL STEPS

To open an account, you must:

- contact your adviser to establish an investment strategy (and insurance strategy, if applicable) and select your investments, and
- complete and sign the relevant Application Form, and agree to the terms and conditions set out in the IDPS Contract.

When you complete the Application Form you must choose between the Discover Menu, the Core Menu or the Choice Menu. You may only choose one of these menus within a single account. Your choice will affect the investment options available to you and the level of fees you pay.

After your account has been opened, you have the option to transfer your entire account balance between the Discover Menu, the Core Menu and the Choice Menu at any time. Refer to the section 'Transferring between the Discover Menu, the Core Menu and the Choice Menu' within this document for more information.

Once your account has been established, you will receive a welcome email that provides you with EFT and BPAY details on how to make your initial contribution. Please ensure the correct transaction reference is used. Keep a record of the transaction and contact us if you do not see the funds deposited within three business days from depositing the funds into your account.

Once you have deposited funds into your account, your adviser will implement your investment strategy.

The Application Form is available online and can be accessed by your adviser.

**By signing the Application Form, you agree to the terms and conditions set out in the IDPS Contract, which accompanies or is made available with this document.**

This authorises us to manage your account(s) in accordance with your investment strategy instructions agreed between you and your adviser. At our discretion and in accordance with our legitimate business interests, acting appropriately (including where we are required to meet applicable laws or regulatory requirements, and actual or suspected fraud), we reserve the right to refuse any application in the Service.

If you wish to use margin lending facilities to make contributions, you must ask your adviser to contact your margin lender for the relevant forms. Please note that this does not mean we recommend or endorse any margin lender or the use of margin loans.

You can choose to have your premium payment for an approved insurance policy deducted directly from your cash account within the Service. Insurance cover may include death, TPD, income protection and trauma. Please refer to the relevant insurance product disclosure statement for further information.

If you wish to trade through your broker, you will need to contact your adviser who can help you complete the relevant forms. This feature will be made available at the discretion of the Operator.

For further information on margin lending, insurance products and trading through your broker, please refer to Section 7: Other services.

No cooling-off rights apply to your investments through the Service, which is of importance for those investments that have only infrequent or restricted redemption windows. You should specifically consider liquidity in determining whether to invest.

### CASH ACCOUNT

When you join the Service a cash account is automatically established for you. The cash account represents the cash in your account (excluding any cash held in managed portfolios) and is used to settle all transactions relating to the investments held within your account and deduct any fees and charges applicable. The cash account is not intended to be used as an investment option.

When you first open an account, you direct your money to be deposited in your cash account until investment instructions are received from your adviser. Your cash account can also be linked to an external bank account (your nominated bank account) for easy transfer of funds into and out of your account.

There are minimum balances for your cash account. See below under 'Minimum cash balance'.

The cash in your cash account is held either by us or by our sub-custodians (or their nominees) with Australian banks or other authorised deposit-taking institutions ('ADIs').

Interest on your cash account is calculated daily and paid monthly on any positive balance in your cash account after deduction of the cash management fee from the interest received from the relevant Australian bank or other ADI in which such cash is deposited.

We set the target interest rate which we aim to credit to your account. The target interest rate may vary from time to time and while we aim to pay the target interest rate, the amount of interest we actually pay is not guaranteed and is dependent upon what we receive from the relevant ADIs.

The latest available target interest rate can be found on InvestorHUB (for cash in Australian dollars), by contacting us on 1300 854 994 or by contacting your adviser. For information about how the cash management fee is calculated and how the target interest rate is determined, please refer to the information in 'Cash management fee' in Part II of the IDPS Guide.

**Warning:** There may be a clearance period on some deposits (for example direct debit deposits and cheques) before the money is available for you to invest. This may also include any regular investment plan transactions. However, there may be limited cases where the money is available for you to invest prior to the end of the clearance period which is typically up to 3 business days. In these cases, if you do invest the money prior to the end of the clearance period and the direct debit is unsuccessful or the cheque is dishonoured, any associated costs that are incurred including any losses as a result of selling down your investment(s) will be passed on to you.

### APPOINTING AN ADVISER

You must have a relationship with an authorised adviser (or 'adviser') in order to use the Service, unless otherwise approved by us. You may appoint an authorised adviser as the adviser on your account by nominating the representative on your Application Form. By appointing an adviser, you are authorising that person to instruct us on your account on your behalf.

## 8. OPERATING YOUR ACCOUNT

We will act on all instructions from you through your adviser. Your adviser can instruct us on anything in relation to your account, except to appoint another person to be your adviser, make changes to your nominated bank account details or your fees payable.

If you wish to change your appointed adviser on your account you must provide us with written notice. If, for any reason, your adviser leaves the holder of the Australian Financial Services Licence (AFSL) (licensee) that your adviser operates under or ceases to be authorised by their licensee, you may not be able to retain your investment in the Service. The consequences can include closure of your account (please refer to the section below 'What will happen if you no longer have an authorised adviser?'). If your adviser moves to a new licensee and you move with your adviser, then your account may be subject to the terms and conditions that apply to the new licensee. As a result, the fees and other costs that apply to your account may (but will not necessarily) change, including increase, and the investment options available to you may also change or no longer be available. This can include any managed portfolios that you hold. Our standard terms and conditions, and the maximum fees and costs that may apply, are set out in the HUB24 Invest IDPS Guide (Parts I and II), the Investment Booklets for the Discover Menu, the Core Menu and the Choice Menu, the IDPS Contract and Application Form on issue at the relevant time, which can be found at [www.hub24.com.au/product-documents](http://www.hub24.com.au/product-documents).

### WHAT WILL HAPPEN IF YOU NO LONGER HAVE AN AUTHORISED ADVISER?

The Service is designed for use with an adviser authorised by us to use the Service. If you decide to leave your adviser, you must notify us as soon as reasonably possible. Other reasons why you may no longer have an authorised Financial Adviser include:

- your adviser informs us that you are no longer a client with them
- we become aware that your adviser no longer holds an Australian Financial Services License (AFSL) or is no longer an authorised representative of an AFSL holder, or
- we revoke your adviser or adviser's licensee's authority to use the product.

It is important to note that while you no longer have an authorised adviser, you will need to monitor and maintain your account (inclusive of your investment strategy and your insurance protection needs). You will be responsible for the buying and selling of investments directly through InvestorHUB. Using forms available on the product website, you will need to instruct the Operator directly on the following types of transactions:

- maintaining sufficient cash in your cash account to pay fees, and
- making premium payments on your insurance coverage, or alternatively cancelling your insurance coverage (after you have assessed your own needs).

There are other implications when you no longer have an authorised adviser, including but not limited to:

- you might not be able to remain invested in your chosen investment option(s), including managed portfolios and/ or have limited access to certain investments

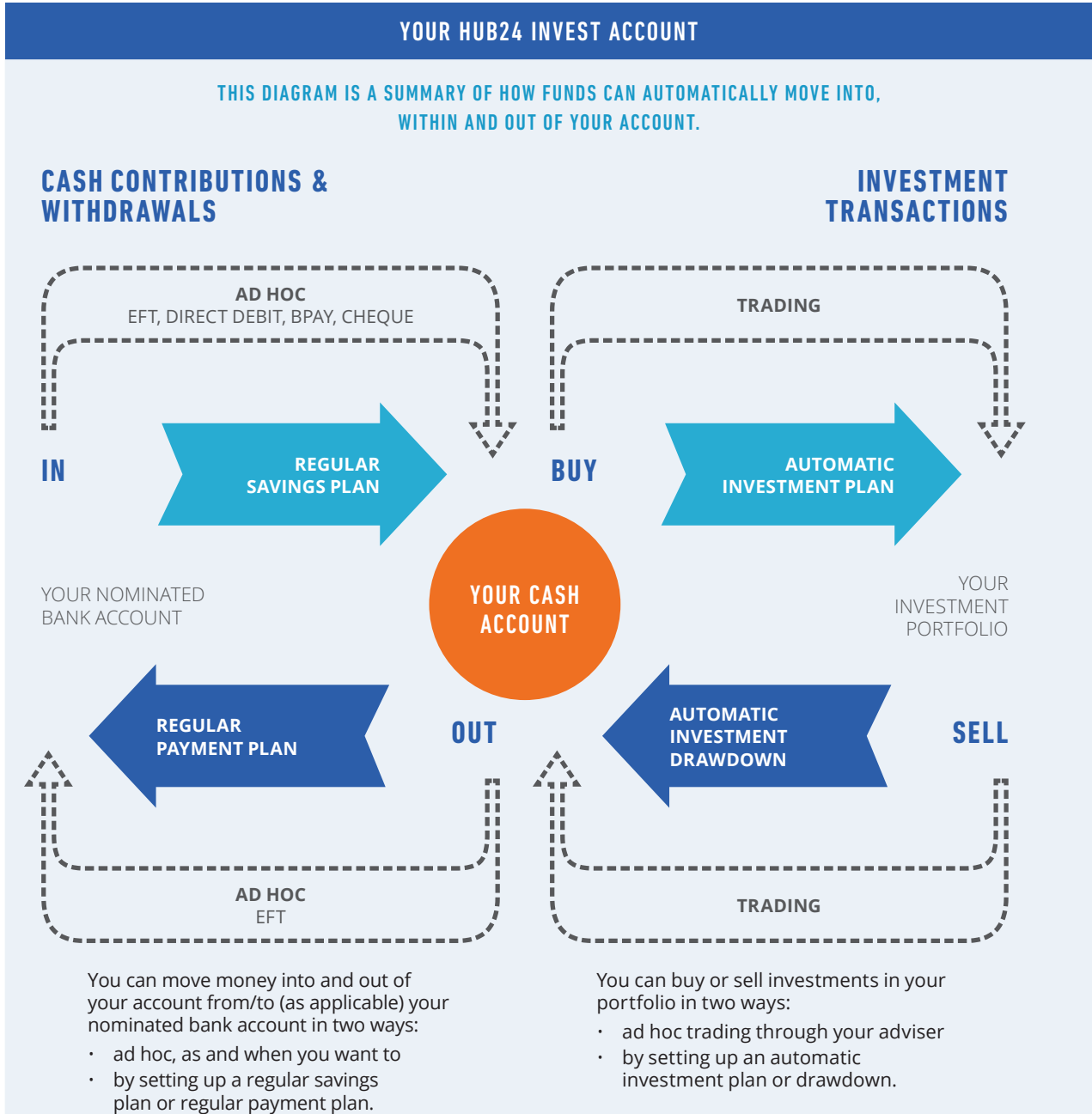
- you may no longer have access to product features within the Service, such as automatic investment plans, or automatic cash top up
- the naming and branding of your account may change (including on any communication we send to you)
- you may be subject to our standard terms and conditions, and the maximum fees and costs, set out in the HUB24 Invest IDPS Guide (Parts I and II), the Investment Booklets for the Discover Menu, the Core Menu and the Choice Menu, the IDPS Contract and Application Form on issue at the relevant time. This may (but will not necessarily) result in a change, including an increase in fees and costs. These documents can be found at [www.hub24.com.au/product-documents](http://www.hub24.com.au/product-documents). You should consider the information in these documents before deciding whether to remain in the Service, and
- the adviser fees that you have negotiated and paid to your current adviser will cease.

**Warning:** If you do not appoint a new authorised adviser, the Operator reserves the right, to sell your investments and close your account, having regard to its legitimate business interests, acting appropriately (please refer to Section 10: General Information, under 'Operator discretion' for more information of how the Operator will exercise its discretion).

To request a policy document, free of charge, that outlines what will happen if you no longer have an authorised adviser, please contact us on 1300 854 994. We may amend this policy from time to time to incorporate any changes to the Service, ensure compliance with legislative and regulatory obligations, or otherwise in accordance with our legitimate business interests, acting appropriately.

## 8. OPERATING YOUR ACCOUNT

### HOW YOUR ACCOUNT OPERATES



## 8. OPERATING YOUR ACCOUNT

### CONTRIBUTIONS

Once you have opened your account, you can make one-off and regular contributions. You direct us to invest all contributions paid into your account in your cash account until investment instructions are received. You can view your transactions online through InvestorHUB and all contributions will be shown on your statements.

Payment type	How to invest
<b>BPAY</b> Registered to BPAY Pty Ltd ABN 69 079 137 517	Use the following details for BPAY transactions: Biller code: 17798 Your customer reference number ('CRN') will be provided to you with your welcome email. The above BPAY biller code and your CRN must be used for any future contributions made via BPAY. You must include your CRN to ensure your payment is processed. Any BPAY deposits with invalid or incomplete information will not be processed.
<b>Electronic funds transfer ('EFT')</b>	EFT details will be provided in the welcome email once your account is opened.
<b>Direct debit</b>	You will need to complete a direct debit request form to transfer funds from your bank account.
<b>Cheque</b>	Forward a cheque made payable to HUB24 Custodial Services Ltd <your account name>. Unidentified cheques (with no attached Application Form or customer reference number) cannot be applied to your account.
<b>In specie (asset) transfer</b>	a. Check with your adviser or contact us to find out whether the assets can be transferred to your account. b. Complete and return the in specie transfer form. You can obtain this from the Forms section of InvestorHUB. <b>Note:</b> Consult your adviser about the likely impact of the transfer, including any CGT liability. Please ensure cost base information and the CGT parcel history of securities are accurate. If there are inaccuracies and we are required to manually reconstruct the cost base history for CGT purposes, fees will be charged on an hourly basis. Refer to Part II of the IDPS Guide for information about fees and other costs. If you choose the Discover Menu you may only transfer in cash, investments from the Discover Menu selection and other investments approved by the Operator for use in the Discover Menu held outside the Service into your account. If you choose the Core Menu you may only transfer in cash, investments from the Core Menu selection and other investments approved by the Operator for use in the Core Menu held outside the Service into your account. If you choose the Choice Menu you may only transfer in cash, investments from the Choice Menu selection and other investments approved by the Operator for use in the Choice Menu held outside the Service into your account. We may delay processing the in specie transfer if a corporate action is pending on the security. A corporate action is an action taken by a securities issuer to give an entitlement – such as bonus issues, rights issues, dividends and buy-backs – to security holders.

### ESTABLISHING A REGULAR SAVINGS PLAN (CONTRIBUTING TO YOUR ACCOUNT)

You can set up a regular savings plan with us that allows you to invest amounts starting at \$100 per month into your account.

Regular contributions will be deducted from your nominated bank account on or after the 20th day of each month. We must receive your direct debit authorisation, either with your Application Form or the additional contribution and regular savings plan form by the 15th day of the month, for your regular savings plan to start around the 20th day of that month.

If you want to make changes to your nominated bank account for direct debits, you need to send us a bank account nomination form or a new additional contributions and regular savings plan form before the 15th of the month.

If we do not receive the new details by this date, the change may not occur until the following month.

We may discontinue or suspend direct debits, where there is suspected fraud, insufficient funds in your nominated account or there is otherwise a legitimate business interest to do so, acting appropriately.

You must notify us in writing or by email if you wish to cancel a regular savings plan.

Please note that at the time of investing through your regular savings plan, you may not be viewing the most current version of the relevant product disclosure statement or disclosure documents for financial products held through the Service as these are updated from time to time. You can obtain the current product disclosure statement or disclosure documents at any time on InvestorHUB or through your adviser.

## 8. OPERATING YOUR ACCOUNT

### WITHDRAWALS

If you wish to withdraw from your account, the minimum withdrawal amount is \$100 per withdrawal from each account.

You can make withdrawals by:

- requesting your adviser to instruct us directly,
- establishing a regular payment plan (refer to the details below), or
- submitting the withdrawal and regular payment plan form available on InvestorHUB or from your adviser.

Funds will be paid by electronic transfer to your nominated Australian bank account. We may also contact you to confirm your withdrawal instructions.

Withdrawals must be paid to a bank account in the same name as your account in the Service and not to a third party, except under the pay anyone facility (see 'Pay anyone' below for more information) or as otherwise approved by us having regard to our legitimate business interests, acting appropriately. Examples of when we might give approval include (but are not limited to) payments you agree to make to your adviser, or where a withdrawal is made on a regulated trust account type, such as a Self-Managed Super Fund (SMSF) account, for the purpose of payment of SMSF administrative expenses, such as, payments to the Australian Taxation Office (ATO), legal expenses or accounting related costs. We may request additional documentation prior to processing your payment. Please contact us on 1300 854 994 should you require additional information prior to requesting payment.

To make withdrawals, you must have sufficient cash in your cash account over and above the 0.75% minimum cash balance requirement. Generally, withdrawals will not be processed if there is not enough available cash in your cash account in order to cover the amount of the withdrawal while maintaining the minimum required cash balance in your cash account.

In certain circumstances outside our control, we may need to suspend withdrawals from your account and/or the Service – for example, if a particular investment is suspended from trading, or where we experience an unusually large amount of withdrawal requests. If this is the case, we will inform you as soon as we can after we receive your request.

You can also withdraw assets by having your investments transferred out in specie. Fees may apply for each investment transferred out. Refer to Part II of the IDPS Guide for information about fees and other costs.

We may delay processing an in specie transfer if a corporate action is pending on the security. A corporate action is an action taken by a securities issuer to give an entitlement – such as bonus issues, rights issues, dividends and buy-backs – to security holders. Please consult your adviser about the likely impact of any such transfer, including any CGT liability.

### ESTABLISHING A REGULAR PAYMENT PLAN (REGULAR WITHDRAWAL FROM YOUR ACCOUNT)

You can set up a regular payment plan with us that automatically transfers a minimum of \$100 per month into your nominated bank account on the 10th day of each month (or, where the 10th day of the month is not a business day, on the next business day after the 10th). We may, at our discretion, offer additional flexibility on the frequency and date of a regular payment plan.

We must receive your payment plan instruction, either with your Application Form or the withdrawal and regular payment plan form, by the 5th day of the month for your regular payment plan to start around the 10th day of that month. The name of your nominated bank account must be the same as the name of your account in the Service.

You can specify the amount you wish to receive as part of a regular payment plan by selecting one of the following three options:

- Regular Payment Amount** – this is a fixed amount paid monthly
- All Excess Available Cash** – this is all surplus cash in your cash account above the required minimum cash balance, or
- All Income** – this pays all the income received in your cash account from investments for the prior month.

You need to ensure you have sufficient cash in your cash account to meet any fixed regular payments (including any insurance premiums as they fall due) and any minimum cash balance requirement. Otherwise, your adviser can instruct us to sell a portion of your investments to fund the withdrawal without your consent.

### PAY ANYONE\*

The pay anyone facility allows you to make withdrawals from your cash account and have the money paid into any Australian bank account specified.

We may notify you of withdrawals or payments made using these facilities by sending a notification to the mobile phone number you provide.

Where we request your confirmation of a new pay anyone account set up, withdrawal or payment, the instruction will not be processed until your acceptance of the digital consent or confirmation is received.

Your adviser can also submit instructions using the pay anyone facility on your behalf.

*\*Note: This feature will not be available as at the issue date of this IDPS Guide. We will publish an update on the product website and notify you via InvestorHUB when this feature becomes available.*

### FURTHER INFORMATION ABOUT CASH

#### MINIMUM CASH BALANCE

Your cash account is used for all cash transactions. **You must hold sufficient funds to cover any regular payment plan and/or insurance premiums as they fall due as well as a minimum balance of 0.75% of the total amount of investments held in your account at all times.** This minimum cash balance requirement can be changed at any time. If we change the minimum cash balance requirement, we will provide investors with notice of the change. You and your adviser are responsible for maintaining a minimum cash balance.

You and your adviser can keep track of your cash account balance through InvestorHUB. If your Cash Account balance is low, you will see a red flag appear when you log into your account through InvestorHUB. If your cash account balance is below the minimum level, we reserve the right to sell your investments at any time to

## 8. OPERATING YOUR ACCOUNT

restore your cash account balance to at least 0.75% of the total amount of investments held in your account. This may be done without seeking prior instruction from you.

Your cash balance may be negative in limited circumstances. At its discretion, the Operator may permit the processing of certain transactions, including the payment of fees and other costs and/or regular payment plan withdrawals, which may bring your cash account balance into negative. Please refer to Section 10: General Information, under 'Operator discretion' for more information on how the Operator will exercise its discretion. In addition to this, you (via your adviser) may purchase investments using proceeds from the sale or redemption of an investment, where the sale or redemption has been made but the receipt of proceeds to your account has not been finalised. Interest will typically be charged to your cash account if your cash balance is negative at the same rate as would be credited to a positive balance. Information about using proceeds from the sale of investments to purchase other investments or to fund a regular payment plan can be obtained from your adviser.

### INTEREST ACCRUALS

Interest on your cash account is calculated daily and paid monthly on any positive balance in your cash account after deduction of the cash management fee from the interest received from the relevant Australian bank or other ADI in which such cash is deposited. After the Operator calculates and deducts its cash management fee, interest accrued on your cash balance is calculated daily and credited to your cash account after the end of the month. Interest is calculated based on the settled cash account balance in your account. The latest target rate of interest can be found on InvestorHUB (for cash in Australian dollars), by contacting us on 1300 854 994 or by contacting your adviser.

For foreign currency, the interest is calculated daily and credited to your account on a monthly basis. The interest is calculated based on the settled total value of your foreign currency holdings.

### INVESTMENT TRANSACTIONS

#### YOUR INVESTMENT INSTRUCTIONS

Your investment instructions will be acted on once received from your adviser on your behalf.

Direct market trading allows your adviser to trade your Australian listed securities in real time directly with the stock exchange. For aggregated trading, instructions will generally be acted on within one or two business days of the instruction being received (for listed securities, managed funds, managed portfolios and foreign currency) and generally once a week for term deposits.

However, at times, execution may be delayed due to the size of the trade not meeting the minimum requirements as determined by the Operator or in circumstances beyond the Operator's control (for example, suspension of trading for specific securities, 'freezing' on certain managed funds' redemptions, or a shortfall in the amount of cash available to cover the trade). In such cases, execution will proceed as normal once the cause of the delay has been addressed by the relevant parties.

The Operator will provide assistance for a prompt resolution whenever possible. Note also that we will have no obligation to act in accordance with the instructions if we reasonably consider them ambiguous, unclear or in conflict with any applicable law, regulations or local market practice. If we reasonably believe they

are not directed by you, we'll notify you or your adviser. If there has been a change or event which we have not yet informed you about, but we reasonably believe is an important consideration when making an investment within your account, we may be unable to immediately comply with any investment instructions we receive from you. If this happens, we will forward you the relevant information and will only execute your instructions when we believe you have received all the necessary information.

In certain circumstances, your assets can be sold down without obtaining your instructions to maintain the minimum cash balance in your account. For example, when rebalancing or reallocating occurs, we may acquire or dispose of assets in your account from time to time without any prior specific instructions. You may also authorise us to make any decisions relating to corporate actions without consulting you first. We generally do not seek your instructions in relation to corporate actions; however, we may, at our discretion, exercise certain corporate actions according to your instructions.

In situations where you cannot contact your adviser and need to instruct us, you may give us written and signed instructions directly, provided you have received all the relevant disclosure documents for your investment choice and your instructions are consistent with the IDPS Contract.

You can email or fax these instructions to us using the details specified in 'How to contact us' at the end of this section. Generally, all instructions should be given to us through your adviser.

### AUTOMATIC INVESTMENT PLAN

You can establish an automatic investment plan to trigger periodic reinvestment of excess cash in your cash account (on or around the 25th of the relevant month). A maximum limit can be set on this investment by your adviser via AdviserHUB so regular investments of a fixed amount can be made rather than investing all surplus cash. We may, at our discretion, offer additional frequencies for our automatic investment plan.

Excess cash may come from additional contributions, regular savings, income and sales from your investments. Unless you have directed your adviser to instruct us on how excess cash is to be apportioned to your current investments, it will stay in your cash account and accrue interest.

Disclosure documents for financial products are updated from time to time, so you may not have the most current version at the time you establish an automatic investment plan. You can obtain the current product disclosure statement or disclosure documents on InvestorHUB or through your adviser.

### AD HOC INVESTMENT PLAN

For any additional contributions into your cash account, you can establish an ad hoc investment plan. This feature allows you to establish an investment plan which will invest (generally within 5 business days) any additional (ad hoc) contributions made into your cash account once the money has cleared.

Disclosure documents for financial products held through the Service are updated from time to time, so you may not have the most current version at the time you establish an ad hoc investment plan. You can obtain the current product disclosure statement or disclosure documents on InvestorHUB or through your adviser.



## 8. OPERATING YOUR ACCOUNT

### AUTOMATIC INVESTMENT DRAWDOWN

The automatic investment drawdown allows you to specify how investment drawdowns are to be made (e.g. to meet a regular payment plan). Generally, the automatic investment drawdown occurs on or around the 3rd of the relevant month and involves selling or redeeming investments relating to your account. We may, at our discretion, offer additional frequencies for our automatic investment drawdown plan.

The investment drawdown options you may select are to:

- sell proportionately across all investments within your account;
- select specific investments and sell down proportionately across these only;
- select specific investments and a percentage to sell down; or
- other options that we may make available from time to time.

If you do not make a selection, then the default investment drawdown option is to sell proportionately across the following investments and in the following order:

- Managed portfolios containing Australian listed securities only
- Australian listed securities

- Managed funds (priced daily)
- Managed portfolios containing managed funds
- International listed securities
- Managed portfolios containing international listed securities
- Foreign currency
- Managed funds (non-daily priced).

The investment drawdown option will also be used to determine which investments are to be sold down to restore your minimum cash balance requirements where drawdown selection has been made.

### AUTOMATIC CASH TOP UP FEATURE

To help you manage your minimum cash account balance requirements, you can opt in for the automatic cash top up feature. This feature ensures that your cash account balance automatically tops up (generally around the 25th of each month) in the event that it falls below the required minimum and involves selling or redeeming investments relating to your account. You will also have the option to ensure that any regular payments (such as regular payment plans) are also taken into account when topping up the cash account balance.

### CUSTOMISING INVESTMENT PREFERENCES

You can also set up standing instructions in relation to investments that you do not want held in your account (whether within or outside a managed portfolio) and that are to be substituted with other nominated investments and minimum trading sizes. This allows you to better customise your account in accordance with the investment strategy that you have agreed with your adviser.

The table below sets out the different types of investment preferences you may wish to set up on your account:

Investment preference type	Description
<b>Exclusions</b>	<p>Your adviser (on your behalf) can instruct us to exclude (i.e. not buy or hold) particular investments within or outside a managed portfolio, or in your account. This is called setting an investment preference.</p> <p>When setting investment preferences you may exclude a single investment or multiple investments.</p> <p>You can generally substitute that excluded investment(s) with one of the following:</p> <ul style="list-style-type: none"> <li>• an allocation to cash, either in your cash account or to cash within a managed portfolio (where applicable)</li> <li>• spread the allocation that would otherwise have been to the excluded investment proportionally across the other investments held within a managed portfolio or outside (as applicable), or</li> <li>• with an alternative single investment.<sup>1</sup></li> </ul> <p>In some cases, restrictions may apply in respect of the type of investment you can substitute for the excluded investment. For example, you may not be able to substitute Australian shares with international shares. For more information about these restrictions, please contact your adviser or the Operator.</p> <p>Setting up an investment exclusion in respect of managed portfolios may mean the performance you experience differs from that of the applicable managed portfolio(s).</p> <p>Additionally, where an investment exclusion applies to a managed portfolio, the investment management fee (including any performance fee) that applies to the managed portfolio will be calculated by reference to the value of the managed portfolio as if the investment exclusion does not apply.</p>
<b>Minimum trade size</b>	<p>You may wish to set up a minimum trade size (i.e. for buys or sells) in your account for any listed securities and/or managed fund trades in your account (within or outside a managed portfolio). Setting these minimums may reduce frequent incremental trading on your account which can result in lower transaction costs.</p> <p>Note this does not apply to trades relating to automatic investment drawdowns.</p> <p>A minimum trade size is applied per listed security or managed fund trade. If no selection is made, then the default minimum trade size when transacting outside a managed portfolio is:</p> <ul style="list-style-type: none"> <li>• \$100 for Australian listed securities</li> </ul>

## 8. OPERATING YOUR ACCOUNT

Investment preference type	Description
	<ul style="list-style-type: none"> <li>• \$250 for managed funds, and</li> <li>• \$500 for international listed securities.</li> </ul> <p>Setting a minimum trade size per security or managed fund will generally ensure that trades of a value less than the nominated (or default) amount will not be executed (or cancelled). This includes trades that occur because of rebalancing and when trades are carried over from a previous instruction.</p> <p><b>Note:</b> Setting a minimum trade size below the default minimum trade size shown above, may increase the number of trades and the transaction costs applied to your account.</p>

<sup>1</sup> This option is only available when excluding a single investment and is subject to the approved investment list. For more information, refer to the Investment Booklets available on the product website.

Before deciding to set up investment preferences on your account please speak with your adviser.

## 8. OPERATING YOUR ACCOUNT

### CORPORATE ACTIONS

As the custodian of the Service, we have appointed sub-custodians to hold the legal title to assets in your account on trust on our behalf.

In the case of assets held as part of managed portfolios, these sub-custodians have discretion to participate in corporate action events (including voting on resolutions put to legal holders of investments) as instructed by us, based on advice from the relevant manager(s), or in the case of some index managed portfolios, as instructed by us based on the way the index manager has implemented the event in the index. Neither we nor the manager(s) take into account your individual objectives, financial situation, needs or circumstances when exercising these rights.

Where you have investments that are held outside managed portfolios or waiting to be transferred into or out of the Service (via an in specie transfer), we may inform your adviser if there is a corporate action, such as rights entitlements and share purchase plans. You must direct your adviser to instruct us on the corporate action and we will process this according to your instructions (where applicable).

Any benefits (that are calculated on a per security basis) we receive on the investments we hold are apportioned to all investors in proportion to their investment holdings.

For certain corporate events (e.g. capital raising events such as rights issues and share purchase plans) we can provide access to the relevant offer documents or inform you where you can obtain these documents. The managers of your managed portfolios are able to participate in these events using the discretionary powers you have granted them. If you have any concerns, you can contact your adviser for guidance or additional information.

Participation in certain corporate actions may be restricted for legal or other reasons at the discretion of the Operator; for example, non-residents may not be able to participate in corporate actions for certain Australian listed securities or Australian residents may not be able to participate in corporate actions for certain international listed securities.

As you are not the registered holder of assets in your account, you generally do not have voting rights (nor the right to proxy voting) at meetings of members of the relevant entity of which you hold a beneficial interest. The Operator has a voting policy setting out our approach to voting in relation to listed securities and other investment products available for investment under the Service. You can access this voting policy on our website. To request a paper copy of the voting policy, free of charge, please contact us on 1300 854 994. We may amend this policy from time to time to ensure compliance with legislative and regulatory obligations, or otherwise in accordance with our legitimate business interests, acting appropriately.

### EXCHANGE RATES

Generally, transactions in international listed securities, including buy, sell, corporate action and income transactions, will be converted into Australian dollars using the actual foreign currency exchange rates advised by the sub-custodian. Where you instruct us to convert foreign currency, the exchange rate to be used is set by the ADI with which the foreign currency is held at the time your transfer is executed. For more information on exchange

rates, and how they are applied when transacting in international listed securities, please refer to the International Listed Securities Guide on the product website.

Your international listed securities and foreign currency will be valued in Australian dollars based on the relevant foreign exchange rates obtained from a third-party data provider and the applicable value will fluctuate in accordance with movements in that rate.

### TRADE NOTIFICATIONS

If any trading activity (such as a rebalance or reallocation) is to be performed on your investments, or if you have made specific investment preferences to your account, your adviser and/or the Operator may send you an email notifying you of a set of pending investment instructions. This is called a trade notification. Details of these investment instructions will be set out on InvestorHUB.

### ADVISER TRADE NOTIFICATIONS

You can ask your adviser to cancel these pending investment instructions within the agreed timeframe. If you do not respond or take any action in relation to the pending investment instructions, your adviser will proceed and submit the investment instructions.

If you cannot contact your adviser to cancel the pending investment instructions, you can give us verbal and/or written instructions directly, as long as they are received within the agreed timeframe from the time and date of the trade notification.

Your adviser may rebalance or reallocate your account regularly and you may receive a trade notification from your adviser each time a rebalance or reallocation occurs.

**Note:** This trade notification feature may or may not be used by your adviser and depends on your investment strategy. The trade notification feature was developed to provide transparency and the right to veto any pending investment instructions within the agreed timeframe with your adviser.

You and your adviser can agree to the implementation of this feature. If you agree to use this feature, your adviser will generally document in your Statement of Advice (SOA) the agreed timeframe for you to act to cancel a pending instruction. Please speak to your adviser for more information.

### DIGITAL CONSENT

We may require your consent, either by SMS or email, or any other method as informed from time to time, to verify certain transactions entered by you or your adviser. These transactions may include:

- a change of nominated bank account or adding a new pay anyone account;
- initiating a withdrawal or payment request to a pay anyone account; and
- changes to your adviser service fee or for a one-off advice fee;

To avoid any delays in processing transactions, please make sure your contact details, including your mobile phone number and email address, are kept up to date.

## 8. OPERATING YOUR ACCOUNT

### PROVIDING DATA ELECTRONICALLY TO A THIRD PARTY

You can authorise the Operator to provide current and historical account and transactional data for your account by electronic file to a third party, such as a self-managed super fund administrator. This streamlines the provision of data by eliminating the need to re-enter data into another system. For this purpose, data may be provided to a software vendor which then provides it to your nominated third party. The software vendors we currently have arrangements with are located in Australia and store client data in Australia. They may, however, also have offices offshore (for example, in India and the Philippines).

## 8. OPERATING YOUR ACCOUNT

### HOW WE KEEP YOU INFORMED

#### INVESTORHUB

InvestorHUB is easy to use and gives you access to valuable resources and information about your investments. The table below summarises how you can monitor your account using InvestorHUB. If you cannot access InvestorHUB, please contact your adviser.

Communications	Purpose
<b>Welcome email</b>	Contains your account number, unique CRN and details how to log in and make contributions to your account.
<b>Daily valuation, cash account balance, transaction reports<sup>1</sup>, investment performance, and income and dividends reports</b>	Ongoing reports that you can generate online at any time.
<b>Quarterly reports</b>	Provides a quarterly summary of your transactions and investment details.
<b>Annual tax statement</b>	Provides a summary of the annual tax position of your investments to assist you in completing your tax returns.
<b>Annual investor statement</b>	Provides an annual summary of your transaction and investment details. This will be made available to you within three months of the financial year end and may be obtained on InvestorHUB or through your adviser via AdviserHUB.
<b>Annual audit report of investor statements</b>	Informs you of the audit of internal controls we have in place to ensure the accuracy of investor statements.

<sup>1</sup> Restrictions may occur with some investments, in particular managed portfolios.

#### PUBLISHING AND NOTIFICATION OF DISCLOSURE DOCUMENTS

We may make disclosure documents and other communications available to you electronically. These disclosure documents or other communications or disclosure may include financial services guides, important update notices, on-going disclosure of material changes and periodic statements.

As part of your application to open an account in the Service, you agree that we may make the communications and disclosures referenced above, and any other notice, document or other information required to be given to you under law (or the agreement with you), available to you electronically in one of the following ways (where permitted by law):

- by making the document, communication, disclosure or other information available via InvestorHUB or such other website as notified to you or your adviser from time to time,
- by making the document, communication, disclosure or other information available via the mobile app,
- by sending it to an email address you have provided for you or your adviser,
- by sending you or your adviser an email or other electronic communication providing a website reference or hypertext link to the document, communication, disclosure or other information

It is important you notify us as soon as reasonably possible if any of your contact details or any of the contact details of your adviser provided to us changes.

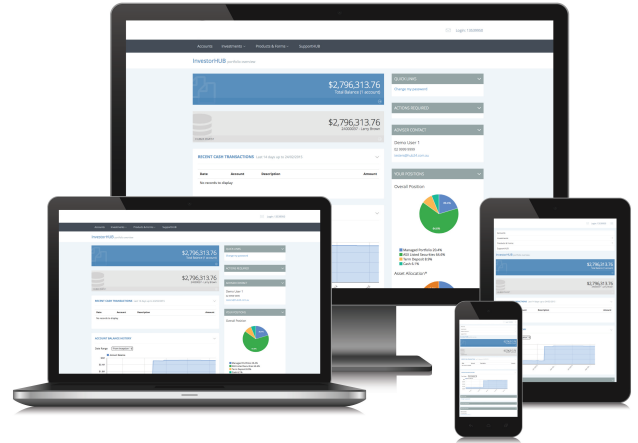
## 8. OPERATING YOUR ACCOUNT

### YOUR INVESTORHUB MOBILE APP

Our platform is fully compatible and accessible via popular mobile and tablet devices. With the flexibility of accessing your account anytime, anywhere, our mobile app allows you to keep track of and monitor your investments.

You can:

- view details of your account holdings, including asset allocation
- access a full list of investment options, including up-to-date valuations and performance graphs
- view important notifications from us
- update your contact details, and
- download all reports including your Annual Tax Statement and Annual Investor Statement.



**InvestorHUB, your online portal gives you real time access to information and notifications about your investments 24/7.**

#### How to contact us

If you need help regarding the Service, you should first speak to your adviser. You can also contact us by:

**Email:** [admin@hub24.com.au](mailto:admin@hub24.com.au)

**Phone:** 1300 854 994

**Fax:** 1300 781 689

**Mail:** GPO Box 529, Sydney NSW 2001

## 9. TAX

The Australian taxation system is complex and different investors face different circumstances.

We do not give tax advice and we recommend that all investors seek professional taxation advice from a tax adviser appropriate to their own circumstances before investing in the Service.

The following information assumes:

- you're an Australian resident for taxation purposes
- you hold the investments on capital account (i.e. you're an investor rather than a trader). Accordingly, you may qualify (depending on the type of taxpayer you are) for a CGT discount on gains made on the disposals of assets held for more than 12 months
- you're not subject to the Taxation of Financial Arrangements (TOFA) regime
- you have not made an election out of the 12 month rule in relation to short-term foreign exchange transactions.

In addition, the tax treatment described in this section doesn't apply if you hold the assets on revenue account, as trading stock or as part of a profit-making undertaking or scheme. Approved non-resident investors for taxation purposes investing in the Service must carefully consider Australian withholding and other taxes, duties and charges.

The tax comments which follow are also made on the basis that you will:

- have an absolute entitlement as the ultimate beneficial owner to the assets in your account within HUB24 Invest; and
- be made presently entitled to all the distributable income attributable to the assets in your account within HUB24 Invest.

This means all income, gains and losses from assets held in your account will effectively be treated as if you made those the income, gains or losses directly.

We will provide you with the relevant information in your annual tax statement to help your tax adviser determine your tax liability and complete your tax return.

You should be aware that all comments in the IDPS Guide about tax and on your annual tax statement are based on our understanding of taxation law at the date of preparing the IDPS Guide or tax statement. You should be aware that laws and interpretations of those laws may change at any time.

**Tax rules in other countries may be significantly different from those in Australia. If you are investing in a foreign jurisdiction, we recommend you consult your tax adviser about the impact this may have on your personal situation.**

### CAPITAL GAINS TAX (CGT)

Disposal of investments in your account may arise from your decision to make a withdrawal or switch from an investment option or from investment decisions made by a manager making changes to their portfolio or fund. A disposal may result in you making a gain or loss on your investment.

The gain or loss will be taxed according to whether the investor held the investments and made the disposal on 'capital account' or on 'revenue account'. Disposals on capital account are taxed under the CGT rules. Disposals on revenue account are taxed as ordinary income. Whether disposals are taxed on capital or revenue account will depend on the investor's specific circumstances. Investors are advised to seek independent professional tax advice to determine whether the investor will be taxed on capital account or revenue account. As noted above, we assume that all investments are held on capital account and taxed under the CGT rules.

Capital gains are taxable to you as assessable income, subject to the application of concessions and exemptions. Capital losses you make may be offset against capital gains made in the same year. If no capital gains are made in that year, the losses may be carried forward to be offset against capital gains made in future years.

We prepare tax reports assuming you offset these capital losses against any gains within your account in the Service, but we do not take into consideration any prior year carry-forward capital losses or any gains outside the Service.

A discount may apply for capital gains made on asset realisation where the assets were held for at least 12 months prior to being sold. The discount depends primarily on the nature of the legal entity that owns the investment as follows. Please note that rates are based on current legislation and may be subject to change:

- individuals – half or 50%
- companies – 0%
- self-managed super funds (SMSF) – one-third or 33.33%
- trusts – half or 50% (other than a complying superannuation entity or other qualifying trusts).

If you acquired an asset before 21 September 1999 and transferred it into the Service, then the indexation method may apply. Under this method, the cost base of your asset is increased by an indexation factor worked out using the Consumer Price Index (CPI). However, if you acquired an asset before 20 September 1985, gains or losses realised on the disposal of such assets may be disregarded for CGT calculations.

We allow for these complexities in the capital gains summary report, which forms part of the annual tax statement. We do, however, make a number of assumptions and simplifications when performing calculations to estimate your capital gains:

- When scrip-for-scrip rollover relief is available to investors in the case of a corporate event, we assume investors entitled to it opt for this relief
- Investors hold their investments on capital account
- Stapled securities are considered as a whole and cost bases and reduced cost bases for holdings in these securities are not decomposed into the corresponding amounts for the individual securities that make up the stapled product.

## 9. TAX

### CGT PARCEL ALLOCATION

Each investment may comprise a number of parcels of units. Each parcel will have a different date of purchase and cost base.

When an investment is partially sold (for example, some but not all shares are sold) you can choose which parcel to allocate the sales against. This choice is made by way of the CGT parcel allocation referred to in Section 1. You must specify the choice for your account so that calculations can be made on your account. Generally, there should be no reason to change this method if your circumstances have not altered.

The method is specified on your Application Form and defaults to the minimise gains method if no selection is made. This method works to minimise the realised gains position of your portfolio.

Other allowable methods are maximise realised gains, and first in first out'. The maximise gains method works to maximise the realised gain position of your portfolio. The first in first out method applies sales initially to the oldest remaining parcels. Each of these methods may have differing CGT implications, depending on your individual circumstances, and you should seek specific advice in this regard.

### TAX ON INCOME

Dividends (including trust distributions) may be received to your account and income is generally assessable for tax purposes, even though it remains held within your account. Franking credits may be allocated to you in relation to this income.

Special treatment applies to Australian franking credits from New Zealand companies.

Foreign income may be subject to foreign taxes. You may be entitled to a tax credit in respect of this tax. Generally, tax credits or rebates for foreign income will not be received in relation to your account in the Service. You should consult your adviser in relation to any tax credit or rebate you may be entitled to.

### WITHHOLDING TAX

We may only accept your application with a valid Tax File Number ('TFN') (or ABN for a corporate entity). It's not a legal requirement to provide your TFN or ABN in relation to your account. However, we may be required to deduct tax at the highest marginal tax rate plus Medicare levy from all income, including interest where you do not quote an ABN or TFN, or where you don't claim an appropriate exemption from quoting an ABN or TFN.

Some countries impose specific obligations on taxpayers and any intermediaries, including by imposing a withholding tax. If this applies, tax may be withheld on income from foreign sources and is calculated as a rate of withholding tax applied to that foreign income.

The rate of withholding tax depends on the source of income and the existence (or otherwise) of a tax treaty between Australia and the country in which the income is derived.

For example, the standard withholding tax rate applicable to US sourced dividend income paid to non-US residents is 30%. Australian residents are entitled to a reduced rate of 15% under the terms of the US-Australia tax treaty but, in order to access this reduced rate, Australian residents are required to complete

a form made available by the US Internal Revenue Service ('IRS') known as the W-8BEN form (or the W-8BEN-E form for entities other than individuals).

Additional information pertaining to these forms can be found on InvestorHUB and on the IRS website ([www.irs.gov](http://www.irs.gov)) which also provide instructions as to how to fill them.

Investments in countries other than the US may also require the completion and submission of similar forms. If you invest in international listed securities, you may be required to fill in and submit the relevant form(s), or to provide some type of certification. These forms will also be required in order to be entitled to reduced withholding tax rates that may apply under the terms of any tax treaty between the Australian government and that of the country (or countries) in which you are investing. If any of this applies to you, we will notify your adviser.

### NON-RESIDENT INVESTORS

If you are a non-resident for tax purposes, then interest and income distributions that are paid to you from an Australian source may be subject to withholding tax. You will also be subject to the tax laws in that country.

HUB24 Invest has specific restrictions regarding the investment options that are available to US residents who reside in the US. Specifically, if you are a US resident, residing in the US, you are unable to invest in US listed securities and managed portfolios.

Additionally, non-resident investors may also be precluded from participating in certain corporate actions related to listed securities, including corporate actions in relation to securities held within a managed portfolio. Please refer to your adviser for more information.

If you change from being a non-resident for tax purposes to becoming an Australian resident for tax purposes or vice versa you must notify the Operator as soon as possible due to the applicable tax consequences that apply. If you become a US resident and reside in the US, you may no longer be able to continue to hold or invest in US listed securities and managed portfolios.

**Tax rules in other countries may be significantly different from those in Australia. If you are investing in a foreign jurisdiction, we recommend you consult your adviser about the impact this may have on your personal situation.**

### EXCHANGE RATES GAINS/LOSSES

Exchange rates used for the purpose of converting trades, income receipts and other transactions will be advised to us by our sub-custodians and/or brokers (as applicable) and transactions will be reported in the equivalent Australian dollar amounts using these rates. The taxation treatment of any foreign exchange gains or losses that may arise as a result of this conversion will generally be folded into the taxation treatment of the transactions themselves. That is, for example, if a transaction gives rise to a capital gain assessable under the capital gains tax rules, any part of the gain that may be attributable to foreign exchange movements will be assessed as a capital gain and will not need to be reported separately. Similarly, foreign exchange gains or losses which result from conversion of ordinary income will be



## 9. TAX

part of the ordinary income (if gains) or offset against it (if losses). When there are exceptions to these rules that may apply due to particular circumstances, we will inform your adviser.

### FEE DEDUCTIBILITY

Most fees charged to your account are deductible for tax purposes – the annual tax statement assumes this, with the exception of the adviser contribution fee. We assume that the adviser contribution fee is not deductible.

Brokerage costs (and stamp duty, if applicable) are added to the cost base of the investments held in your account so that they form part of the capital cost of the investment. These costs are therefore taken into account in the calculation of capital gains/losses, rather than as separate deductible expenses.

You should check your individual circumstances with your tax adviser.

### GST AND OTHER GOVERNMENT CHARGES

Goods and services tax ('GST') is payable for most fees and expenses charged to you. Unless otherwise stated, all references to fees or expenses in this IDPS Guide (Part I), IDPS Guide (Part II), the Investment Booklet for the Discover Menu, the Core Menu or the Choice Menu and Application Form, are expressed as inclusive of GST and net of any reduced input tax credits ('RITCs').

In the event of any change in tax laws or their interpretation which affects the rate of GST payable or RITCs that the Operator may receive, the amounts deducted from your cash account in respect

of the fees or expenses applied to your account may be varied or adjusted to reflect such changes without your consent or further notice to you.

Where other government charges such as stamp duty apply, we will charge these directly to your account.

### LONGEVITY PRODUCTS TAX INFORMATION

Where you have invested into a longevity product, we will receive tax information from the issuer on your behalf. The issuer will provide any deductible or assessable amounts to us. This information will be included into your annual tax statement. Where payments or withdrawals are taken from the product, PAYG amounts may be withheld by the issuer to meet their obligations to the ATO. Any amounts withheld and any other components relevant to the withdrawal including deductible amounts will be included in the information provided to us for inclusion into your consolidated annual tax statement. For information related to your chosen longevity product please refer to the product's disclosure document.

### ESTIMATED TAX DATA

The annual tax statement will be provided as soon as possible at the end of the tax year when all data is available. Any tax reports provided to you via continuous reporting will include only estimated data.

Similarly, any tax estimates shown on reports are based on this estimated data, the CGT parcel allocation method and the marginal tax rate chosen for you and are based solely on assets held within the Service.

**You will receive a consolidated annual tax statement containing all income and capital gains information relating to your account, simplifying the process of completing your annual tax return.**

## 10. GENERAL INFORMATION

### CUSTODY AND HOW YOUR ASSETS ARE HELD ON TRUST

Custody involves holding assets on trust (i.e. on your behalf) for safekeeping.

We currently outsource most custodial functions to third party sub-custodians.

A sub-custodian holds the assets solely for HUB24 Custodial Services Ltd, as the Operator and primary custodian of the Service, and is not obliged to recognise any right or interest of any other person in relation to the assets. This means that there is no direct relationship between you and the sub-custodian, and that the sub-custodian does not provide any services directly to you.

Legal title to the assets will generally be held on trust, except where the assets are located in a place outside of Australia and either the law in that place does not recognise trusts and it is reasonable for the assets to be held in accordance with the law in that place, or it is not reasonable for the assets to be held on trust in accordance with the law in that place. In all cases, the Operator must ensure that it is satisfied that the assets are held in a manner that, having regard to the relevant laws, provides reasonably effective protection in case of insolvency of the person holding the property. The Operator holds its beneficial interest in these assets on trust for you.

We and the sub-custodians are obliged to use your assets only for the purposes permitted under the terms of the Service.

The sub-custodian will generally be entitled to be indemnified out of the assets of your account for expenses legitimately incurred by the sub-custodian in the exercise of its custodial functions. The sub-custodian may also hold a lien<sup>1</sup> over assets in your account in respect of such expenses (but not unpaid sub-custodial fees). This may delay the return of your account's assets or, in limited circumstances, could mean that a portion of your account's assets may be sold by the sub-custodian to enable it to recover expenses legitimately incurred by it.

The Operator also maintains a register of the underlying holdings for each investor in the Service. Your Australian and international listed securities and cash holdings are held on your behalf by us as your custodian, or by any sub-custodian we may appoint, while you retain beneficial ownership. We reconcile our records with the sub-custodian's records on a daily basis.

We reserve the right to change the sub-custodians or custodial structure of the Service from time to time without notice, including by appointing or removing custodians or sub-custodians to hold your assets. In the event of any such change, you will remain the beneficial owner of the assets.

<sup>1</sup> A right to retain possession of assets pending payment of a debt, or discharge of some other obligations by the owner of the assets.

### YOUR INVESTMENT DISCRETION

You have the sole discretion to decide what (but not necessarily when) assets will be bought or sold in your account. We can also implement directions previously given by you, for example, to buy or sell particular investments under certain circumstances. This may be communicated to us by your adviser. For further information about your investment discretion, please see your adviser, as well as the Application Form and IDPS Contract.

## 10. GENERAL INFORMATION

### YOUR RIGHTS IN THE SERVICE VS DIRECT INVESTMENTS

Although you are the beneficial owner of the assets of your account, the legal interest is held by the sub-custodians. The sub-custodians receive all communications regarding your investments on your behalf, including notification of shareholder meetings, upcoming corporate events and dividend information.

If there is a corporate action, we may contact your adviser who can pass on your instructions to us. Generally, we will exercise any rights in relation to those investments, including receiving shareholder benefits such as discount cards, attending meetings or voting. The following table outlines some of the differences when you invest through the Service as opposed to directly investing in securities on your own.

Feature	The Service	Direct Investment
<b>Legal title</b>	The sub-custodians will be the legal owner of the assets in your account and will indirectly hold the assets on trust for you under their own name. However, you do not have a direct relationship with a sub-custodian.	You will be the legal owner of the assets in your account and the assets are held and registered under your own name.
<b>Certain shareholder benefits</b>	You may not receive 100% of all shareholder benefits. This is because all securities are registered in the name of a sub-custodian.	You receive 100% of all shareholder benefits. You are responsible for communicating with the share registry to receive this benefit.
<b>Voting at shareholder meetings</b>	As you are not the registered holder, you do not have voting rights (nor the right to proxy voting) at shareholder meetings. Refer to our voting policy at <a href="http://www.hub24.com.au/product-documents/hub24-invest-voting-policy/">www.hub24.com.au/product-documents/hub24-invest-voting-policy/</a> .	You can vote at shareholder meetings as you see fit.
<b>Managed funds</b>	You do not become the direct unit holder in the managed funds in your account. The registered unit holder will be a sub-custodian. As such, we or the sub-custodians may exercise the rights of a unit holder or decline to exercise them.  Generally, through the Service, you may access managed funds that you may not have been able to directly (for example, due to high contribution amounts). Wholesale fees can be significantly cheaper than the retail fees you would pay if you invested in each managed fund directly.	You are the direct unit holder.
<b>Cooling-off period for return of security</b>	Cooling-off rights generally do not apply to investments acquired through the Service.	Provided you are a retail client, cooling-off rights will apply to certain investments only (i.e. managed funds).
<b>Investor communications</b>	Upon request, we will give you (or your adviser) a copy of all communications that we are required by law to provide to the holder of an investment.	Providers of the particular investment will communicate with you directly.
<b>Withdrawal rights</b>	As you are not the registered holder, any withdrawal rights that may arise will be communicated via the sub-custodians to the Operator, who holds all relevant withdrawal rights. These rights may differ due to the Operator's status and depending on whether the Operator was provided with a product disclosure statement or other disclosure document for the purposes of investing on your behalf.  Please note that withdrawal rights for an accessible investment may not be available if the relevant product disclosure statement or disclosure document becomes defective before issue of the investment.  As you are not the registered owner of the investment, if the relevant product disclosure statement or disclosure document becomes defective before issue of the investment, the product issuer would not be required to return the investment to you or provide you with other options such as notification of an option to withdraw under s724 (for disclosure documents) or s1016E (for product disclosure statements) of the Corporations Act.  Where practicable, we will notify you or your adviser of any option to withdraw and make available any accompanying disclosure documents as soon as possible. If we do so and you wish to exercise any withdrawal option, we'll generally act on any instructions received.	The issuer of the investment will communicate with you directly regarding any right you may have to withdraw from the investment, including statutory rights where there is a defective product disclosure document.
<b>Adviser</b>	You must have an adviser to invest through HUB24 Invest.	Direct investors would not need to transact through an adviser.

## 10. GENERAL INFORMATION

Feature	The Service	Direct Investment
<b>Minimum investments and withdrawal requirements</b>	As an indirect investor your investments and withdrawals are subject to any minimum amounts applicable in HUB24 Invest. Your selected investment option(s) may also apply minimum investment and withdrawal amounts.	Direct investors would be subject to the minimum investment and withdrawal requirements of the investments chosen.
<b>Fees</b>	As an indirect investor you incur the fees and costs of HUB24 Invest in addition to those of the investments that you choose.	Direct investors will only incur the fees and costs of the investments chosen.
<b>Processing time on transactions</b>	The time taken to process transactions on your account may be longer than if the investments were held directly, because of certain minimum trade size requirements.	The investment manager, or your adviser, will act on your instructions independently.

### INFORMATION FROM UNDERLYING INVESTMENTS

The sub-custodians hold the investments in your account and receive all communication from the issuers of the securities in your account. You can request a copy of these communications from us. We will provide them to you on InvestorHUB or you can obtain them from your adviser via AdviserHUB as soon as practicable.

### OPERATOR DISCRETION

The Operator will exercise its rights, discretions and powers as set out in this IDPS Guide having regard to its legitimate business interests, acting appropriately. In doing so, it will take into account the following:

- commercial, operational and risk considerations;
- the terms of the IDPS Contract;
- legal and regulatory obligations that apply to the Operator; and
- any other factor which the Operator considers appropriate, having regard to its legitimate business interests.

### COMPLIANCE

We maintain a compliance framework that is designed to ensure the Service complies with all relevant legislation (including the Corporations Act and the ASIC Legislative Instrument) and regulatory guidelines.

The Operator has also established a Risk & Compliance Committee. A primary function of the Risk & Compliance Committee is to oversee the Operator's compliance with its legislative and regulatory obligations. This includes holding regular Risk & Compliance Committee meetings at which it considers risk and compliance matters. The Risk & Compliance Committee reports and makes recommendations to the Board as it considers appropriate.

### AUDITED ANNUAL INVESTOR STATEMENTS

Audited annual investor statements will be available within 90 days of 30 June each year and may be obtained on InvestorHUB or through your adviser via AdviserHUB. You may also request a hard copy of the audited annual investor statements by writing to us.

### PRIVACY

This section contains information on how your personal information is collected, held, used, and disclosed, the people with whom your personal information may be shared with and where they are located, your right to request access to and seek the

correction of the personal information held, how to make a complaint about a breach of the Australian Privacy Principles and how such a complaint is dealt with.

The HUB24 Ltd Group Privacy Policy applies to the Operator and to any related body corporate who provides services to them. It is available upon request and free of charge by contacting the client services team on 1300 854 994 or by email at [admin@hub24.com.au](mailto:admin@hub24.com.au).

The HUB24 Ltd Group Privacy Policy is also available free of charge at: [www.hub24.com.au/privacy-policy](http://www.hub24.com.au/privacy-policy)

The HUB24 Ltd Group Privacy Policy contains information about:

- how you may access your personal information and seek the correction of such information; and
- how you may make a complaint about a breach of the Australian Privacy Principles and how such a complaint is dealt with.

Your personal information is collected to:

- assess your application and establish your Account
- administer your investments
- provide the product and related services to you
- communicate with you in relation to this product and your investments
- administer the product, your investments and related services
- give you access to investor areas of the website
- manage the relationship with you, such as discussing issues with you, establishing, and maintaining records in relation to your investments and providing regular statements, reports, and communications to you
- allow relevant service providers of HUB24 Invest to provide their services
- let you know about other products and services (including, without limitation, other products or services offered by the Operator or any of their related bodies corporate)
- conduct product or service development, quality control or other product research
- assist us to prevent, identify and investigate any potential or actual financial crimes
- meet legal obligations under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) (AML/CTF Act), including in respect of customer identification and verification
- meet legal obligations under the *Corporations Act 2001* (Cth)
- comply with taxation and other applicable laws (including foreign laws). For example, the *Foreign Account Tax Compliance Act 2010* (USA) and the Common Reporting Standard introduced by the *Tax Laws Amendment (Implementation of the Common Reporting Standard) Act 2016* (Cth).

## 10. GENERAL INFORMATION

This information is collected through interactions with you, your adviser or other representative, your organisation, public sources, law enforcement, dispute resolution, statutory and regulatory bodies, industry complaints resolution bodies and information verification services such as electronic identity and document verification services. The Operator may also verify the information collected.

If your personal information is not collected, the Operator may not be able to process your application, process your transactions, provide you with the services relating to the HUB24 Invest or administer your investments. It is also important that you advise the Operator as soon as reasonably possible of any changes in your personal information.

If you provide personal information about any other individuals (e.g. directors or trust beneficiaries) you must make them aware that you are doing so, ensure they receive a copy of this privacy section and tell them that the HUB24 Ltd Group Privacy Policy is available at: [www.hub24.com.au/privacy-policy](http://www.hub24.com.au/privacy-policy) and that their personal information will be collected and handled in accordance with the privacy information in this section and the Privacy Policy.

Your personal information and other information may be disclosed to third parties including:

- your adviser and their Australian Financial Services Licensee (including any replacement adviser or Australian Financial Services Licensee), unless you instruct us otherwise in writing
- your personal representative, attorney, or agent, unless you instruct us otherwise in writing
- the responsible entity of any scheme you choose to invest in, and their service providers
- related bodies corporate of the Operator, unless you instruct us otherwise in writing
- outsourced service providers who assist with, among other things, but not limited to, custody, data storage and archiving, auditing, accounting, customer contact, legal, business consulting, identity and document verification (electronic or otherwise), banking, information technology services, data analysis or research
- Australian banks, ADIs or other financial institutions we use from time to time in respect of your Cash Account and the Cash Allocation within your Managed Portfolio
- Australian and overseas regulatory authorities and law enforcement agencies on reasonable request by those authorities or where required by law. For example, your personal information may be disclosed to the ATO or to foreign tax authorities such as the IRS in the USA and other tax authorities in other foreign jurisdictions. The ATO may provide your personal and other information to foreign tax authorities such as the IRS. Your personal information may also be provided to other regulatory authorities such as ASIC and the Australian Transaction Reports and Analysis Centre ('AUSTRAC')
- financial institutions and other similar organisations dealt with in the course of corporate activities in relation to HUB24 Invest or that you have nominated
- other third parties on your behalf for the purpose of establishing and administering your investments, unless you have instructed otherwise
- to comply with a court order or in conjunction with court proceedings.

HUB24 Invest is operated in Australia. Our service providers are generally located within Australia but may, from time to time, be located in foreign jurisdictions (including locations in the United States of America and Vietnam). We may, therefore, share your personal information with service providers located outside Australia to assist with the operation of HUB24 Invest and to provide the services to you as outlined above. We may also share your personal and financial information with foreign regulatory authorities such as the IRS in the United States of America and other foreign tax authorities where you are resident for tax purposes.

Reasonable steps are taken to ensure that any recipients of your personal information do not breach the privacy obligations relating to your personal information.

Your information may be used to tell you by mail, telephone, electronic messages (like email), online and other means, about other services and products offered by us or any of our related bodies corporate. This may be done on an ongoing basis, but you may opt out at any time.

You can ask to access your personal information and ask that we correct that information where it contains errors. We will seek to verify your identity before providing you with access or making any changes. In some cases, we are not required to provide you with access. For example, where a Court or Tribunal Order prohibits this. There may also be circumstances where we are not required to correct personal information. For example, if we are not satisfied that the information is inaccurate, out-of-date, irrelevant or misleading. In these cases, we will notify you and explain our reasons (except to the extent it would be unreasonable or unlawful to do so).

If you wish to opt out, access or change your personal information you may do so by contacting the client service team on 1300 854 994 or by email at [admin@hub24.com.au](mailto:admin@hub24.com.au).

If you have a question or complaint about how your personal information is being handled, please first submit your question or complaint as described in Section 10: General information, under 'Complaints'.

If you are not satisfied with our response to, or the handling of, your complaint, you can contact the external dispute resolution scheme: the Australian Financial Complaints Authority as described in Section 10: General information, under 'Complaints'. You may also contact:

The Office of the Australian Information Commissioner

GPO Box 5288

SYDNEY NSW 2001

Phone: 1300 363 992

Online: [www.oaic.gov.au](http://www.oaic.gov.au)

### ANTI-MONEY LAUNDERING/COUNTER-TERRORISM FINANCING

In accordance with the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) ('AML/CTF Act') and supporting AML/CTF Rules, we are required to collect and verify information about you and, where applicable, your beneficial owners and persons acting on your behalf.

## 10. GENERAL INFORMATION

Each applicant (and third party) is required to provide identification records as requested by us. The information we require to collect is set out in the Application Form and Investor Identification Form you are required to complete as part of the application process. If you do not provide the requested information and documentation there will be a delay in processing your account opening, or possible suspension of an opened account.

From time to time, additional information and documentation may be required from you, and where applicable your beneficial owners and persons acting on your behalf, to assist in this process or to refresh and update your identification information.

Under the provisions of the AML/CTF Act, we may be precluded from providing our services in certain circumstances.

For example, in complying with obligations related to the AML/CTF Act, there may be instances where we are unable to activate your account or transactions are delayed, blocked, frozen or refused. This could occur where reasonable grounds are established that the transaction breaches Australian law or sanctions, or the law or sanctions of any other country.

Where transactions are delayed, blocked, frozen or refused, we are not liable for any loss you may suffer (including consequential loss) as a result of complying with the AML/CTF Act as it applies to the Service.

By completing the Application Form, you agree that:

- you are not making an application for investment in the Service under an assumed name
- any money used by you to invest in the Service is not derived from and/or is related to any proceeds that will be used for any criminal activities
- you will provide any additional information and documentation reasonably required for the purpose of us complying with the AML/CTF Act, and
- we may obtain information about you or any beneficial owner or person acting on your behalf on our behalf if this is believed necessary to comply with the AML/CTF Act. Where documentation provided is not in English, an English translation must be provided by an accredited translator (who is accredited by the National Accreditation Authority for Translators and Interpreters Ltd at the level of Professional Translator or above).

There are certain legal obligations to disclose gathered information to regulatory and/or law enforcement agencies, including AUSTRAC.

We have reporting obligations in relation to the AML/CTF regulatory regime and we must report certain matters to AUSTRAC. Under the "tipping-off" prohibition, these requirements may prevent us from informing you that any such reporting has taken place.

### INVESTOR IDENTIFICATION REQUIREMENTS

#### PROOF OF IDENTITY

When lodging an Application Form, you or your adviser must complete the Investor Identification Form to enable us to collect and verify information about you, and where applicable your beneficial owners and persons acting on your behalf in accordance with the AML/CTF Act and tax requirements (refer to 'Foreign

Account Tax Compliance Act' and 'Common Reporting Standard' below). These forms can be obtained from your adviser through AdviserHUB.

We may rely on advisers to verify the identity of their clients in accordance with the AML/CTF Act. The Application Form requires you to attach the Investor Identification Form completed by your adviser as part of their verification of your identity.

Unless requested, we do not require original documents or certified copies used by the adviser to verify your identity.

#### ELECTRONIC CLIENT IDENTIFICATION

To streamline the client identification processes for the purpose of the AML/CTF Act, we may use electronic client identification.

We use a third party verification service provider. The Operator requests the verification service provider to conduct a matching process between the personal information of the customer, beneficial owner or person acting on their behalf against two independent sources. The personal information that may be provided to the verification service provider is limited to an individual's name, residential address, date of birth and any other information permitted by law. The verification service provider then provides a report on the outcome of the verification process.

If we cannot verify your identity, or the identity of your beneficial owner or person acting on your behalf using electronic verification, or if the individual is not eligible for electronic verification, we will notify you in writing. In such instance we may request other information and documentation be provided to us in order to meet our obligations under the AML/CTF Act.

We are also required to retain information about verification requests and assessments for seven years from the date of the request, or for seven years from the date of ceasing to provide a designated service to you, whichever is later. The verification service provider is also required to retain information and verification requests and assessments for seven years from the date of the request. At the end of the relevant period, both we and the verification service provider are required to delete these records. Prior to using any verification service provider to undertake electronic verification, we obtain the relevant individual's consent. This consent is typically obtained through the Application Form you are required to complete as part of the application process.

#### CLIENT IDENTIFICATION BY ADVISERS

We may ask your adviser to identify you and verify your identification on our behalf in order to ensure that we meet our obligations under the AML/CTF Act.

In this case, the Application Form requires you to attach the Investor Identification Form completed by your adviser as part of their verification of your identity.

Unless requested, original documents or certified copies used by the adviser to verify your identity are not required to be provided to the Operator. However, these records must be retained by your adviser and provided to us on request.

#### DOCUMENT VERIFICATION

As part of the electronic verification process or where your adviser identifies and verifies your identification on our behalf the validity of any government issued identity document (ID Document), such as your passport or driver's licence, that you provide for identity

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verification purposes may also be checked. For this purpose, your personal information and a copy of the ID Document or the information in it may be provided to our third party verification service provider. This process involves making a match request between the individual's information against the Australian Government's document verification service ('DVS') database. An information result will be provided via the verification service provider's system.

If you do not provide the relevant ID Document when requested, or it is not verified by DVS, we may not be able to be satisfied as to your identity and, as a result, we may not be able to process your application or transaction. You will be asked to consent to the use and disclosure of your personal information, any ID Documents or details in them for this purpose and to confirm that you are authorised to provide those documents or details when you complete the Application Form.

### NOMINATED REPRESENTATIVES

The identity of legal representatives and agents appointed by you to act on your behalf are also required to be verified. Instructions provided by a nominated legal representative or agent will not be acted on until such time as the identity of that representative or agent is verified. Nominated legal representatives include, but are not limited to, executors of estates, attorneys (appointed under power of attorney), agents and nominated representatives.

We may request a verification service provider to assist in the verification of the identity of that representative or agent – see above under the heading 'Electronic client identification' for information about identity verification by a verification service provider.

### FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA)

The *Foreign Account Tax Compliance Act* ('FATCA') was enacted by the US Congress in March 2010 to improve compliance with US tax laws. This act imposes obligations on non-US financial institutions to identify and report to the US Internal Revenue Service (IRS) information on financial accounts held by US residents and citizens and certain entities with US controlling persons (US Reportable Accounts).

On 28 April 2014 Australia and the US signed an intergovernmental agreement ('IGA') to assist in the facilitation of FATCA for Australian Financial Institutions. Following this, legislation was enacted in Australia so that FATCA is part of Australian tax law and commenced on 1 July 2014. Under the terms of the IGA and legislation, Australian Financial Institutions are required to identify and report some specific information on US Reportable Accounts to the ATO, which passes that information onto the IRS.

These obligations have an impact on the way we manage your account. For example, on the opening of a new account, we are required to collect additional information in order to ascertain whether your account is a U.S. Reportable Account under the FATCA laws.

Similarly, we also need to ascertain whether existing clients, at the time of implementation of FATCA in Australia (and subsequently to that) are also US Reportable Accounts.

There are also withholding tax obligations imposed on Australian Financial Institutions in relation to US-sourced income. Although these obligations pre-date the implementation of FATCA, certain changes introduced by the FATCA laws impact on the way that Australian Financial Institutions comply with them.

If you do not provide the required information or forms, you may be subject to FATCA withholding on US-sourced income. Further, we may be required to include you in the FATCA report to be lodged with the ATO. Refer to Section 9: Tax, under 'Withholding tax' for more details.

### COMMON REPORTING STANDARD

The Common Reporting Standard ('CRS') is a global reporting standard for the Automatic Exchange of Financial Information developed by the Organisation for Economic Co-operation and Development ('OECD').

To comply with CRS, we will be required to collect information from you to identify if you are also a tax resident of any other jurisdiction(s). For non-individual accounts, we also need to identify your entity type for CRS and whether any controlling persons are foreign tax residents. Penalties can apply if you fail to provide the information or provide false information.

We will report information on CRS reportable accounts to the ATO, which may then exchange that information with the tax authorities in relevant jurisdictions.

### WHOLESALE CLIENTS

The Service is available to retail, wholesale and sophisticated clients. We may (but are not obliged to) accept certain wholesale clients directly, who do not have an adviser. In this case, the IDPS Guide (Part I and Part II) and the IDPS Contract's provisions (such as adviser-related information) will not apply to you. Refer to the Operator and the IDPS Contract for further details.

To comply with the requirements of the AML/CTF Act, if you directly apply to invest in the Service (that is, not through an adviser) you must complete the Investor Identification Form and submit it together with the Application Form and your certified identification.

We may restrict certain underlying investments to investors who qualify as wholesale or sophisticated clients only. If you want to invest in these restricted underlying investments you will need to provide us with such further documentation we request from you to demonstrate, to our satisfaction, that you qualify as a wholesale or sophisticated investor.

### INDIVIDUAL FEE ARRANGEMENTS AND SERVICE PROVIDERS

We may enter into commercial arrangements with service providers, which may involve us making payments — and providing services — to these providers in return for promoting the Service. These payments are paid by us and are not an additional cost to you.

### WHAT DO WE DO IN THE EVENT OF YOUR DEATH

If we receive notice of your death, the following will apply depending on your investor type:

#### **If you are an individual investor -**

## 10. GENERAL INFORMATION

- your account will remain open and administration fees and other relevant costs will continue to be deducted until your death benefit is paid, at which time your account will be closed.
- any fees payable to your adviser or your adviser's licensee will cease upon notification of your death.
- on the subsequent confirmation of your death once the required documents have been received, unless the relevant executor or administrator of your estate provides a new adviser fee consent authorisation, the Operator will refund the adviser fees which were paid to your adviser or your adviser's licensee after the date of your death to your cash account. Your account may not be credited with the refund amount until the required documentation has been received from your adviser or your adviser's licensee.
- all automated investment plans and regular payment plans will cease upon notification of your death.

### **If you have invested in the product as a joint investor -**

- your account will remain open and will be treated as being held solely by the surviving investor as an individual account.
- any fees payable to the adviser or the adviser's licensee in relation to the Account will continue being charged unless the surviving investor instructs otherwise.

### **If you are an individual acting as a director of a company (other than where you are the sole director and member of a company), or as the director of a corporate trustee of a trust or an SMSF (other than a single director corporate trustee) -**

- the account will remain open and will continue to be treated as being held by the company or corporate trustee (as applicable).
- any fees payable to the adviser or the adviser's licensee will continue being charged unless the director(s) of the company or corporate trustee (as applicable) instruct otherwise.

### **If you are an individual acting as the sole director and member of a company -**

- A personal representative or trustee appointed to administer your estate may appoint new director(s) (in accordance with the company's constitution and the applicable legislation) and transfer the shares in the company to beneficiaries (who may then appoint new director(s)).
- The account will remain open and:
  - the Operator will continue to deduct applicable administration fees and other relevant costs unless instructions are received from the new director(s) to close the account;
  - any fees payable to your adviser or your adviser's licensee will cease upon notification of your death, but may resume being charged when new director(s) are appointed and a new adviser fee consent authorisation has been provided by the new director(s);
  - on the subsequent confirmation of your death once the required documents have been received, unless the new director(s) of the company provide a new adviser fee consent authorisation, the Operator will refund the adviser fees which were paid to your adviser or your adviser's licensee after the date of your death to your cash account. Your account may not be credited with the refund amount until the required documents have been received from your adviser or your adviser's licensee; and

- all automated investment plans and regular payment plans will cease upon notification of your death.

### **If you are an individual acting as the sole director of a corporate trustee of a trust or an SMSF -**

- The process will depend on a number of matters including (without limitation) whether you are also the sole member of the corporate trustee, whether the corporate trustee or the trust or SMSF (as applicable) will continue to be operated going forward, who will be the director(s) of the corporate trustee to provide instructions on the account and the requirements of the constitutional document of the corporate trustee, the governing rules of the trust or SMSF (as applicable) and the applicable legislation. For information on the process which will apply, if you are the sole director of a corporate trustee of a trust or an SMSF, please contact your adviser or the Operator.

### **If you are an individual acting as an individual trustee of an SMSF or a trust -**

- Subject to the below, the account will remain open and will be treated as being held by the surviving trustee(s) of the SMSF or trust (as applicable).
- If you are the sole trustee of the trust, a new trustee will need to be appointed in accordance with the governing rules of the trust and the applicable legislation, and:
  - the Operator will continue to deduct applicable administration fees and other relevant costs unless instructions are received from the new trustee(s) to close the account;
  - any fees payable to your adviser or your adviser's licensee will cease upon notification of your death, but may resume being charged when the new trustee(s) are appointed and a new adviser fee consent authorisation has been provided by the trustee(s);
  - on the subsequent confirmation of your death once the required documents have been received, unless the new trustee(s) provides a new adviser fee consent authorisation, the Operator will refund the adviser fees which were paid to your adviser or your adviser's licensee after the date of your death to your cash account. Your account may not be credited with the refund amount until the required documents are received from your adviser or your adviser's licensee; and
  - all automated investment plans and regular payment plans will cease upon notification of your death.
- If you are an individual trustee of the SMSF and there is only one other individual trustee of the SMSF, the process will depend on a number of matters including (without limitation) whether the SMSF will continue to be operated going forward, who will be the trustee(s) of the SMSF to provide instructions on the account and the requirements of the governing rules of the SMSF and the applicable legislation. For information on the process which will apply for your SMSF, please contact your adviser or the Operator.

### **If you are an individual acting as a partner within a limited partnership, or as a public officer or management committee member of an incorporated association -**

- assuming the limited partnership or incorporated association (as applicable) continues and is not wound-up or dissolved upon your death (which will typically be the case, but will depend on the applicable law and the constitutional document or governing rules of the limited partnership or incorporated



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association (if any)), the account will remain open and will continue to be treated as being held by the limited partnership or incorporated association (as applicable).

- any fees payable to the adviser or the adviser's licensee will continue being charged unless instructed otherwise.

### **If you are an individual acting as a partner within a partnership (non-limited) -**

- The process will depend on whether the partnership is wound-up or dissolved upon your death, which in turn, will depend on the applicable law and the partnership agreement, constitutional document or governing rules for the partnership (if any).
- If the partnership continues:
  - the account will remain open and will be treated as being held by all surviving partner(s);
  - and any fees payable to the adviser or the adviser's licensee will continue being charged unless instructed otherwise.
- However, if the partnership is wound-up or dissolved:
  - the account will remain open and the Operator will continue to deduct applicable administration fees and other relevant costs until the benefit is paid to all surviving partner(s), at which time the Account will be closed; and
  - any fees payable to the adviser or a adviser's licensee will cease upon the winding up or dissolution of the partnership.

### **If you are an individual acting as a member of an unincorporated association -**

- the account will remain open, and the Operator will continue to deduct applicable administration fees and other relevant costs unless instructions are received to close the account.
- any fees payable to your adviser or your adviser's licensee will cease upon notification of your death, but may resume being charged if a new adviser fee consent authorisation has been provided by the member(s) of the association.
- on the subsequent confirmation of your death once the required documents have been received, unless the member(s) of the association provide a new adviser fee consent authorisation, the Operator will refund the adviser fees which were paid to your adviser or your adviser's licensee after the date of your death to your cash account. Your account may not be credited with the refund amount until we receive this from your adviser or your adviser's licensee; and
- all automated investment plans and regular payment plans will cease upon notification of your death.

### **ELECTRONIC SIGNATURES**

When applying to open your account, completing forms, provide us with instructions or other documents, you may be asked to provide a digital or electronic signature. We may at our discretion accept other methods of signing. We reserve the right to refuse any application or other document which has not been signed in a manner required by us. We may rely on outsourced providers of digital or electronic signature services. We will not accept any liability to you in respect of your use of these services.

### **CONFLICTS OF INTEREST**

HUB24 is the operator, custodian and administrator of HUB24 Invest as well as being the promoter, custodian, administrator and investment manager of HUB24 Super (ABN 60 910 190 523, RSE R1074659) and other branded versions of this product. It is

also the custodian, administrator and investment adviser for one or more non-unitised and registered managed investment schemes (each, a 'Scheme'), such as the HUB24 Managed Portfolio Service (ARSN 645 003 941). Each Scheme is operated and offered by a responsible entity ('RE') that is approved by the Operator.

Should we face conflicts in respect of our duties in relation to the Service, related funds and our own interests we have policies and procedures in place to manage these appropriately. We will resolve such conflict fairly and reasonably and in accordance with the law, ASIC policy and our policies at all times, and have regard in such event to our obligations to investors.

### **COMPLAINTS**

#### **HOW WE DEAL WITH COMPLAINTS**

We take complaints seriously as they give us information about how we can improve our services to you. We have an internal complaints handling policy that you can access free of charge by calling our client services team on 1300 854 994, or email [admin@hub24.com.au](mailto:admin@hub24.com.au).

#### **INTERNAL COMPLAINTS RESOLUTION PROCESS**

If we cannot resolve your complaint immediately, we will try to resolve it as quickly as possible. Each complaint or dispute is logged in our complaints register and assigned to an appropriate person to resolve.

We aim to resolve most issues within 21 business days, however the maximum timeframe to resolve a complaint is 30 days. In some cases where there are complicated facts or circumstances beyond our control which cause complaint resolution delays, we will need longer than 30 days to address your complaint, in which case we will notify you of the delay (including the reasons for the delay) before the maximum timeframe above expires and we will keep you updated regularly on the progress of your complaint.

If your complaint relates to the operation of the Service, please contact our Complaints Officer at:

**Email:** [complaints@hub24.com.au](mailto:complaints@hub24.com.au)

**Mail:** HUB24 Custodial Services Ltd

GPO Box 529, Sydney NSW 2001

If your complaint relates to the advice you received from your adviser in relation to the choice of investments or your investment strategy, we recommend you discuss the issue with your adviser or refer to the complaints section of your adviser's Financial Services Guide.

If your complaint relates to specific investments, you may be able to raise the complaint directly with the issuer of the investment product. You can contact us if you wish to confirm whether this is the case for the specific product to which the complaint relates.

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### EXTERNAL COMPLAINTS RESOLUTION PROCESS

If an issue has not been resolved by our internal complaints resolution process to your satisfaction, there is an independent external dispute resolution scheme you can contact.

AFCA is the external dispute resolution scheme for the financial services industry. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

**Mail:** Australian Financial Complaints Authority

GPO Box 3,  
Melbourne VIC 3001

**Phone:** 1800 931 678

**Email:** [info@afca.org.au](mailto:info@afca.org.au)

**Website:** [www.afca.org.au](http://www.afca.org.au)

There may be a time limit for referring your complaint to AFCA. You should contact AFCA or visit the AFCA website for more details.

You can also contact ASIC on 1300 300 630 to make a complaint and to obtain further information about your rights.

#### How to contact us

If you need help regarding the Service, you should first speak to your adviser. You can also contact us by:

**Email:** [admin@hub24.com.au](mailto:admin@hub24.com.au)

**Phone:** 1300 854 994

**Fax:** 1300 781 689

**Mail:** GPO Box 529, Sydney NSW 2001

## CONTACT US

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GPO Box 529, Sydney NSW 2001  
Phone: 1300 854 994  
Email: [admin@hub24.com.au](mailto:admin@hub24.com.au)  
Visit: [hub24.com.au](http://hub24.com.au)

# IDPS CONTRACT

This agreement is made between the Operator (“HUB24”, “us”, “we”, “our”) and each applicant named in the application form (“you” or “your” as the context requires), together referred to as the “parties”.

## 1. DEFINED TERMS AND INTERPRETATION

### 1.1 DEFINED TERMS

In this agreement the following words have the following meanings unless the context requires otherwise:

**accessible financial products** Financial products (including, any interest in a Scheme, but excluding any securities) that may be held through the Service.

**accessible investments** Assets or property that may be held through the Service, including accessible securities and accessible financial products.

**accessible securities** Securities that may be held through the Service.

**account** An IDPS account offered by the Service and opened in accordance with this agreement.

**Act** The *Corporations Act 2001* (Cth).

**advice licensee** The AFSL holder your adviser is authorised to represent.

**adviser** The financial adviser nominated by you in your application.

**affiliate**

- a. our representatives;
- b. our related bodies corporate; and
- c. representatives of our related bodies corporate.

**AFSL** An Australian financial services licence.

**aggregated trading facility** The facility offered through the Service through which we can receive instructions to combine your order with other orders, net and execute transactions in listed securities, through our default broker(s), typically on an adjusted weighted average price basis.

**application form** The application form completed by you that accompanies this agreement or the IDPS Guide.

**ASIC** The Australian Securities and Investments Commission.

**ASIC Legislative Instrument** The relevant legislative instrument in relation to IDPSs, *ASIC Corporations (Investor Directed Portfolio Services) Instrument 2023/669*, and any other legislative instrument that governs the provision of the Service.

**Assets** All assets in your account, including cash, accessible securities and accessible financial products.

**bespoke trading facility** The facility offered through the Service, outside of our aggregated trading facility, through which we can receive instructions from your adviser to place trades through our default broker(s) for Australian listed securities.

**broking agreement** An agreement between you and your broker, pursuant to which your broker provides you with execution, clearing and settlement services with respect to your transactions.

**business day** A day that is not a Saturday, Sunday, bank holiday or public holiday in New South Wales, Australia.

**Custodian** Any person appointed from time to time to hold assets directly or indirectly on your behalf.

**default broker** A market participant or executing broker we engage to execute transactions in listed securities.

**DMT facility** The facility offered through the Service through which we receive instructions to place orders to execute transactions in listed securities on your behalf in real time through our default broker(s) at a specified price or prevailing market price.

**Fees** The fees set out in the IDPS Guide.

**financial year** Each period not exceeding one year, ending on 30 June and commencing on 1 July.

**FSG** The financial services guide issued by us in respect of the Service.

**geared account** An account holding investments in the Service, which has been funded pursuant to a standard facility margin loan agreement. This

account may be in your name or the name of your margin lender depending on the margin loan agreement.

**IDPS** An investor directed portfolio service as defined in the ASIC Legislative Instrument.

**IDPS Guide** The IDPS Guide for the Service.

**instructions** Instructions given to us by you, or via your adviser (if applicable), in accordance with this agreement and in particular clauses 16 (Instructions) and 17 (Trading in listed securities) of this agreement.

**insurance product** An insurance product offered by a life insurance company where the premium can be paid via your account in the Service.

**investment choice** An accessible investment that we determine, from time to time, may be acquired or held through the Service.

**investment portfolio** The accessible investments held by us, or by a Custodian, on your behalf in relation to your account.

**investment strategy** The investment strategy your adviser has prepared for you, and you have agreed to, or (if you do not have an adviser) your investment strategy.

**InvestorHUB** The online service that gives you real-time access to information and notifications about your investments.

**listed securities** Accessible investments which are able to be traded on a financial market or exchange which may include a foreign market or exchange.

**loss** A claim, damage, loss, expense, cost or liability of any kind that the person concerned incurs, however it arises and whether it is present or future, fixed or unascertained, or actual or contingent.

**managed portfolio** Refers to a portfolio of investments constructed and maintained on the advice of the relevant manager within a Scheme.

**manager** A manager who manages or provides advice on the composition of one or more managed portfolios.

**margin lender** A margin lender, including any nominee(s), that provides margin lending facilities to investors in connection with the Service.

**margin loan agreement** An agreement between you and a margin lender, pursuant to which the margin lender provides a margin loan for contribution to a geared account in the Service.

**Operator** means HUB24 Custodial Services Ltd (ABN 94 073 633 664, AFSL 239122).

**reallocate** The process of changing the exposure to different asset classes and investment choices across different sectors and industries within the managed portfolio, by adding or removing specified investment components.

**rebalance** The process of comparing the composition of a managed portfolio with the composition of each client's investments in that managed portfolio. Where there is a difference between the two, transactions are generated to bring the client's investments in the managed portfolio in line with that of the managed portfolio advised by the relevant manager.

**related body corporate** has the meaning given in the Act.

**reports** The reports and information that we will provide to you as set out at clause 19 (Investment reports and communications).

**representatives** An employee, officer, agent, contractor, or other person engaged or appointed by us (including, without limitation, our default broker(s)).

**Scheme** means any non-unitised registered managed investment scheme that the Operator makes available through the IDPS and will include (but is not limited to) the HUB24 Managed Portfolio Service (ARSN 645 033 941).

**Securities** Has the meaning given in section 92 of the Act.

**Service** The IDPS provided by us to you pursuant to this agreement, the IDPS Guide and the application form.

**Wholesale Client** has the meaning given in the Act.

**Trade notification** A notification of a pending investment transaction in relation to your account.

**Your broker** A market participant or executing broker appointed by you and approved by the Operator to execute transactions in listed securities on your behalf.

## 1.2 INTERPRETATION

In this agreement, except where the content otherwise requires:

- a. the singular includes the plural and vice versa, and a gender includes other genders;
- b. another grammatical form of a defined word or expression has a corresponding meaning;
- c. a reference to a document includes the document as novated, supplemented, replaced or otherwise altered from time to time;
- d. a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;
- e. references to a person includes a natural person, partnership, body corporate, association, governmental authority or other entity;
- f. a reference to law includes regulations and other instruments under it and amendments, re-enactments or replacements of any of them;
- g. a word or expression defined in the ASIC Legislative Instrument has the meaning given to it in the ASIC Legislative Instrument; otherwise a word or

expression is defined in the Act has the meaning given to it in the Act;

- h. the meaning of general words is not limited by expressions like “including”, “for example” or “such as”;
- i. any agreement, representation, warranty or indemnity by two or more parties binds them jointly and severally; and
- j. a rule of construction does not apply to the disadvantage of a party because the party was responsible for preparing this agreement or any part of it.

Headings are for ease of reference only and do not affect interpretation.

## 2. AGREEMENT

If we accept your application form, then we agree to provide you with, and you agree and authorise us to provide you with, the Service in accordance with, and you agree to be bound by, this agreement, the IDPS Guide and the application form. To the extent of any inconsistency between the following documents, the following order of precedence will apply:

- a. the ASIC Legislative Instrument;
- b. the terms of this agreement;
- c. the terms of the application form;
- d. the terms of the IDPS Guide.

## 3. OUR OBLIGATIONS AND RIGHTS

### 3.1 OUR OBLIGATIONS

We must:

- a. perform our obligations under this agreement honestly and with reasonable care and diligence;
- b. subject to clause 21.1, compensate you for any loss incurred by you because of any acts or omissions of our agents engaged in connection with the Service as if the acts or omissions were acts or omissions of us;
- c. comply with the conditions of the ASIC Legislative Instrument;
- d. comply with instructions which are in accordance with your investment strategy provided by your adviser (or by you, if you do not have an adviser) subject to other provisions of this agreement;
- e. maintain at all times professional indemnity insurance and insurance covering fraud by our officers and employees that is adequate having regard to the nature of the activities carried out by us under our AFSL and which covers claims

amounting in aggregate to such amount as required under the ASIC Legislative Instrument; and

- f. maintain business continuity arrangements that are reasonable for a business of the nature, scale and complexity of our business.

### 3.2 OUR RIGHTS

We have all rights which are reasonably necessary or expedient, taking into account factors such as our commercial or risk considerations, and our legitimate business interests, acting appropriately, for us to provide the Service, including:

- a. to determine and vary the investment choices and managed portfolios available through the Service; and
- b. to specify and vary procedures in relation to the Service, including in relation to acquiring, investing, redeeming, selling, transferring, disposing of or otherwise dealing with investments in relation to your account.

## 4. INVESTMENT STRATEGY IMPLEMENTATION

- a. Subject to clauses 4b and 5.4, you authorise us to, and we will, exercise any rights relating to your assets in any manner we may see fit, taking into account factors such as any legislative or regulatory obligations, and our legitimate business interests, acting appropriately, to provide the Service and comply with this agreement, which may include to:
  - i. purchase, sell, subscribe for, apply for, transfer, redeem or otherwise deal with any asset on your behalf in order to rebalance or reallocate a managed portfolio, or to maintain the minimum cash balance in your account, as set out in the IDPS Guide and any instructions given to us by you or your adviser;
  - ii. process receipts (such as dividends) and payments in relation to your account;
  - iii. net off dealing in assets as explained in the IDPS Guide;
  - iv. sign and execute all forms, deeds, transfers and other instruments necessary to operate, maintain and administer your account;
  - v. attend any meeting convened and exercise any rights attached to any assets, including voting, accepting or rejecting any takeover bid;
  - vi. participate, refrain from participating or cease to participate in any dividend or distribution reinvestment plan relating to any assets in your account, or
  - vii. exercise or not exercise any option held or granted, without prior consultation with you or your adviser,

as if we were the absolute legal and beneficial owner of the assets.

- b. We must exercise discretion over your assets consistently with the investment strategy.
- c. We may assume that you have an investment strategy, and that any instruction given to us by you or your adviser is in accordance with your investment strategy.
- d. While we will use reasonable endeavours to ensure that instructions are followed, we may not be able to do so in all situations and therefore it is not intended that your instructions or investment strategy will be binding on us.

## 5. INVESTMENT SERVICES

### 5.1 ACQUISITION AND INVESTMENT OF ACCESSIBLE INVESTMENTS

We will acquire or invest in accessible investments on your behalf on the terms of this agreement:

- a. in accordance with specific instructions received by us, providing that the accessible investments are included in the investment choices; or
- b. at our discretion in accordance with clause 5.4 (Our discretion).

### 5.2 REDEMPTION, SALE AND TRANSFER OF ACCESSIBLE INVESTMENTS

We will redeem, sell, transfer or otherwise dispose of accessible investments held in your investment portfolio on the terms of this agreement:

- a. in accordance with specific instructions received by us; or
- b. at our discretion in accordance with clause 5.4 (Our discretion).

### 5.3 DEPOSITS WITH AUTHORISED DEPOSIT-TAKING INSTITUTIONS

We will ensure that all money received by us from you, or in which you have an interest, is paid into an account with Australian authorised deposit-taking institution, and held on trust:

- a. pending acquisition of or investment in another accessible investment, or payment to you following the redemption, sale, transfer or disposal of an accessible investment;
- b. in accordance with specific instructions received by us; or
- c. at our discretion in accordance with clause 5.4 (Our discretion).

### 5.4 OUR DISCRETION

- a. We may deal with accessible investments (including acquiring, investing in, redeeming, selling,

transferring or otherwise disposing of accessible investments) without specific instructions:

- i. in accordance with previous instructions received by us that have not been withdrawn, including by making regular investments in or withdrawals from, or adjusting, rebalancing or reallocating investments in, accessible investments in your investment portfolio;
  - ii. to maintain any agreed minimum cash or cash equivalent investments;
  - iii. to meet any amount due to us under clause 20 (Fees and expenses);
  - iv. to fund obligations in relation to any of your managed portfolio investments in a Scheme, or
  - iv. in accordance with applicable laws.
- b. Where we have a right or discretion to exercise a power or make a determination under this agreement, we will exercise those rights or discretions having regard to our legitimate business interests, acting appropriately. In doing so, we will take into account factors such as any legislative or regulatory obligations, our commercial, operational or risk considerations.

### 5.5 WARNING — KEY DIFFERENCES IN ACQUIRING FINANCIAL PRODUCTS THROUGH THE SERVICE

You acknowledge and agree the following key areas of difference between acquiring a financial product through the Service as against acquiring the financial product directly:

- a. The registered owner of the financial products you hold through the Service is either the Operator or a Custodian (as applicable). The Operator, as the primary custodian of the Service, holds the financial products on trust for you and, in turn, may appoint one or more Custodians who hold such financial products for the Operator.
- b. You may not receive 100% of all shareholder benefits in respect of shares you invest in through the Service.
- c. As you are not the registered holder of shares you invest in through the Service, you do not have voting rights (nor the right to proxy voting) at shareholder meetings.
- d. The registered unit holder of managed funds you invest in through the Service will be a Custodian. As such, we or the Custodian may exercise the rights of a unit holder or decline to exercise them.
- e. You may be able to access managed funds through the Service at a lower fee rate than would be applicable if you invested in the managed fund directly.
- f. Cooling-off rights generally do not apply to investments acquired through the Service.

- g. You will not receive investor communications in respect of financial products you invest in through the Service directly. Upon request, we will give you (or your adviser) a copy of all communications that we are required by law to provide to the holder of an investment.
- h. Any withdrawal rights that may arise will be communicated via the relevant Custodian to us, as the holder of all relevant withdrawal rights. These rights may differ due to our status and depending on whether we were provided with a Product Disclosure Statement or other disclosure document for the purposes of investing on your behalf. Withdrawal rights for an accessible investment may not be available if the relevant Product Disclosure Statement or disclosure document becomes defective before issue of investment. If the relevant Product Disclosure Statement or disclosure document becomes defective before issue of the investment, the product issuer would not be required to return the investment to you or provide you with other options such as notification of an option to withdraw under section 724 (for disclosure documents) or section 1016E (for Product Disclosure Statements) of the Act. Where practicable, we will notify you or your adviser of any option to withdraw and make available any accompanying disclosure documents as soon as possible. If we do so and you wish to exercise any withdrawal option, we'll generally act on any instructions received.

Further information about these differences is set out in Section 10: General Information in the IDPS Guide, under 'Your rights in the Service vs direct investments'.

## 6. FUNDING OF ACCESSIBLE INVESTMENTS

- a. You must ensure that there are sufficient monies in your account or cash equivalent accessible investments in your investment portfolio to finance acquisitions of, or invest in accessible investments, in accordance with instructions provided to us from time to time.
- b. If there are insufficient monies in your account or cash equivalent accessible investments in your investment portfolio to finance acquisitions of, or investments in accessible investments in accordance with instructions provided to us from time to time, we:
  - i. are not obliged to acquire or invest in such accessible investments; and
  - ii. may, at our discretion, taking into account factors such as investor instructions, any legislative or regulatory obligations, and our legitimate business interests, acting appropriately, acquire or invest in some, all or none of such accessible investments.

## 7. LEGAL REQUIREMENTS PRIOR TO THE ACQUISITION OF ACCESSIBLE INVESTMENTS

### 7.1 APPLICABLE DISCLOSURE DOCUMENTS HAVE BEEN PROVIDED TO YOU

- a. Subject to clause 7.1b, we will not, and will ensure that any Custodian acting on our behalf does not, acquire accessible investments for you as part of the Service unless we reasonably believe that in accordance with the ASIC Legislative Instrument:
  - i. you have been given an IDPS Guide that would comply with the ASIC Legislative Instrument if given at the time of the acquisition of the accessible investment;
  - ii. in the case of an acquisition of accessible securities, either:
    - (A) you have been given a copy of the relevant disclosure document for the accessible securities, and we have no reason to believe that the disclosure document is defective as if it was prepared at that time; or
    - (B) the accessible securities could lawfully have been offered and issued or sold (as applicable) to you directly without a disclosure document; and
  - iii. in the case of an acquisition of an accessible financial product, either:
    - (A) you have been given a Product Disclosure Statement and Target Market Determination for the accessible financial product, and we have no reason to believe the Product Disclosure Statement or Target Market Determination is defective if it was prepared at the time of the acquisition; or
    - (B) the accessible financial product could lawfully have been offered and issued or sold (as applicable) to you directly without a Product Disclosure Statement and we have no reason to suspect that a Product Disclosure Statement would have been required to be given to you if all other holdings of the financial product in custodial arrangements had been issued to the clients (as defined in section 10121A of the Act) of those arrangements.
- b. Notwithstanding clause 7.1(a), if we are reasonably satisfied that you have been given an IDPS Guide in accordance with the ASIC Legislative Instrument, we or a Custodian acting on behalf of us may:
  - i. acquire an additional holding of an accessible financial product for you if you already have an existing holding of that accessible financial product through the Service, and:



- (A) we have given you a Product Disclosure Statement for the financial product; and
  - (B) we reasonably believe that you have access to, and know that you have access to, a Product Disclosure Statement for the financial product; and
  - (C) the Product Disclosure Statement you have access to is the most current in use or does not differ from the most current in use in a way that is materially adverse for you; and
  - (D) we have no reason to believe the Product Disclosure Statement you have access to is defective as if it were prepared at the time of the acquisition;
- ii. acquire an additional holding of an accessible investment for you under a distribution reinvestment plan, if you already have an existing holding of that accessible investment through the Service; or
  - iii. make a regular savings acquisition if:
    - (A) you already have an existing holding of that accessible investment through the Service; and
    - (B) we have complied with our agreement with you, in relation to the regular savings plan, to give any missing documents.

## 7.2 USE OF DISCLOSURE DOCUMENTS HAS BEEN AUTHORISED BY THE PRODUCT ISSUER

Except in relation to a rights issue, we will not, and will ensure that any Custodian acting on our behalf does not, acquire accessible investments as part of the Service unless, where a disclosure document or Product Disclosure Statement is prepared for those accessible investments, we are reasonably satisfied that either:

- a. the issuer of the disclosure document or Product Disclosure Statement for the accessible investments has given its prior written agreement to the use of the disclosure document or Product Disclosure Statement as disclosure to clients or prospective clients of the Service; or
- b. the disclosure document or Product Disclosure Statement indicates that the issuer of the accessible investments authorises the use of the disclosure document or Product Disclosure Statement as disclosure to clients or prospective clients of the Service or to a class of IDPSs that includes the Service.

## 7.3 MANAGED INVESTMENT SCHEMES

We will not, and will ensure that any Custodian acting on our behalf does not, acquire accessible investments for you through of the Service that we believe are:

- a. interests in a managed investment scheme that is not a registered scheme; or
- b. interests in a scheme that would be a managed investment scheme but for paragraph (e) of the definition of “managed investment scheme” in section 9 of the Act,

unless, in accordance with the ASIC Legislative Instrument, we reasonably believe that;

- c. if you had invested directly in the scheme, the scheme would not have been required to have been registered; and
- d. if all interests in the scheme held in custodial arrangements had been held by the clients (as defined in section 1012IA of the Act) of those arrangements, the scheme would not have been required to be registered.

## 7.4 REQUESTED INFORMATION

We may request information about you from you or your adviser. If neither you nor your adviser supply us with documentation or information we request, we may not be able to make certain accessible investments available to you. For example, we make certain accessible investments only available to clients who can satisfy us that they are a Wholesale Client.

## 8. CONTRIBUTIONS AND WITHDRAWALS

### 8.1 CONTRIBUTIONS TO YOUR ACCOUNT

- a. You may request us to transfer cash and accessible investments to your account as permitted from time to time by us. Upon us receiving specific instructions from you or your adviser requesting the transfer of cash or accessible investments to your account, we:
  - i. may, agree to the transfer request, either in whole or in part; and
  - ii. will notify your adviser (or you, if you do not have an adviser) of whether we have agreed to the transfer request as soon as reasonably practicable on receiving the request.
- b. If we agree to transfer cash or accessible investments to your investment portfolio:
  - i. contributions must be made in a way approved by us; and
  - ii. we will ensure that such contributions are credited to your account.

### 8.2 WITHDRAWALS FROM YOUR ACCOUNT

- a. You may request us to withdraw assets from your account. The request must be made in a way approved by us, taking into account factors such as investor account verification, investor instructions, and our legitimate business interests,

acting appropriately. Upon us receiving specific instructions from you via your adviser requesting the withdrawal of assets from your account, we:

- i. may, where the request has been made in a way as approved by us, agree to the withdrawal request either in whole or in part; and
  - ii. will notify your adviser (or you, if you do not have an adviser) of whether we have agreed to the withdrawal request as soon as reasonably practicable on receiving the request.
- b. If we agree to withdraw assets from your account, the withdrawal proceeds will be paid to you within 10 business days, or a longer period determined by us in our discretion due to the time required to realise or transfer the assets.
  - c. Any withdrawal proceeds will be directed to the bank account nominated in your application form or in accordance with instructions received by us.
  - d. We may deduct from your account or from the proceeds of any withdrawals, any costs, expenses or taxes incurred in connection with processing the withdrawal request.

## 9. AUTHORISED PERSONS

We may appoint any suitably qualified person to hold title to any assets or perform any act or exercise any discretion in accordance with our powers, discretions and obligations under this agreement. This appointee may be an associate of ours. We will exercise reasonable care in selecting and monitoring the performance of any person appointed under this clause. When selecting a suitably qualified person under this clause, we may consider factors such as fees, the suitably qualified person's service offering, AFSL authorisations, access to capital, to comply with our legislative and regulatory obligations and security controls.

## 10. CUSTODY

- a. Your assets will be held on trust for you by us and/or one or more Custodians nominated by us and in accordance with the ASIC Legislative Instrument and subject to this agreement. We may appoint and replace one or more Custodians to hold assets on trust for you from time to time. You have an absolute entitlement to your assets subject to the terms of this agreement, and any lien, rights of set off and any other priority rights to which we or any Custodian may be entitled under any applicable law, custody or security arrangement.
- b. You acknowledge and agree that your monies and the monies of other clients of ours may be combined and deposited by us in a bank account held on trust or clients' segregated account, and held in accordance with Part 7.8 of the Act.

- c. You acknowledge and agree that all monies held on your behalf may be used by us to meet any amount outstanding or owing to us in connection with our acting on your behalf or carrying out your instructions.
- d. We, and any Custodian we appoint, are prohibited from taking or granting a charge, mortgage, lien or other encumbrance over, or in relation to, custodial property held pursuant to this agreement, other than:
  - i. for expenses and outlays made within the terms of this agreement, not including any unpaid fees of the Operator or Custodian (as applicable); or
  - ii. in accordance with your written instructions.
- e. We will provide you with written notice of the identity of, and contact details of, any Custodian appointed by us to hold custodial property held pursuant to this agreement. Except in exceptional circumstances, such notice will be provided as soon as reasonably practicable and, in any event, before the Custodian commences holding any custodial property on your behalf. For example, exceptional circumstances may include circumstances where HUB24 is required to urgently replace a Custodian due to reputational risks or where the Custodian is likely to become, or has become, insolvent.
- f. We will exercise reasonable care in selecting and monitoring the performance of any Custodian appointed by us. When selecting a Custodian under this clause, we may consider factors such as fees, the Custodian's service offering and security controls.

## 11. ADVISER

### 11.1 ROLE OF YOUR ADVISER

- a. If you have an adviser, you agree that your adviser:
  - i. is not acting for us, or on our behalf;
  - ii. may act on your behalf pursuant to this agreement and your agreement with the adviser, including to give instructions to us; and
  - iii. may receive reports and other communications on your behalf.
- b. You must notify us in writing as soon as reasonably practicable after the date of terminating your relationship with any adviser, and provide details of any replacement adviser. We reserve the right to close your account and realise any assets if you do not appoint a replacement adviser within four months from the date of terminating your relationship with an adviser. We will give you at least 30 days' advance notice, where practicable, before closing your account under this clause.
- c. You must:

- i. provide your adviser with sufficient and up to date information to ensure your investment strategy is and remains suitable with regard to your relevant personal circumstances; and
- ii. notify your adviser in writing as soon as reasonably practicable of any changes to your personal circumstances that may have an impact on the suitability of your investment strategy.

Failure to do this may result in your investment strategy not being suitable for you.

## 11.2 WARNING — IF YOU DO NOT HAVE AN ADVISER

The Service is designed for use with an adviser. If you do not have an adviser, or cease to retain your adviser, your participation in the Service may be adversely affected. In particular:

- a. If you do not have an adviser, we reserve the right to refuse to accept your application to participate in the Service.
- b. If you no longer have an adviser, we may restrict your ability to transact on your account online. In this circumstance we may instead accept written instructions from you to place transactions on your account. Please note that there may be delays in processing your written instructions (especially during market fluctuations or higher than usual processing volumes) as opposed to placing your transactions online.
- c. If you no longer have an adviser, this may adversely affect the services provided through the Service, and some services may not be available to you at all. For this reason, if you cease to retain your adviser and do not notify us of a replacement adviser, we may terminate your participation in the Service at our discretion, where there is suspected fraud, insufficient funds, non-compliance of legislative or regulatory obligations, or there is otherwise a legitimate business interest to do so, acting appropriately.

Further information about these consequences is set out in Section 8: Operating your Account in the IDPS Guide, under 'What will happen if you no longer have an authorised adviser?'. This clause 11.2 does not apply to Wholesale Clients.

## 12. ACCOUNT

- a. Cash and other accessible investments that you contribute under the Service will be credited to your account.
- b. You may be required to keep a minimum balance in certain assets in your account. Any applicable minimum required balances are set out in the IDPS Guide. We may, from time to time, vary the minimum required balances and will provide you

with notice of any such variation (where required by, and in accordance with, the applicable law).

- c. We may at any time, in our discretion, where there is suspected fraud, insufficient funds in your nominated account non-compliance of legislative or regulatory obligations, or there is otherwise a legitimate business interest to do so, acting appropriately, without prior notice, close or suspend your account so that you may make no further contributions or investments.
- d. Records of:
  - i. the assets held through the Service on your behalf; and
  - ii. any transactions relating to your account, including how, by whom and when they were authorised,

will be kept and maintained by the Operator on the platform. Such information will be accessible by you or your adviser through the platform.

- e. The Operator will apply verification procedures and for the reconciliation and checking of the assets held on your behalf through the Service on an appropriately frequent basis.

## 13. INVESTMENT STRATEGY

- a. You acknowledge and agree that you or your adviser (and not us):
  - i. prepared your investment strategy, taking into account your relevant personal circumstances; and
  - ii. must review the suitability of your investment strategy to ensure that it remains suitable for you with regard to your relevant personal circumstances.
- b. We may determine not to (for example, due to requirements under the law) or may be unable to comply with the investment strategy in a timely fashion or at all. In such a case we will notify you or your adviser and an amendment to the investment strategy may be required to be agreed between you and your adviser.
- c. We will generally reinvest all income received from a managed portfolio into that managed portfolio unless instructed otherwise by the manager or your adviser.
- d. If you are an individual investor and you die or become incapacitated, we may suspend all transactions in relation to your account and we may deduct from your account or sell down amounts from your investments as required to pay for Fees until your estate is settled or the situation is otherwise resolved to our reasonable satisfaction. For example, the Operator may undertake this action to prevent fees from reducing

your account balance where you are deceased or incapacitated, or otherwise in accordance with our legitimate business interests (including verifying the appropriate beneficiary or trustee of your Invest account, and or have received appropriate confirmation of any probate), acting appropriately.

#### 14. RESPONSIBILITY FOR PERFORMANCE OF INVESTMENT PORTFOLIO

You acknowledge and agree that:

- a. to the extent permitted by law and the ASIC Legislative Instrument, we are not responsible nor liable for the performance of your investment portfolio;
- b. we are not in a position to and do not make any opinion as to whether your investment portfolio is appropriate to your objectives, financial situation and needs;
- c. we do not guarantee the performance of any investment made by us as part of the Service;
- d. the assets in your account may be diminished by poor investment performance;
- e. we do not guarantee that orders or transactions placed through the Service with our default broker(s) will always be accepted by our default broker(s), and we are not responsible or liable for any losses to your investment portfolio as a consequence except to the extent that those losses directly arise from negligence, fraud or wilful misconduct by the Operator; and
- f. your investment strategy may not be suitable for you if you have provided to your adviser limited or inaccurate information relating to your relevant personal circumstances, and may cease to be suitable if your relevant personal circumstances change.

#### 15. OTHER ACKNOWLEDGEMENTS

You acknowledge and agree that:

- a. the contents of our FSG, IDPS Guide and your investment strategy or any other documents submitted by your adviser to us in respect of your account are not to be taken as a representation by us that any projections or statements as to investment return or return performance of the investment will be achieved;
- b. we may make disclosures available to you digitally and will notify you when the disclosures are available. You may opt out to this method of delivery; however, this may impact the provision of our service to you;
- c. there may be delays in processing acquisitions, investments, redemptions, sales, transfers, disposals and other transactions in relation to your account, and that we will not be liable for delays

caused by third parties, including by your broker or our default broker(s);

- d. we are not responsible for providing you with, and nothing represented by us should be taken as, tax, accounting, financial or legal advice, or personal advice;
- e. all contributions made by you will be credited to your account as cash, except where we have agreed prior to receive your contribution as a transfer of investments, pending receipt by us of instructions from you via your adviser as to how the contributions are to be invested;
- f. you must have sufficient cleared funds available in your bank account to meet each drawing nominated under your direct debit arrangements. If a drawing is unsuccessful, we reserve the right to attempt to redraw at such times as we determine, and may charge you a fee each time we do so. Additionally, your financial institution may charge penalties, fees or charges if you do not have sufficient funds when we unsuccessfully attempt to direct debit such drawings;
- g. we may certify your Australian tax residency status with the Australian Taxation Office (ATO) and submit forms relating to your tax residency status. Where available, we may also claim withholding tax relief and/or withholding tax refunds under tax treaty arrangements based on your declaration of tax residency and you will not initiate separate tax claims where we have initiated a claim on your behalf;
- h. if you have entered into a margin loan agreement, we are not liable to you in respect of any matters relating to your margin loan or your margin loan agreement;
- i. if you have entered into an insurance product contract, and you have authorised us to pay the insurance premiums payable under the contract from your account in the Service, you must have sufficient funds available in your account to meet the withdrawal of these insurance premiums and any other costs related to the insurance product contract;
- j. to the maximum extent permitted by law, we are not liable to you in respect of any matters relating to your insurance product, except to the extent required in this agreement or applicable laws;
- k. you will take all reasonable steps to deliver information or documentation to us, or cause information or documentation to be delivered to us concerning the accessible investments which are requested by a person having a right to request such information or documentation, and that we are authorised to produce the information or documentation to the person making the request;
- l. we may collect, use or disclose your personal information provided in the application form for

the purposes outlined in the IDPS Guide, including to:

- i. unless you tell us otherwise, send you marketing information about our (and third parties) goods and services including those that are unrelated to your investment for marketing purposes;
  - ii. request assistance from a credit reporting agency for the purpose of verifying your identity;
  - iii. verify your identification documents through the Australian Government Document Verification Service;
  - iv. comply with our obligations under anti-money laundering and counter-terrorism financing laws; and
  - v. comply with the requirements of any other laws or the requirements of any Australian or applicable overseas regulatory authority, or as you may direct or authorise from time to time; and
- m. your agreements, declarations and acknowledgements in your application form are part of this agreement for the benefit of us.

## 16. INSTRUCTIONS

- a. Your adviser may at any time give us instructions from you in relation to your account and the Service. If you have an adviser, instructions to us must typically be provided by you via your adviser, except with our approval.
- b. Instructions must be given in the manner and form advised (in the IDPS Guide or otherwise) by us from time to time, and must contain all necessary information required by us to enable us to carry out the instructions.
- c. We will have no obligation to act in accordance with any instructions to the extent that we reasonably consider the instructions to be ambiguous or unclear, contain a manifest error, or are in conflict with any applicable law or regulations or local market practice, in which case we will notify your adviser (or you, if you do not have an adviser) accordingly.
- d. Where we receive instructions to dispose of or withdraw an asset from your account, the instructions must specify either that the asset is to be transferred to you or that the asset is to be disposed of and the proceeds paid to you.
- e. Except to the extent that any losses directly arise from negligence, fraud or wilful misconduct by the Operator and without limiting any other provisions of this agreement and to the extent permitted by law, we will not be liable for any loss arising from:

- i. incorrect instructions submitted by you, your adviser or by your broker;
  - ii. instructions not submitted in a timely manner;
  - iii. delay in implementing instructions, including as a result of us not being able to or being prevented for a period of time from implementing the instructions, where it is impracticable to make such implementation or if we require clarification of the instructions; or
  - iv. exercising our right to refrain from acting on instructions.
- f. You acknowledge and agree that we may at any time refuse to deal in, or may limit dealings in, any of the accessible investments for you. We are not required to act in accordance with your instructions where doing so would constitute a breach of the Act, the ASIC Legislative Instrument, or other relevant applicable laws or regulatory obligations, or otherwise in accordance with our legitimate business interests, acting appropriately. We will notify you of any refusal or limitation as soon as practicable if we are not prohibited from notifying you.

## 17. TRADING IN LISTED SECURITIES

### 17.1 GENERAL

- a. If you have an adviser, you acknowledge and agree that instructions to carry out any transactions in respect of listed securities in your account through the Service will be given to us by your adviser only, pursuant to this agreement and your agreement with your adviser.
- b. You acknowledge and agree that listed securities acquired and held through the Service (either through your broker or our default broker(s)) are held under our name or our appointed Custodian, but you retain the beneficial ownership of these securities. Given the securities are held in our name or the name of the Custodian, you will not receive any communications relating to corporate actions from the securities registries unless required by law or the ASIC Legislative Instrument.
- c. You acknowledge and agree that we act on your behalf in relation to transactions in listed securities executed by our default broker(s) through the DMT facility, the aggregated trading facility or bespoke trading facility.
- d. You acknowledge and agree that, in relation to transactions in listed securities and without limiting clause 6 (Funding of accessible investments):
  - i. buy orders may only be accepted by the Service if sufficient cleared funds are available in your account, and sell orders may only be accepted where the particular securities (the

- subject of the orders) are available in your account outside a managed portfolio;
- ii. you are liable for all costs, expenses and losses in relation to any of your buy or sell orders, and must have sufficient cleared funds or securities available in your account to cover the amounts required to settle your transactions. You agree to us deducting these amounts or transferring securities from your account to settle your transactions; and
  - iii. we rely on instructions received from your adviser as if we had received these instructions from you;
  - iv. when placing orders through the Service you rely on your own skills and judgement, or when you request your adviser to place orders through the Service, you rely on the advice of your adviser. In particular, you acknowledge and agree that we do not identify your investment objectives, situation and needs, and do not provide any personal advice to you;
  - v. when investing in a managed portfolio you authorise us to implement the portfolio managers' decisions relating to corporate actions on your behalf without consultation for securities in a managed portfolio. For securities held outside managed portfolios, your adviser is authorised to provide instructions to us in relation to any election associated with a corporate action;
  - vi. we have the discretion to undertake any actions necessary in relation to corporate action events as agreed between us and the relevant portfolio manager, or as we see fit in the case of some index managed portfolios; and
  - vii. participation in certain corporate actions may be restricted, for instance Australian residents may not be able to participate in corporate actions for certain international listed securities.
- e. You acknowledge that, in relation to orders which you place with us to enter into transactions in listed securities:
    - i. each time you place an order through the Service, you warrant that all orders placed and any transactions conducted by you or your adviser are lawful;
    - ii. we may, in circumstances where we reasonably consider that it is appropriate to do so, having regard to our legal and regulatory obligations, other considerations such as your account balance, the availability of the investments in the Service, or otherwise in accordance with our legitimate business interests, acting appropriately:
      - (A) refuse to accept instructions from you or your adviser to purchase or sell listed securities on your behalf;
      - (B) cancel any order received and previously accepted by us;
      - (C) cancel any transaction where we are requested or required to do so by your broker or our default broker(s); or
      - (D) generally restrict the ability of you or your adviser to execute transactions on your behalf, and we will notify you or your adviser of any such action as soon as reasonably practicable; and
  - iii. your orders may be vetted by the default broker(s) and in some instances, may be rejected or cancelled in accordance with the default broker's own legal and regulatory obligations and policies and procedures.
  - f. You acknowledge and agree that any order placed for you using the "good until cancelled" option will remain open until cancelled in accordance with these terms or purged by the relevant market operator. Given the nature of the "good until cancelled" option, we will not be responsible for reinstating lapsed orders or for contacting you or your adviser to seek new instructions. In such circumstances, you will need to contact your adviser to reinstate these instructions.
  - g. You acknowledge and agree that the Service may include in its brokerage charges an amount payable to us for the introduction of broking business.
  - h. You acknowledge and agree that at our absolute discretion, certain orders may be subject to manual review and entry, which may cause delay in the processing of the order. You acknowledge and agree that the order will be executed at the price available on the ASX or other relevant exchange (subject to any limit imposed by you or your adviser), which may be different from the price at which the financial product is trading when the order was entered into the Service.
  - i. You acknowledge and agree that by trading through the aggregated trading facility, your orders will be aggregated, accumulated, and netted, with other orders, and the price of the securities purchased under that arrangement will be on a weighted average price basis (in most instances).
  - j. You authorise and agree to the accumulation and price averaging of two or more market transactions into a single confirmation or trade confirmation.
  - k. All listed securities bought or purchased by you in accordance with these terms shall be subject to a lien for the discharge of any and all indebtedness or any other obligation that you may have to us. You must pay us the costs and expenses of collecting any such indebtedness or debit balances,

including but not limited to reasonable legal costs and disbursements.

- I. You acknowledge and agree that the Service from time to time receives late reports on the status of transactions. Accordingly, you will be subject to late reports relating to orders that were previously unreported to you or were reported to you as being expired, cancelled or executed. In addition, any reporting or posting error, including in execution prices, will be corrected to reflect what actually occurred in the marketplace.
- m. It is your responsibility to review upon receipt, whether delivered to you by mail, electronic communication or otherwise, all confirmations of transactions and all statements in relation to your account. Transactions and all such information reviewed by you shall be binding if you do not object, either in writing or by electronic communications, within 48 hours after the confirmation or information is first received, in order for HUB24 to comply with its regulatory obligations. If upon review, you have objections to one or more transactions or statement you must contact us. In all cases, we reserve the right to determine the validity of your objections to the transaction, or to the information contained in such statements. Subject to the law, which cannot be excluded by agreement between the parties:
  - i. without limiting any other provisions of this agreement and to the extent permitted by law, we make no warranties, either express or implied, as to the merchantability and fitness for a particular purpose or otherwise (including as to accuracy, currency, availability and completeness of quality) with respect to the goods or services supplied under these terms, including the services provided under the DMT facility, aggregated trading facility or bespoke trading facility;
  - ii. except to the extent that any losses directly arise from negligence, fraud or wilful misconduct by the Operator and without limiting any other provisions of this agreement and to the extent permitted by law, we exclude all liability in contract, tort (including negligence) or otherwise relating to or resulting from use of the DMT facility, aggregated trading facility or bespoke trading facility and for any loss incurred by you directly or indirectly, including (without limitations) as a result of or arising out of:
    - (A) any inaccuracy, error or delay in or omission from any information provided to you through the DMT facility, aggregated trading facility or bespoke trading facility;
    - (B) any delays, failures or inaccuracies in the transmission of the services under the DMT facility, aggregated trading facility or bespoke trading facility or transmission of your orders or instructions; or of any other communications;
    - (C) any misinterpretation of your orders or instructions that are unclear, ambiguous, incomplete or not specific;
    - (D) any delay, fault, failure in or loss of access to the DMT facility, aggregated trading facility or bespoke trading facility provided to you or your adviser; or
    - (E) government restriction, exchange or market ruling, suspension of trading, computer or telephone failure, unlawful access to the DMT facility, aggregated trading facility or bespoke trading facility, theft, sabotage, war, earthquake, strikes or other force majeure events, and, without limitation, any other conditions beyond our control.
  - iii. in no event shall we be liable in contract, tort (including negligence) or otherwise for any loss of prospective profits or expenses or special, indirect or consequential damages resulting from the use of the goods or services supplied under these terms, including the DMT facility, aggregated trading facility or bespoke trading facility; and
  - iv. subject to the law and the ASIC Legislative Instrument, our liability shall in any event be limited to:
    - (A) in the case of goods, the replacement or repair of the goods; and
    - (B) in the case of services, the resupply of the services.

## 17.2 USE OF YOUR BROKER

- a. We may from time to time, at our discretion, provide a facility within the Service through which you can place orders to trade in listed securities directly with your broker.
- b. We may withdraw authorisation of your broker at our discretion and without notice to you:
  - i. pursuant to or as contemplated by the rules of the relevant exchange or clearing and settlement facility, or other relevant applicable laws; or.
  - ii. otherwise in accordance with our legitimate business interests, acting appropriately (please refer to section 5.4(b) of this agreement for more information about how the Operator will exercise this discretion).
- c. If you place orders through your broker, you must have in place a broking agreement with your broker which authorises your broker to place orders to

trade listed securities on your behalf and to provide instructions to us in connection with the settlement of any transactions in listed securities which the broker executes on your behalf.

- d. In addition to the general terms and conditions relating to your instructions to us as set out in clause 16 (Instructions), the following terms and conditions apply specifically to instructions, orders and transactions in respect of listed securities executed by or through your broker:
- i. You authorise us to rely on instructions from any person that we reasonably believe to be your broker, as if we had received those instructions from you directly.
  - ii. You acknowledge and agree that your broker is responsible for the service they provide to you and our role is limited to facilitating the delivery of cash or financial products for settlement of transactions placed by your broker on your behalf.
  - iii. You acknowledge and agree that the Operator has the right to reject or cancel transactions without your consent or prior notice if the transaction does not satisfy our trade acceptance process or might result in a breach of the Act or other relevant applicable laws.
  - iv. You acknowledge and agree that you are liable for any dishonour fees charged by your broker and any other fees or costs passed on to us in connection with a failed transaction. You authorise us to deduct such amounts from your account in the Service on or after such time as those costs are incurred by you or are passed on to us.

### 17.3 APPLICATION OF RULES

You acknowledge and agree that all orders and transactions in respect of listed securities, whether placed and executed by your broker or our default broker(s), are subject to the rules, customs and usages applicable to the relevant market and clearing and settlement facility, the Act and other applicable laws and regulatory obligations.

### 18. USE AND ACCESS TO INVESTORHUB

We will give you and your adviser access to InvestorHUB. You agree:

- a. to only use InvestorHUB for purposes directly related to your account and the Service, or as agreed with us;
- b. to keep your login and password secure and to prevent access to your account by another person (except your adviser or your authorised representatives), and that you will be responsible for all acts and omissions performed using your

login, whether performed by you or any other person;

- c. to notify us as soon as reasonably practicable if you become aware of any unauthorised access to your account or InvestorHUB;
- d. not to copy, adapt, alter, modify, reproduce, reverse assemble, reverse compile, reverse engineer, tamper with or damage the whole or any part of any code, data, service or software provided in connection with InvestorHUB and the Service, or attempt to do so;
- e. that InvestorHUB may be unavailable or interrupted, or response times may be very slow, that information on InvestorHUB may not be up to date, and that to the extent permitted by law, we will not be liable to you for any resulting loss except to the extent that any losses directly arise from negligence, fraud or wilful misconduct by the Operator;
- f. that we retain all rights in InvestorHUB and its contents, and in any software, source code, know how, data, record, document, information, process or methodology (including technical, manufacturing, service and maintenance information) in connection with InvestorHUB and the Service;
- g. to comply with any terms or conditions of access to InvestorHUB as notified to you; and
- h. that we reserve the right to:
  - i. suspend or terminate access to InvestorHUB at any time, without giving reasons, taking into factors such as fraud, insufficient funds in your nominated account or there is otherwise a legitimate business interest to do so, acting appropriately; or
  - ii. alter the terms and conditions of access to InvestorHUB at any time, with at least 30 days' advance notice, where practicable and you agree to be bound by those revisions. These changes may be as a result of changes to laws or regulations, product or usability features or otherwise in accordance with our legitimate business interests, acting appropriately.

## 19. INVESTMENT REPORTS AND COMMUNICATIONS

### 19.1 CONTINUOUS REPORTING

- a. We will give you, at your option, either (or both):
  - i. a quarterly report within one month after the end of each quarter, being the three month period ending on 31 March, 30 June, 30 September and 31 December in each year (quarter day), which contains information required under the ASIC Legislative Instrument including information about:
    - (A) all transactions by you or on your behalf through the Service during the quarter;



- (B) the quantity and value of assets held by you through the Service, and corresponding liabilities on the quarter day; and
  - (C) your revenue and expenses in relation to the Service and your assets held through the Service during the quarter, or
- ii. electronic access to the following information, by way of InvestorHUB, on a substantially continuous basis (provided we have no reason to doubt you can electronically access this information on a substantially continuous basis and provided further that you have not opted out of receiving the information by electronic access):
- (A) all transactions you have conducted through the Service for a period of at least one year (or such shorter period as your account has been in existence) up to a date no more than 48 hours (excluding hours on a day that is not a business day) before the time of access;
  - (B) the quantity and value of assets held by you through the Service and corresponding liabilities at a time no more than 48 hours (excluding hours on a day that is not a business day) before the time of access, the value of the assets being as current as is reasonably practicable;
  - (C) your revenue and expenses in relation to the Service and your assets held through the Service during a period of at least one year (or such shorter period as your account has been in existence) up to a date no more than 48 hours (excluding hours on a day that is not a business day) before the time of access; and
  - (D) the time at which the information is current.
- b. By signing the application form you agree to obtain information concerning transactions and holdings through the Service electronically instead of receiving a quarterly report. You can opt out from receiving such information electronically by contacting us on 1300 854 994, in which case such information will be provided to you in a quarterly written report (as outlined in clause 19.1(a)(i)).
- c. We will ensure that:
- i. the information that is displayed at the end of the quarter remains readily accessible to you through InvestorHUB until the end of the financial year that is after the financial year in which the quarter day falls; and
  - ii. InvestorHUB displays a statement to the effect that only information displayed at the quarter's end will be considered by the auditor in

preparing its annual report relating to the information provided electronically.

- d. The value of assets for the purposes of clauses 19.1(a)(i)(B) and 19.1(a)(ii)(B) will be determined as follows:
  - i. for financial assets (as defined in Accounting Standard AASB 132 Financial Instruments: Presentation) – net market value (being the amount that could be expected to be received from the disposal of the asset in an orderly market after deducting costs expected to be incurred in realising the proceeds of such a disposal); and
  - ii. for all other assets – the value that would be shown in the books of the Service.

## 19.2 ANNUAL REPORT OF INVESTOR STATEMENTS

Within three months of the end of each financial year, we will give you:

- a. an annual investor statement containing a summary of the transactions by you or on your behalf through the Service during the financial year, containing the particulars that you may reasonably require in relation to the transactions and, if you have been provided with quarterly reports under clause 19.1(a)(i), a statement that you may request a copy of any quarterly report relating to the financial year; and
- b. a copy of the annual audit report for the relevant financial year.

## 19.3 OTHER COMMUNICATIONS

We will give you a copy of all communications that are required to be given to the holder of an accessible investment (including communications that are required to be given on request) where that accessible investment is required to be held on trust for you by us or any Custodian appointed by us, at your request either in relation to a particular future communication or in relation to a class of future communications. We must give a copy of the communication as soon as practicable after the information is received or otherwise becomes available to be provided to you.

## 19.4 TAPE RECORDING OF CONVERSATIONS

You acknowledge and agree that, to the extent permitted by law, we may record telephone conversations between us and you or your adviser.

If there is a dispute between you and us, you have the right to listen to any recording of those conversations.

## 19.5 YOUR OBLIGATION TO PROVIDE INFORMATION

If we are required to make available information or documentation concerning the accessible investments to a person having a right to access such information

or documentation (including a government agency or the like), you must, following notice by us, take all reasonable steps to deliver such information or documentation to us, or cause such information or documentation to be delivered to us. You authorise us to produce the information or documentation to the person making the request.

## 19.6 MANNER IN WHICH CUSTODIAL PROPERTY IS HELD

We will acknowledge, on request from you or your adviser, the manner in which custodial property is held through the Service.

## 20. FEES AND EXPENSES

- a. You must pay to us, and otherwise authorise us to receive, such payments, Fees, taxes, charges or other amounts in connection with dealings for you in your investment portfolio (including derivatives) at the rates or amounts determined by us from time to time and set out in the IDPS Guide or which we have otherwise notified to you. We may increase these amounts or introduce new Fees or charges, with at least 30 days' advance notice to you.
- b. We will, and you authorise us to, debit your account for all Fees, taxes, costs and other amounts incurred or payable in connection with your account to the extent that they are properly incurred in providing services in relation to your account.
- c. You acknowledge and agree that persons engaged by us in relation to the Service may charge fees and expenses. Refer to the IDPS Guide for further details.
- d. If:
  - i. you have entered into an arrangement to pay a Fee or any other payment to your adviser (or the licensee that employs your adviser); or
  - ii. the IDPS Guide states that a fee or any other payment is payable to your adviser (or the licensee that employs your adviser or the licensee's associates),

from your account in the Service, you authorise us as your agent to deduct these Fees or other payments from your account in the Service and to pay them to the adviser or the licensee that employs the adviser (as the case may be).
- e. If you have entered into an insurance product contract and you have instructed the provider of the insurance product to request payment of the insurance premiums payable under the contract from your account in the Service, you authorise us to deduct these insurance premium payments from your account in the Service.
- f. You authorise us to sell or deduct any assets to pay for any amounts payable under this agreement (including under paragraphs (a), (b), (c) and (e)

above) and for the purposes of you maintaining the required minimum cash balance in your account, or rebalancing or reallocating investments in accessible investments in your investment portfolio.

- g. We may be required to sell or deduct any assets for a purpose other than those contemplated in paragraphs a, b, c and e above, or otherwise in accordance with our legitimate business interests (including, sales to meet a court order, legislative or regulatory obligations), acting appropriately, in which case we will notify you of that purpose in writing.
- h. To the extent that there are insufficient funds in your account to meet any amount payable under this agreement (including under paragraphs (a), (b), (c), (d) and (e) above), you remain liable for the payment of those monies.
- i. You acknowledge and agree that we may offer differential Fees to different investors which may be conditional on various factors (such as the services provided, the costs of servicing particular clients or groups of clients, and agreements with advice licensees). This means that the Fees we charge you may be higher or lower than the Fees charged to other investors in the Service.

## 21. LIABILITY AND INDEMNITY

### 21.1 LIABILITY

Except to the extent that any losses directly arise from negligence, fraud or wilful misconduct by the Operator and to the extent legally permitted (including under the ASIC Legislative Instrument) and subject to the specific provisions of this agreement (including clause 21.3 (Our responsibility)), we are not liable to you, your adviser or any other person for loss of any kind caused by:

- a. our acts or omissions in reliance on:
  - i. our obligations under this agreement;
  - ii. instructions (including, for example, any delay disadvantage or misinterpretation of instructions);
  - iii. the authenticity of any document of any third party including you; or
  - iv. the opinion, advice or information of any manager, data service provider, barrister, solicitor, Custodian, accountant, valuer or other expert instructed by us (**Service Provider**) or any other person, provided we have no reason to believe the relevant material not to be authentic, the instructions not to be authorised, or the Service Provider not to have the relevant expertise;
- b. any act, omission, neglect or default of you, your adviser or its affiliates, your broker, or any third party instructed by us on your behalf, not being an

agent of us, in relation to your account, the Service or other services, including, for example, as a result of any malfunction or disruption of any system or service that the Operator relies on for the provision of the Service, or a default of any financial institution or service provider in relation to or in connection with any transactions;

- c. events or circumstances beyond our reasonable control, including nationalisation, expropriation, currency restrictions, disruption of the normal procedures and practices of any securities market, acts of war or terrorism, riots, revolution, acts of God, breakdown, failure or malfunction of any telecommunications or computer service or system, closure of any relevant market or other similar events or acts, where the liability could not have been avoided by the exercise of reasonable diligence;
- d. any act or omission required by law or by a court of competent jurisdiction;
- e. any payment having been made to a fiscal authority, including any taxes, stamp duty or government charges;
- f. the insolvency of a Custodian or any other service provider we appoint; or
- g. any act or omission of an operator of a securities title, transfer or holding system; or
- h. any other matter having regard to our legitimate business interests, acting appropriately.

In any event to the extent permitted by law, we are not liable to you to a greater extent than the value of assets held within your account at any one time in the twelve month period immediately preceding the first claim made to which we are entitled and can recover through our right of indemnity in accordance with clause 21.2 (Indemnity).

## 21.2 INDEMNITY

- a. Subject to clause 21.2(b), and to the maximum extent permitted by law and the ASIC Legislative Instrument, you agree to indemnify, and hold harmless, us and any of our representatives, and our affiliates and their representatives (each an Indemnified Party) against all loss (whether direct or indirect), incurred by the Indemnified Party under this agreement, including with, arising from or related to:
  - i. any orders placed by us or any of our representatives for you under your or your adviser's instructions; and
  - ii. any claims from third parties in relation to the Service and your account.
- b. The indemnity in clause 21.2(a) will not apply to the extent such losses were caused by the improper performance of our obligations under this agreement or the gross negligence, wilful default or fraud of us or our agents, employees or officers.
- c. We hold the benefit of the indemnity in clause 21.2(a) on trust for each Indemnified Party.

## 21.3 OUR RESPONSIBILITY

Notwithstanding any other provision of this agreement (including clause 21.1 (Liability)), we are liable to you if you suffer a loss that is caused by:

- a. a breach of the terms of this agreement relating to the holding of custodial property by us;
- b. a breach by a Custodian of the terms of any custody agreement between us and a Custodian relating to the holding of custodial property; or
- c. a failure by either us or a Custodian to observe reasonable standards generally applied by providers of custodial or depository services for holding custodial property,

except in circumstances where the loss is caused by the insolvency of a Custodian and we have not failed to take reasonable care in engaging and monitoring compliance by that Custodian.

## 22. TERMS AND TERMINATION

### 22.1 TERM

This agreement commences on the date of our acceptance of your application form, and will continue until terminated in accordance with clause 22.2 (Termination).

## 22.2 TERMINATION

This agreement may be terminated by either party providing 14 days' written notice of termination to the other party. We may also terminate this agreement immediately (in which case we will promptly notify you) if:

- a. you become insolvent (including if you are unable to pay your debts when due or do anything that suggests you cannot do so);
- b. you breach this agreement and (if rectification is possible) you fail to rectify the breach within 10 business days following notice by us to you of such breach;
- c. we become aware that your account is being used fraudulently or for money laundering or terrorism financing;
- d. if we become aware that you no longer have an adviser and have not appointed a replacement adviser as required under clause 11.1(b); or
- e. the AFSL authorising us to provide the Service is revoked, cancelled or suspended by ASIC, or varied so that we are not authorised under the AFSL to provide the Service.

On termination of this agreement, you shall pay us all accrued Fees, costs and expenses, and we will, subject to any provision to the contrary in this agreement or the IDPS Guide and any lien held by us or a Custodian in relation to the assets, promptly deliver to you all final accounts and reports in relation to your account and transfer to you all property and rights in relation to your account within a reasonable time (generally within 30 business days). During that time we may deal with your account to settle or offset existing obligations. You acknowledge and agree that there may be delays in transferring or disposing of your assets. Termination does not affect any transaction properly commenced prior to termination, nor any other claim that either party may have against the other.

Termination does not affect your (or our) existing rights and obligations prior to termination.

## 23. MISCELLANEOUS

### 23.1 NOTICES

All notices (including instructions) required to be given under the terms of the Service must be in English and given in accordance with the requirements of this agreement, and may be given by a party to the other in writing, by email or facsimile. Communication by telephone or other oral communication will not be considered to be a notice or instruction for the purposes of this agreement and we will have no obligation to act in accordance with that communication unless it is confirmed in the manner prescribed by this agreement.

## 23.2 AMENDMENTS AND CHANGES

- a. Subject to paragraphs (b) and (d) below, we may vary the terms of this agreement at any time, unless the change has, or is likely to have, a materially adverse effect on you, in which case we will give you advance notice at least 30 days' in advance, where practicable, otherwise advance notice of materially adverse changes will be provided as permitted.
- b. Without limiting clause 23.2(a), we may vary the terms of this agreement without prior notice to you where such variation is necessary to:
  - i. ensure we meet our ongoing regulatory and legal obligations, including under the ASIC Legislative Instrument; and/or
  - ii. restore or maintain the security of the Operator's systems or any accounts.
- c. From time to time we may change the services and investment options provided under the Service. You can access an up to date list of the investment options available through the Service on InvestorHUB and via the product website.
- d. From time to time we may change the regulatory structure of the Service or any part of the Service, including by registering all or part of the Service as a managed investment scheme, by giving you not less than five business days' notice of the change.

## 23.3 REGULATORY CONTENT

To the extent that the ASIC Legislative Instrument or applicable laws require this agreement, or the IDPS Guide, or the application form, to contain a particular provision, this agreement, the IDPS Guide, or the application form, will be taken to contain that provision.

## 23.4 ENTIRE AGREEMENT

This agreement supersedes all earlier conduct by the parties or prior agreement between the parties with respect to its subject matter.

## 23.5 RELATIONSHIP

To the extent permitted by law, your relationship with us under this agreement is one of independent contracting parties and excludes any fiduciary relationship and any other obligations or duties set out in law or equity.

## 23.6 SURVIVAL

Clause 20 (Fees and expenses), clause 21 (Liability and indemnity), clause 22.2 (Termination), clause 23 (Miscellaneous), clause 23.9 (Confidentiality) and any other provision of this agreement intended to survive termination of this agreement will continue to apply following termination of this agreement.

### 23.7 SEVERABILITY

A provision or part thereof of this agreement that is illegal or unenforceable may be severed from this agreement and the remaining provisions or parts thereof continue in full force.

### 23.8 GOVERNING LAW AND JURISDICTION

This agreement is governed by the laws in force in New South Wales and each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales.

By signing the application form, you agree to the terms of this agreement and the IDPS Guide.

You must only apply for this agreement if you have received and read the FSG and the IDPS Guide.

### 23.9 CONFIDENTIALITY

The Operator will keep any information of a confidential nature relating to your interest in the Service confidential, other than where disclosure of such information is:

- a. made to a relevant regulator or stock exchange;
- b. permitted or required by law;
- c. authorised by you;
- d. to an affiliate, or our professional advisers; or
- e. necessary to provide you with the Service, or in accordance with the terms of this agreement.

The logo for HUB24, with 'HUB' in white and '24' in yellow.

Part II

# HUB24 INVEST IDPS GUIDE

## Information on fees and other costs Premium

This document is Part II of the IDPS Guide for HUB24 Invest - Premium. It should be read in conjunction with Part I of the HUB24 Invest - Premium IDPS Guide.

HUB24 Invest - Premium is for clients of advice licensees and their authorised representatives authorised by HUB24 to provide services in respect of this offer.

Issued by HUB24 Custodial Services Ltd (ABN 94 073 633 664, AFSL 239 122)

[MY.HUB24.COM.AU](https://my.hub24.com.au)

10 November 2023

# FEES AND OTHER COSTS

This IDPS Guide (Part II) is issued by HUB24 Custodial Services Ltd ('HUB24', the 'Operator', 'we', 'us' or 'our') (ABN 94 073 633 664, AFSL 239 122) for advice licensees and their representatives authorised by HUB24 to provide services in respect of HUB24 Invest - Premium. The fees and other costs shown in this document are available only to clients of those licensees and their authorised advisers (each an adviser) unless otherwise approved by us.

This IDPS Guide (Part II) shows fees and other costs that you may be charged. The total fees and charges you will pay include those related to the Service, any transaction and account fees incurred on your behalf, and the fees and costs applying to any investments you choose. The fees and costs applying to the investments you choose will generally be set out in the relevant product disclosure statement or disclosure documents for the investment.

The total fees and costs you will be charged depends on your investment strategy and the fees you negotiate with your adviser.

It is important that you understand the fees of any accessible investments you may invest in and that those fees will be in addition to the fees charged for the Service, together with any activity fees, advice fees and other costs that may be incurred in respect of your account in the Service. Details on fees and costs of an accessible investment will generally be set out in the product disclosure statement or other disclosure documents (if any) relating to the investment, which are set out on InvestorHUB. You can request a paper copy of this information free of charge by requesting this from your adviser or by contacting the Operator.

Unless otherwise stated all fees and costs are expressed in Australian dollars and are inclusive of GST, and net of any reduced input tax credits ('RITCs').

We will give you at least 30 days' advance notice of any increases in fees as required by law. For any other materially adverse changes, advance notice will also be provided to investors at least 30 days in advance, where practicable, otherwise advance notice of materially adverse changes will be provided as permitted. See below for more information.

**Note:** Refer to the Statement of Advice ('SOA') and/or Financial Services Guide ('FSG') from your adviser for details of any fees payable to your adviser and/or licensee.

## DID YOU KNOW?

**Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.**

**For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example reduce it from \$100,000 to \$80,000).**

**You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.**

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

## TO FIND OUT MORE

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

This section 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 assets of the Service.

Tax information is set out in Part I of the IDPS Guide.

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 accessible investments available through the Service are set out in the relevant product disclosure statement or disclosure document (if any) for the accessible investment.

# FEES AND OTHER COSTS

## Fees and costs summary

HUB24 Invest - Premium														
Type of fee or cost	Amount	How and when paid												
<b>Ongoing annual fees and costs</b>														
<b>Management fees and costs</b> The fees and costs for managing your investment The fees and costs charged by the Service relate only to gaining access to the accessible investments made available via the Service and do not include the fees and costs that relate to investing in the accessible investments.	Management fees and costs have the following components: <b>1. Administration fee</b> The tiered percentage fee and account keeping fee will apply to you depends on whether you select the Discover Menu, the Core Menu or the Choice Menu. Additionally, if you select the Choice Menu and invest directly in international listed securities, an international listed securities fee will apply.	All management fees and costs are paid to the Operator out of your cash account. Any tiered percentage fee is calculated daily on your total account balance (which includes all your investments within the Service). The international listed securities fee is calculated daily based upon the dollar value of the international listed securities you hold in your account.												
	<b>Discover Menu</b> Tiered percentage fee of Nil (\$0 p.a.) <b>PLUS</b> An account keeping fee of Nil (\$0 p.a.)	The administration fee (in total) is deducted from your cash account monthly in arrears following the end of the calendar month. The administration fee (in total) will appear on your cash transaction report as 'Portfolio Service Fees'.												
	<b>Core Menu</b> If you select the Core Menu, then the tiered percentage fee that applies to you will be based on the total balance of your account as detailed below:	The amounts comprising the administration fee may be negotiated by your adviser or your adviser's licensee. Refer to 'Adviser and licensee changes' under the heading 'Additional explanation of fees and costs' in this document for further information. The international listed securities fee is calculated daily on the Australian Dollar value of the international listed securities you hold in your account. The international listed securities fee is deducted monthly from your cash account in arrears following the end of the calendar month.												
	<table border="0"> <thead> <tr> <th>Tier of account balance</th> <th>Fee rate</th> </tr> </thead> <tbody> <tr> <td>First \$250,000</td> <td>0.28% p.a.</td> </tr> <tr> <td>\$250,001 - \$500,000</td> <td>0.14% p.a.</td> </tr> <tr> <td>\$500,001 - \$1,000,000</td> <td>0.12% p.a.</td> </tr> <tr> <td>\$1,000,001 - \$2,000,000</td> <td>0.04% p.a.</td> </tr> <tr> <td>More than \$2,000,000</td> <td>Nil</td> </tr> </tbody> </table> Regardless of your total account balance, a minimum \$150 p.a. and maximum of \$2,050 p.a. applies to the tiered percentage fee.	Tier of account balance	Fee rate	First \$250,000	0.28% p.a.	\$250,001 - \$500,000	0.14% p.a.	\$500,001 - \$1,000,000	0.12% p.a.	\$1,000,001 - \$2,000,000	0.04% p.a.	More than \$2,000,000	Nil	
	Tier of account balance	Fee rate												
	First \$250,000	0.28% p.a.												
	\$250,001 - \$500,000	0.14% p.a.												
	\$500,001 - \$1,000,000	0.12% p.a.												
	\$1,000,001 - \$2,000,000	0.04% p.a.												
	More than \$2,000,000	Nil												
<b>PLUS</b> An account keeping fee of Nil (\$0 p.a.)														
<b>Choice Menu</b> If you select the Choice Menu, then the tiered percentage fee that applies to you will be based on the total balance of your account as detailed below:														
<table border="0"> <thead> <tr> <th>Tier of account balance</th> <th>Fee rate</th> </tr> </thead> <tbody> <tr> <td>First \$250,000</td> <td>0.28% p.a.</td> </tr> <tr> <td>\$250,001 - \$500,000</td> <td>0.14% p.a.</td> </tr> <tr> <td>\$500,001 - \$1,000,000</td> <td>0.12% p.a.</td> </tr> <tr> <td>\$1,000,001 - \$2,000,000</td> <td>0.04% p.a.</td> </tr> <tr> <td>More than \$2,000,000</td> <td>Nil</td> </tr> </tbody> </table> Regardless of your total account balance, a minimum \$350 p.a. and maximum of \$2,050 p.a. applies to the tiered percentage fee.	Tier of account balance	Fee rate	First \$250,000	0.28% p.a.	\$250,001 - \$500,000	0.14% p.a.	\$500,001 - \$1,000,000	0.12% p.a.	\$1,000,001 - \$2,000,000	0.04% p.a.	More than \$2,000,000	Nil		
Tier of account balance	Fee rate													
First \$250,000	0.28% p.a.													
\$250,001 - \$500,000	0.14% p.a.													
\$500,001 - \$1,000,000	0.12% p.a.													
\$1,000,001 - \$2,000,000	0.04% p.a.													
More than \$2,000,000	Nil													
<b>PLUS</b> An account keeping fee of \$240 p.a.														
<b>PLUS</b> If you invest directly in international listed securities a fee of 0.10% p.a. of the Australian dollar value of the international listed securities that you hold in your account will apply.														



# FEES AND OTHER COSTS

HUB24 Invest - Premium								
Type of fee or cost	Amount	How and when paid						
	<p><b>2. Cash management fee<sup>1</sup></b> (This fee is applicable to the Discover Menu, Core Menu and Choice Menu)</p> <p>The cash management fee is up to 1.75% p.a. of your cash account balance.</p> <p>The cash management fee is equal to the amount of interest received from the Australian banks or other authorised deposit-taking institutions (ADIs) in which those moneys are held, less the amount of interest we aim to credit your cash account calculated using the target interest rate.</p>	<p>The cash management fee is calculated daily on your cash account balance. It is payable monthly in arrears and deducted from the interest received in relation to the cash held in your cash account before interest is credited to your account.</p>						
	<p><b>3. Foreign currency fee<sup>2</sup></b> (This fee is applicable to the Choice Menu only)</p> <p>If you invest directly in foreign currency, a foreign currency fee of up to 1.75% p.a. of the Australian dollar value of the foreign currency will apply.</p>	<p>The foreign currency fee is calculated daily and payable monthly in arrears from any interest received in relation to the foreign currency.</p> <p>If the interest earned on the foreign currency fee is insufficient to pay for this fee, it will be reduced to ensure a negative foreign currency interest balance does not result.</p>						
	<p><b>4. Expense recovery</b> (This fee is applicable to the Discover Menu, the Core menu and Choice Menu)</p> <table border="1"> <thead> <tr> <th>Account balance</th> <th>Fee rate</th> </tr> </thead> <tbody> <tr> <td>First \$1,000,000</td> <td>0.01% p.a.</td> </tr> <tr> <td>More than \$1,000,000</td> <td>Nil</td> </tr> </tbody> </table>	Account balance	Fee rate	First \$1,000,000	0.01% p.a.	More than \$1,000,000	Nil	<p>The expense recovery fee is calculated based on the daily weighted average of your total account balance during the preceding quarter and deducted from your cash account quarterly in arrears following the end of each quarter.</p>
Account balance	Fee rate							
First \$1,000,000	0.01% p.a.							
More than \$1,000,000	Nil							
<p><b>Performance fees</b> Amounts deducted from your investment in relation to the performance of the product</p>	<p>Nil (however, please note that this only relates to the fees and costs of gaining access to the accessible investments made available via the Service and does not include the related fees and costs that relate to investing in or through the accessible investments via the Service).</p>	<p>N/A (however, please note some fees and costs that relate to investing in a managed portfolio will be deducted from your cash account).</p>						
<p><b>Transaction costs</b> The costs incurred by the Service when buying or selling assets</p>	<p>Nil (however, please note that this only relates to the transaction costs incurred in gaining access to the accessible investments made available via the Service and does not include the transaction costs that relate to investing in or through the accessible investments).</p>	<p>N/A (however, please note underlying investments may include transaction costs (including buy-sell spreads). These transaction costs are deducted from your underlying investments at the time of investment or sale or from your cash account).</p>						

<sup>1</sup> The cash management fee may vary from time to time, up to 1.75% p.a. of your cash account balance. For more information refer to 'Cash management fee' under the heading 'Additional explanation of fees and costs' in this document.

<sup>2</sup> The foreign currency fee is up to 1.75% p.a. of the Australian dollar value of any foreign currency you hold and may vary from time to time. For more information refer to 'Foreign currency fee' under the heading 'Additional explanation of fees and costs' in this document.

## FEES AND OTHER COSTS

HUB24 Invest - Premium		
Type of fee or cost	Amount	How and when paid
<b>Investor activity related fees and costs (fees for services or when your money moves in or out of the Service)<sup>3</sup></b>		
<b>Establishment fee</b> The fee to open your investment	Nil	N/A
<b>Contribution fee</b> The fee on each amount contributed to your investment	Nil	N/A
<b>Buy-sell spread</b> An amount deducted from your investment representing costs incurred in transactions by the Service	Nil	N/A
<b>Withdrawal fee</b> The fee on each amount you take out of your investment	Nil	N/A
<b>Exit fee</b> The fee to close your investment	Nil <sup>4</sup>	N/A
<b>Switching fee</b> The fee for changing investment options	Nil	N/A

<sup>3</sup> Other service fees apply, such as advice fees or special request fees. Refer to 'Additional explanation of fees and costs' in this document for further information about the range of service fees applicable depending on how you use the Service to invest.

<sup>4</sup> While there are no 'Exit fees' charged by the Service, the 'Activity Fees' may apply if selling your investments is required to close your account in the Service. Refer to 'Activity fees' under the heading 'Additional explanation of fees and costs' in this document for further information.

# FEES AND OTHER COSTS

## EXAMPLE OF ANNUAL FEES AND COSTS FOR A BALANCED INVESTMENT OPTION

### EXAMPLE 1 - MANAGED PORTFOLIO ON THE DISCOVER MENU

This table gives an example of how the ongoing annual fees and costs in a balanced investment option for this product can affect your investment over a 1-year period. You should use this table to compare this product with other investor directed portfolio service products.

<b>Example - Vanguard Diversified Balanced Model Portfolio (D)</b>		<b>Balance of \$50,000<sup>1</sup> with a contribution of \$5,000<sup>2</sup> during year.</b>
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged <b>\$0</b> .
<b>PLUS</b> Management fees and costs	<b>Tiered percentage fee:</b> Nil (0% p.a.) + <b>Account keeping fee:</b> Nil + <b>Cash management fee:</b> 1.75% on the amount in your cash account + <b>Expense recovery:</b> 0.01% on the total balance of your account	<b>And</b> , for the \$50,000 you have in the Vanguard Diversified Balanced Model Portfolio (D) you will be charged or have deducted from your investment <b>\$11.56</b> each year.
<b>PLUS</b> Performance costs	Nil	<b>And</b> , you will be charged or have deducted from your investment <b>\$0</b> in performance fees each year.
<b>PLUS</b> Transaction costs	Nil	<b>And</b> , you will be charged or have deducted from your investment <b>\$0</b> in transaction costs.
<b>EQUALS</b> Cost of Vanguard Diversified Balanced Model Portfolio (D)		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of: <b>\$11.56*</b> <b>What it costs you will depend on the investment option you choose and the fees you negotiate.</b>

<sup>1</sup> This example assumes \$49,625 is invested in the Vanguard Diversified Balanced Model Portfolio (D) on the Discover Menu and \$375 is held in the cash account to maintain the minimum cash account balance of 0.75%. A cash management fee applies in relation to amounts held in the cash account. For more information refer to 'Cash management fee' under the heading 'Additional explanation of fees and costs'.

<sup>2</sup> The \$5,000 contribution is assumed to take place at the end of the financial year for the purposes of this example.

\* Additional fees may apply, for example, adviser fees and activity fees. Refer to 'Additional explanation of fees and costs' in this document for further information.

**Important note:** The fees and costs shown in the above example relate only to gaining access to the accessible investments made available through the Service via the Discover Menu, and do not include the fees and costs that relate to investing in or through the accessible investment, for example, investment management fees and performance fees (if any). Additional fees and costs will apply to the accessible investments that you choose to invest in through the Service. This includes investment related fees and costs related to the managed portfolio which you agree will be deducted from your cash account. Refer to the 'Examples of annual fees and costs for the Service and underlying investments' illustrating the cumulative effect of the fees and costs when investing through the Discover Menu in the Service, taking into account the fees and costs relating to the gaining of access to the accessible investments made available through the Service via the Discover Menu and the fees and costs of certain accessible investments.

# FEES AND OTHER COSTS

## EXAMPLE 2 - MANAGED PORTFOLIO ON THE CORE MENU

This table gives an example of how the ongoing annual fees and costs in a balanced investment option for this product can affect your investment over a 1-year period. You should use this table to compare this product with other investor directed portfolio service products.

Example - Lonsec Managed Portfolio - Listed Balanced		Balance of \$50,000 <sup>1</sup> with a contribution of \$5,000 <sup>2</sup> during year.
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged <b>\$0</b>
<b>PLUS</b> Management fees and costs	<b>Tiered percentage fee:</b> 0.28% (subject to a minimum tiered percentage fee of \$150) + <b>Account keeping fee:</b> Nil + <b>Cash management fee:</b> 1.75% on the amount in your cash account + <b>Expense recovery:</b> 0.01% on the total balance of your account	<b>And</b> , for every \$50,000 you have in the Lonsec Managed Portfolio - Listed Balanced you will be charged or have deducted from your investment <b>\$161.56</b> each year
<b>PLUS</b> Performance fees	Nil	<b>And</b> , you will be charged or have deducted from your investment <b>\$0</b> in performance fees each year.
<b>PLUS</b> Transaction costs	Nil	<b>And</b> , you will be charged or have deducted from your investment <b>\$0</b> in transaction costs.
<b>EQUALS</b> Cost of Lonsec Managed Portfolio - Listed Balanced		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of:  <b>\$161.56*</b>  <b>What it costs you will depend on the investment option you choose and the fees you negotiate.</b>

<sup>1</sup> This example assumes \$49,625 is invested in the Lonsec Managed Portfolio - Listed Balanced on the Core Menu and \$375 is held in the cash account to maintain the minimum cash account balance of 0.75%. A cash management fee applies in relation to amounts held in the cash account. For more information refer to 'Cash management fee' under the heading 'Additional explanation of fees and costs'.

<sup>2</sup> The \$5,000 contribution is assumed to take place at the end of the financial year for the purposes of this example.

\* Additional fees may apply, for example, adviser fees and activity fees. Refer to 'Additional explanation of fees and costs' in this document for further information.

**Important Note:** The fees and costs shown in the above example relate only to gaining access to the accessible investments made available through the Service via the Core Menu, and do not include the fees and costs that relate to investing in or through the accessible investment, for example, investment management fees and performance fees (if any). Additional fees and costs will apply to the accessible investments that you choose to invest in through the Service. This includes investment related fees and costs related to the managed portfolio which you agree will be deducted from your cash account. Refer to the 'Examples of annual fees and costs for the Service and underlying investments' illustrating the cumulative effect of the fees and costs when investing through the Core Menu in the Service, taking into account the fees and costs relating to the gaining of access to the accessible investments made available through the Service via the Core Menu and the fees and costs of certain accessible investments.

## FEES AND OTHER COSTS

### EXAMPLE 3 - MANAGED FUND ON THE CHOICE MENU

This table gives an example of how the ongoing annual fees and costs in a balanced investment option for this product can affect your investment over a 1-year period. You should use this table to compare this product with other investor directed portfolio service products.

Example - Vanguard Growth Index Fund		Balance of \$50,000 <sup>1</sup> with a contribution of \$5,000 <sup>2</sup> during year.
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged <b>\$0</b>
<b>PLUS</b> Management fees and costs	<b>Tiered percentage fee:</b> 0.28% (subject to a minimum tiered percentage fee of \$350) + <b>Account keeping fee:</b> \$240 + <b>Cash management fee:</b> 1.75% on the amount in your cash account + <b>Expense recovery:</b> 0.01% on the total balance of your account	<b>And</b> , for every \$50,000 you have in the Vanguard Growth Index Fund you will be charged or have deducted from your investment <b>\$601.56</b> each year
<b>PLUS</b> Performance fees	Nil	<b>And</b> , you will be charged or have deducted from your investment <b>\$0</b> in performance fees each year.
<b>PLUS</b> Transaction costs	Nil	<b>And</b> , you will be charged or have deducted from your investment <b>\$0</b> in transaction costs.
<b>EQUALS</b> Cost of Vanguard Growth Index Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of:  <b>\$601.56*</b>  <b>What it costs you will depend on the investment option you choose and the fees you negotiate.</b>

<sup>1</sup> This example assumes \$49,625 is invested in the Vanguard Growth Index Fund on the Choice Menu and \$375 is held in the cash account to maintain the minimum cash balance of 0.75%. A cash management fee applies in relation to amounts held in the cash account. For more information refer to 'Cash management fee' under the heading 'Additional explanation of fees and costs'.

<sup>2</sup> The \$5,000 contribution is assumed to take place at the end of the financial year for the purposes of this example.

\* Additional fees may apply, for example, adviser fees and activity fees. Refer to 'Additional explanation of fees and costs' in this document for further information.

**Important Note:** The fees and costs shown in the above example relate only to gaining access to the accessible investments made available through the Service, via the Choice Menu and do not include the fees and costs that relate to investing in or through the accessible investment, for example, investment management fees and performance fees (if any). Additional fees and costs will apply to the accessible investments that you choose to invest in through the Service. This includes investment related fees and costs related to the managed portfolio which you agree will be deducted from your cash account. Refer to the 'Examples of annual fees and costs for the Service and underlying investments' illustrating the cumulative effect of the fees and costs when investing through the Choice Menu in the Service, taking into account the fees and costs relating to the gaining of access to the accessible investments made available through the Service via the Choice Menu and the fees and costs of certain accessible investments.

# FEES AND OTHER COSTS

## EXAMPLE OF ANNUAL FEES AND COSTS FOR THE SERVICE AND UNDERLYING INVESTMENTS

### EXAMPLE 4 – COMBINED EXAMPLE OF ANNUAL FEES AND COSTS FOR THE SERVICE VIA A MANAGED PORTFOLIO WITHIN THE DISCOVER MENU (INCLUSIVE OF THE FEES AND COSTS OF THE UNDERLYING INVESTMENTS)

This table gives an example of how the ongoing annual fees and costs in the Service and selected underlying investments held through the Service can affect your investment over a 1-year period. You should use this table to compare this product with other investor directed portfolio service products.

Example - Vanguard Diversified Balanced Model Portfolio (D)		Balance of \$50,000 <sup>1</sup> with a contribution of \$5,000 <sup>2</sup> during year.
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged <b>\$0</b> .
<b>PLUS</b> Management fees and costs	<b>Tiered percentage fee</b> 0.00% + (charged in the Service): <b>Account keeping fee</b> (charged in the Service): \$0 + <b>Cash management fee</b> 1.75% + (charged in the Service): <b>Expense recovery</b> (charged in the Service): 0.01% + <b>Managed portfolio investment management fee</b> (charged in the Vanguard Diversified Balanced Model Portfolio (D)) 0.4000% + <b>Underlying investment management fees and costs</b> (charged in the Vanguard Diversified Balanced Model Portfolio (D)) 0.1846% +	<b>And</b> , for every \$50,000 you have in the Vanguard Diversified Balanced Model Portfolio (D), you will be charged or have deducted from your investment <b>\$301.67</b> each year.
<b>PLUS</b> Performance fees	0.000% <sup>3</sup> (charged in the Vanguard Diversified Balanced Model Portfolio (D))	<b>And</b> , you will be charged or have deducted from your investment <b>\$0.00</b> in performance fees each year.
<b>PLUS</b> Transaction costs	0.0157% <sup>4</sup> (incurred in the Vanguard Diversified Balanced Model Portfolio (D))	<b>And</b> , you will be charged or have deducted from your investment <b>\$7.79</b> in transaction costs.
<b>EQUALS</b> Cost of Vanguard Diversified Balanced Model Portfolio (D)		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of: <b>\$309.46 (i.e. 0.62% of your account)<sup>5*</sup></b> <b>What it costs you will depend on the investment option(s) you choose and the fees you negotiate.</b>

<sup>1</sup> This example assumes \$49,625 is invested in the Vanguard Diversified Balanced Model Portfolio (D) on the Discover Menu and \$375 is held in the cash account to maintain the minimum cash account balance of 0.75%. A cash management fee applies in relation to amounts held in the cash account. Refer to the sub-heading 'Cash management fee' under the heading 'Additional explanation of fees and costs' in this IDPS Guide for more information. Investment fees and costs and transaction costs are estimates only, based on information available as at the date of preparation of this IDPS Guide, and are subject to change from year to year.

<sup>2</sup> The \$5,000 contribution is assumed to take place at the end of the financial year for the purposes of this example.

<sup>3</sup> The amount of performance fees disclosed in this example is an estimate, calculated using the weighted average performance fees for each underlying asset held within the Vanguard Diversified Balanced Model Portfolio (D) in the last financial year ended 30 June 2023. Generally, performance fees for each underlying asset are estimated using the average of the performance fees accrued over the previous five financial years and are calculated as a percentage of the out-performance of the relevant managed portfolio in relation to a specific benchmark or other performance hurdle. Part performance is not a reliable indicator of future performance and the performance of the relevant managed portfolio will vary over time. Refer to the current product disclosure statement for the Vanguard Diversified Balanced Model Portfolio (D) for more information about this fee.

<sup>4</sup> This amount is based on the estimated weighted average transaction costs for the Vanguard Diversified Balanced Model Portfolio (D) incurred in the last financial year ended 30 June 2023. Refer to the product disclosure statement for the Vanguard Diversified Balanced Model Portfolio (D) for more information about these costs.

## FEES AND OTHER COSTS

<sup>5</sup> The percentage amount of total fees and costs which may be incurred over a 1 year period of investing in the Service and in the Vanguard Diversified Balanced Model Portfolio (D) on the Discover Menu does not take into account the \$5,000 contribution (which is assumed to have occurred at the end of the financial year for the purpose of this example).

\* Additional fees may apply, for example, adviser fees and activity fees. Refer to 'Additional Explanation of Fees and Costs' in this document for further information.

**Important Note:** The example set out above is provided by way of illustration, as an example of the total ongoing fees and costs you may incur over a 1 year period in acquiring the investments via a managed portfolio from the Discover Menu available through the Service. This example does not represent the actual fees and costs that you will pay. The actual amount you will pay may vary compared to this example, and will depend on various factors, such as your actual account balance, the investments you hold, the number of times you transact and the fees and costs that apply to the relevant underlying investments. Your adviser can provide more information about fees and costs and an estimate of what you will pay in relation to your account and any underlying investments.

# FEES AND OTHER COSTS

## EXAMPLE OF ANNUAL FEES AND COSTS FOR THE SERVICE AND UNDERLYING INVESTMENTS

### EXAMPLE 5 – COMBINED EXAMPLE OF ANNUAL FEES AND COSTS FOR THE SERVICE AND ACCESSIBLE INVESTMENTS VIA A MANAGED PORTFOLIO WITHIN THE CORE MENU (INCLUSIVE OF THE FEES AND COSTS OF THE UNDERLYING INVESTMENTS)

This table gives an example of how the ongoing annual fees and costs in the Service and selected underlying investments held through the Service can affect your investment over a 1-year period. You should use this table to the product with other investor directed portfolio service products.

Example - Lonsec Managed Portfolio - Listed Balanced		Balance of \$50,000 <sup>1</sup> with a contribution of \$5,000 <sup>2</sup> during year.
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged <b>\$0</b> .
<b>PLUS</b> Management fees and costs	<b>Tiered percentage fee</b> 0.28% + (subject to a minimum fee of \$150) (charged in the Service): <b>Account keeping fee</b> (charged \$0 + in the Service): <b>Cash management fee</b> 1.75% + (charged in the Service): <b>Expense recovery</b> (charged in 0.01% + the Service): <b>Managed portfolio investment management fee</b> (charged in the Lonsec Managed Portfolio – Listed Balanced): 0.3075% + <b>Underlying investment management fees and costs</b> (charged in the Lonsec Managed Portfolio – Listed Balanced): 0.2440% +	<b>And</b> , for every \$50,000 you have in the Lonsec Managed Portfolio - Listed Balanced, you will be charged or have deducted from your investment <b>\$435.24</b> each year.
<b>PLUS</b> Performance fees	0.0007% <sup>3</sup> (charged in the Lonsec Managed Portfolio – Listed Balanced):	<b>And</b> , you will be charged or have deducted from your investment <b>\$0.35</b> in performance fees each year.
<b>PLUS</b> Transaction costs	0.0486% <sup>4</sup> (incurred in the Lonsec Managed Portfolio – Listed Balanced):	<b>And</b> , you will be charged or have deducted from your investment <b>\$24.12</b> in transaction costs.
<b>EQUALS</b> Cost of Lonsec Managed Portfolio – Listed Balanced		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of: <b>\$459.71 (i.e. 0.92% of your account)<sup>5*</sup> What it costs you will depend on the investment option(s) you choose and the fees you negotiate.</b>

<sup>1</sup> This example assumes \$49,625 is invested in the Lonsec Managed Portfolio - Listed Balanced on the Core Menu and \$375 is held in the cash account to maintain the minimum cash account balance of 0.75%. A cash management fee applies in relation to amounts held in the cash account. Refer to 'Cash management fee' under the heading 'Additional explanation of fees and costs' for more information.

<sup>2</sup> The \$5,000 contribution is assumed to take place at the end of the financial year for the purposes of this example.

<sup>3</sup> The amount of performance fees disclosed in this example is an estimate, calculated using the weighted average performance fees for each underlying asset held within the Lonsec Managed Portfolio - Listed Balanced in the last financial year ended 30 June 2023. Generally, performance fees for each underlying asset are estimated using the average of the performance fees accrued over the previous five financial years and are calculated as a percentage of the out-performance of the relevant managed portfolio in relation to a specific benchmark or other performance hurdle. Part performance is not a reliable indicator of future performance and the performance of the relevant managed portfolio will vary over time. Refer to the current product disclosure statement for the Lonsec Managed Portfolio - Listed Balanced for more information about this fee.

<sup>4</sup> This amount is based on the weighted average transaction costs for the Lonsec Managed Portfolio - Listed Balanced incurred in the last financial year ended 30 June 2023. Refer to the current product disclosure statement for the Lonsec Managed Portfolio - Listed Balanced for more information about these costs.



## FEES AND OTHER COSTS

<sup>5</sup> The percentage amount of total fees and costs which may be incurred over a 1 year period of investing in the Service and in the Lonsec Managed Portfolio - Listed Balanced on the Core Menu does not take into account the \$5,000 contribution (which is assumed to have occurred at the end of the financial year for the purpose of this example).

\* Additional fees may apply, for example, adviser fees and activity fees. Refer to 'Additional Explanation of Fees and Costs' in this document for further information.

**Important Note:** The example set out above is provided by way of illustration, as an example of the total ongoing fees and costs you may incur over a 1 year period in acquiring the investments via a managed portfolio from the Core Menu available through the Service. This example does not represent the actual fees and costs that you will pay. The actual amount you will pay may vary compared to this example, and will depend on various factors, such as your actual account balance, the investments you hold, the number of times you transact and the fees and costs that apply to the relevant underlying investments. Your adviser can provide more information about fees and costs and an estimate of what you will pay in relation to your account and any underlying investments.

# FEES AND OTHER COSTS

## EXAMPLE OF ANNUAL FEES AND COSTS FOR THE SERVICE AND UNDERLYING INVESTMENTS

### EXAMPLE 6 – COMBINED EXAMPLE OF ANNUAL FEES AND COSTS FOR THE SERVICE AND ACCESSIBLE INVESTMENTS VIA A MANAGED FUND WITHIN THE CHOICE MENU (INCLUSIVE OF THE FEES AND COSTS OF THE UNDERLYING INVESTMENTS)

This table gives an example of how the ongoing annual fees and costs in the Service and selected underlying investments held through the Service can affect your investment over a 1-year period. You should use this table to compare this product with other investor directed portfolio service products.

Example - Vanguard Growth Index Fund		Balance of \$50,000 <sup>1</sup> with a contribution of \$5,000 <sup>2</sup> during year.
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged <b>\$0</b> .
<b>PLUS</b> Management fees and costs	<b>Tiered percentage fee</b> 0.28% + (subject to a minimum fee of \$350) (charged in the Service): <b>Account keeping fee</b> (charged \$240 + in the Service): <b>Cash management fee</b> 1.75% + (charged in the Service): <b>Expense recovery</b> (charged in 0.01% + the Service): <b>Managed fund investment management fee</b> (charged in 0.29% + the Vanguard Growth Index Fund) <b>Underlying investment management fees and costs</b> 0.00% + (charged in the Vanguard Growth Index Fund)	<b>And</b> , for every \$50,000 you have in the Vanguard Growth Index Fund, you will be charged or have deducted from your investment <b>\$745.48</b> each year.
<b>PLUS</b> Performance fees	0.000% <sup>3</sup> (charged in the Vanguard Growth Index Fund)	<b>And</b> , you will be charged or have deducted from your investment <b>\$0.00</b> in performance fees each year.
<b>PLUS</b> Transaction costs	0.01% <sup>4</sup> (incurred in the Vanguard Growth Index Fund)	<b>And</b> , you will be charged or have deducted from your investment <b>\$4.96</b> in transaction costs.
<b>EQUALS</b> Cost of Vanguard Growth Index Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of: <b>\$750.44 (i.e. 1.50% of your account)<sup>5*</sup></b> <b>What it costs you will depend on the investment option(s) you choose and the fees you negotiate.</b>

<sup>1</sup> This example assumes \$49,625 is invested in the Vanguard Growth Index Fund on the Choice Menu and \$375 is held in the cash account to maintain the minimum cash account balance of 0.75%. A cash management fee applies in relation to amounts held in the cash account. Refer to 'Cash management fee' under the heading 'Additional explanation of fees and costs' for more information.

<sup>2</sup> The \$5,000 contribution is assumed to take place at the end of the financial year for the purposes of this example.

<sup>3</sup> The amount of performance fees disclosed in this example is an estimate, calculated using the average of the performance fees accrued for the Vanguard Growth Index Fund over the previous five financial years. Generally, performance fees are calculated as a percentage of the out-performance of the relevant managed portfolio in relation to a specific benchmark or other performance hurdle. Past performance is not a reliable indicator of future performance and the performance of the relevant managed portfolio will vary over time. Refer to the current product disclosure statement for the Vanguard Growth Index Fund for more information about this fee.

<sup>4</sup> This amount is based on the weighted average transaction costs for the Vanguard Growth Index Fund incurred in the last financial year ended 30 June 2023. Refer to the product disclosure statement for the Vanguard Growth Index Fund for more information about these costs.

<sup>5</sup> The percentage amount of total fees and costs which may be incurred over a 1 year period of investing in the Service and in the Vanguard Growth Index Fund on the Choice Menu does not take into account the \$5,000 contribution (which is assumed to have occurred at the end of the financial year for the purpose of this example).

\* Additional fees may apply, for example, adviser fees and activity fees. Refer to 'Additional Explanation of Fees and Costs' in this document for further information.

**Important Note:** The example set out above is provided by way of illustration, as an example of the total ongoing fees and costs you may incur over a 1 year period in acquiring the investments via a managed fund from the Choice Menu available through the Service. This example does not represent the actual fees and

## FEES AND OTHER COSTS

costs that you will pay. The actual amount you will pay may vary compared to this example, and will depend on various factors, such as your actual account balance, the investments you hold, the number of times you transact and the fees and costs that apply to the relevant underlying investments. Your advise can provide more information about fees and costs and an estimate of what you will pay in relation to your account and any underlying investments.

# FEES AND OTHER COSTS

## COST OF PRODUCT FOR 1 YEAR<sup>1</sup>

The cost of product gives a summary calculation about how ongoing annual fees and costs can affect your investment over a 1-year period for all investment options. It is calculated in the manner shown in the Example of annual fees and costs.

The cost of product assumes a balance of \$50,000<sup>2</sup> at the beginning of the year with a contribution of \$5,000 during the year. (Additional fees such as an establishment fee or an exit fee may apply; refer to the Fees and costs summary for the relevant option).

You should use this figure to help compare this product with other investor directed portfolio service products.

Investment option	Cost of product
Discover Menu - All accessible investments	\$11.56 <sup>2</sup>
Core Menu - All accessible investments	\$161.56 <sup>2</sup>
Choice Menu - Accessible investments other than international listed securities or foreign currency	\$601.56 <sup>3</sup>
Choice Menu - International listed securities <sup>2</sup>	\$651.19 <sup>4</sup>
Choice Menu - Foreign currency <sup>3</sup>	\$1,470.00 <sup>5</sup>

<sup>1</sup> The cost of product information relates only to gaining access to the accessible investments made available via the Service and does not include the fees and costs that relate to investing in the accessible investments.

<sup>2</sup> The cost of product information shown relates to gaining access to all accessible investments. Cost of product information has not been set out in relation to each accessible investment available through each Menu because the cost of the product calculated in the manner shown in the 'Example of annual fees and costs for a balanced investment option' associated with investments accessible through each investment menu is the same.

<sup>3</sup> The cost of product information shown relates to gaining access to all accessible investments (other than international listed securities or foreign currency) via the Choice Menu. Cost of product information has not been set out in relation to each accessible investment available through the Choice Menu because the cost of product calculated in the manner shown in the 'Examples of annual fees and costs for a balanced investment option' associated with investments accessible through each investment menu is the same, except for international listed securities and foreign currency accessible through the Choice Menu.

<sup>4</sup> The cost of product information shown here is for a generic direct holding of international listed securities made available through the Service via the Choice Menu. Cost of product information has not been set out for individual international listed security made available through the Service because the cost of product calculated in the manner shown in the 'Examples of annual fees and costs for the service and underlying investment' is the same for all international listed securities held directly. The cost of product example includes a 0.10% p.a. international listed securities administration fee applicable if you invest directly in international listed securities on the Choice Menu.

<sup>5</sup> The cost of product information shown here is for a generic direct holding of foreign currency made available through the Service via the Choice Menu. Cost of product information has not been set out for individual foreign currencies made available through the Service because the cost of product calculated in the manner shown in the 'Examples of annual fees and costs for the service and underlying investment' is the same for foreign currencies. The cost of product example includes the 1.75% p.a. foreign currency fee administration fee applicable if you invest directly in foreign currencies on the Choice Menu. This example assumes the full 1.75% p.a. amount is charged.

# FEES AND OTHER COSTS

## ADDITIONAL EXPLANATION OF FEES AND COSTS

### THE FEES YOU PAY FOR ADVICE AND OTHER RELATED SERVICES PROVIDED TO YOU

You can agree with your adviser to pay the fees described in the following table to your adviser, or the licensee that employs your adviser or the licensee's associates. These fees are paid out of your cash account by the Operator as agent for you.

Where you do agree with your adviser to pay the fee(s) from your account, the fee must be:

- consented to by you in writing or online, and
- of a reasonable amount for the advice and related services provided to you.

Where applicable, the actual amounts that will be deducted from your cash account may be adjusted for RITCs that may be claimed in respect of these fees and may therefore be less than the amounts you specify on the relevant form.

These fees are not earned by the Operator. Further information about some of the fees in this table is set out below.

The Operator, at its discretion, may limit, reduce or reject the fee amount and may also seek clarification from you and your adviser on the services being provided.

Type of fee or cost	Amount	How and when paid
<b>Advice implementation fee (initial and ongoing)<sup>1</sup></b>	<p>You may agree with your adviser to pay an initial advice implementation fee, an ongoing advice implementation fee or a combination of the two. This fee is for advice and other related services provided to you in relation to the implementation of your account(s). The amount payable is agreed between you and your adviser.</p> <p>The advice implementation fee may be specified as a percentage and/or dollar-based fee.</p> <p>The initial advice implementation fee (<b>including</b> zero amounts or where a fee is not specified) will generally apply to all deposits received within 60 days of your account being activated.</p> <p>The ongoing advice implementation fee will apply to all deposits received from the start date specified on the application form. If you do not specify a start date on the application form, then the default date is 60 days after your account is activated.</p> <p>An advice implementation fee may be charged on your initial cash or in specie investment amounts (based on the market value of the relevant investments), and any subsequent investment.</p>	<p>The advice implementation fee is deducted from your cash account when the investment is received and paid to your adviser or your adviser's licensee at the end of that month.</p>
<b>Adviser service fee<sup>1</sup></b>	<p>You may agree with your adviser to pay an adviser service fee for advice and other related services provided to you in relation to your account(s). The amount payable is agreed between you and your adviser.</p> <p>An adviser service fee may be specified as one of the following:</p> <ol style="list-style-type: none"> <li>Fixed % amount p.a.</li> <li>Tiered % amount p.a.</li> <li>Fixed \$ amount p.a.</li> <li>Combination of fixed % or tiered % p.a. and fixed \$ amount p.a.</li> </ol> <p>Where you specify a fixed \$ amount p.a. you may agree with your adviser to automatically index this fee in line with the annual change in Consumer Price Index ("CPI") or a fixed percentage (up to 5% p.a.) on a specified month each year.</p>	<p>The adviser service fee can be an ongoing fee or a fixed term fee of up to 12 months and is calculated daily on your total account balance (unless otherwise agreed with your adviser) and paid to your adviser or your adviser's licensee from your cash account monthly in arrears.</p>
<b>One-off advice fee</b>	<p>You may agree with your adviser to pay a one-off advice fee for advice and other related services provided to you in relation to your account(s).</p> <p>The one-off advice fee is a dollar-based fee.</p> <p>The amount payable is agreed between you and your adviser.</p>	<p>The one-off advice fee is deducted from your cash account at the time a request for deduction of the fee is processed and paid to your adviser or your adviser's licensee at the end of that month.</p>

## FEES AND OTHER COSTS

Type of fee or cost	Amount	How and when paid
<b>Adviser brokerage<sup>1</sup></b>	Where allowed under the law, brokerage can be charged by your adviser when you invest directly in Australian and international listed securities. You may agree with your adviser to pay brokerage for listed securities based on the value of any shares bought and sold. The amount payable is agreed between you and your adviser.	Adviser brokerage can be an ongoing fee or a fixed term fee of up to 12 months. Adviser brokerage is deducted from your cash account at the time of settlement as part of the total cost (for buy trades) or net proceeds (for sell trades) and paid to your adviser or your adviser's licensee at the end of the month.

<sup>1</sup> If you are a retail client and your account contains borrowed amounts, we will not pay adviser service fees, advice implementation fees, adviser brokerage fees or portfolio management fees (other than those that relate to the MDA or WDA service or to wholesale clients) that are asset-based (i.e. calculated as a percentage of your total account balance).

## FEES AND OTHER COSTS

Type of fee or cost	Amount	How and when paid
<b>Portfolio management fee<sup>1</sup></b>	<p>You may agree with your adviser or MDA service provider to pay a portfolio management fee for:</p> <ul style="list-style-type: none"> <li>advice and other related services such as advice on investment selection, investment monitoring and advice, set-up and maintenance of your investments and ongoing advice on your investment strategy in relation to the Service, and/or</li> <li>set-up and maintenance on your investments and ongoing advice on your investment strategy in relation to the Service,</li> <li>the MDA or WDA service issued to you. Refer to your MDA or WDA Investor Agreement and/or MDA or WDA Facility Booklet for information on the fee amounts applicable.</li> </ul> <p>The amount payable is agreed between you and your adviser or, where applicable, your MDA or WDA service provider.</p> <p>The portfolio management fee may be specified as one of the following:</p> <ol style="list-style-type: none"> <li>Fixed % amount p.a.</li> <li>Tiered % amount p.a.</li> <li>Fixed \$ amount p.a.</li> <li>Combination of fixed % or tiered % p.a. and fixed \$ amount p.a.</li> </ol> <p>Where you specify a fixed % amount, that amount will be calculated on your total account balance, up to a maximum of 1.1% p.a.</p> <p>The Operator has the right to reject the fee amount if the fee exceeds its internal policies, in accordance with its legitimate business interests, acting appropriately.</p>	<p>The portfolio management fee can be an ongoing fee or a fixed term fee of up to 12 months and is calculated daily on your total account balance (except where the fee relates to the MDA or WDA service issued to you) and paid to your adviser or your adviser's licensee from your cash account monthly in arrears. Where you have agreed a percentage-based fee it will be calculated daily as a percentage of the total value of the investments you hold within your account.</p> <p>If the % fee relates to the MDA or WDA service issued to you then this fee is calculated daily as a percentage of the total value of the investments you hold within the MDA or WDA service and is paid to your adviser or your adviser's licensee from your cash account monthly in arrears.</p>

<sup>1</sup> If you are a retail client and your account contains borrowed amounts, we will not pay adviser service fees, advice implementation fees, adviser brokerage fees or portfolio management fees (other than those that relate to the MDA or WDA service or to wholesale clients) that are asset-based (i.e. calculated as a percentage of your total account balance).

If you have any questions about the advice fees or services received for these fees, your adviser is best placed to assist you with these. You can also view how much you are paying in adviser fees on the regular statements we send you or you can contact us or your financial adviser directly.

### Ongoing adviser service fee consent requirements

Your consent to deduct any fees payable on an ongoing basis to your adviser must be renewed annually through your adviser. If you do not renew your consent, these fees will cease to be deducted from your account and you may no longer receive advice, support or information from your adviser.

You can also enter into fixed-term fee arrangements with your adviser and provide your consent to deduct fees for a period of up to 12 months.

You can vary or revoke your consent in writing at any time, either through your adviser or by contacting us directly. Should you wish to revoke your consent to the deduction of any fees, please contact us and/or your adviser to terminate the fee arrangement. Note this will prevent any further deduction of advice fees from your account after the consent has been revoked but does not reverse any fees paid before revocation.

## FEES AND OTHER COSTS

### ACTIVITY FEES

The fees described in the following table are payable to the Operator and, to the extent necessary, are applied by the Operator to pay any underlying service provider (e.g. to pay for brokerage and transaction related fees). The Operator retains any balance of the fees paid to it which are not used to pay an underlying service provider. Fees will only be incurred where the relevant transaction instruction is provided or where the relevant activity occurs. Further information about some of the fees in this table is set out below.

Activity type	Transaction method	Fee amount	How and when paid
<b>Transacting within a managed portfolio</b>	Managed fund trades within a managed portfolio	Nil	N/A.
	Australian listed security trades within a managed portfolio (standard trading service) <sup>1</sup>	Brokerage of 0.11% to 0.22% of the trade value. No minimum applies.	
	Australian listed security trades within a managed portfolio (bespoke trading service) <sup>2</sup>	Brokerage of up to 0.33% of the trade value.	Brokerage is deducted from the cash within your managed portfolio at the time of settlement as part of the total cost (for buy trades) or net proceeds (for sell trades).
	International listed security trades within a managed portfolio <sup>3</sup>	Through an approved international exchange: Brokerage of 0.22% of the trade value. No minimum applies.	
<b>Transacting in managed funds</b>	Via aggregated trading <sup>4</sup>	Nil	The fee is (if applicable) deducted from your cash account at the time of settlement in addition to any trade costs. This fee will appear on your cash transaction report and statements as 'Transaction fee'.
	Trades within the automatic investment plan and/or automatic investment drawdown	Nil	
	In specie transfers	A fee of up to \$38.50 per managed fund for in specie transfer out.	

<sup>1</sup> Alternatively, portfolio managers may choose to trade Australian listed securities within a managed portfolio using a broker other than our default broker(s) (as agreed by the Operator from time to time). This only applies where the Operator has an arrangement in place with the portfolio manager and/or the broker. In this case, you or your adviser may agree on the applicable brokerage fee for transacting in Australian listed securities. If you utilise these separate trading services, the maximum fees in the table above may not apply. The portfolio manager and/or broker(s) will provide us with the applicable transaction brokerage to be applied to your account. For information on what additional transaction brokerage may apply, speak to your adviser.

<sup>2</sup> Portfolio managers may choose to trade Australian listed securities within a managed portfolio outside our aggregated trading service, using HUB24 and/or our default brokers for such trading services (as agreed by the Operator from time to time). This only applies where the Operator has an arrangement in place with the portfolio manager and/or the broker. In this case, bespoke trading services will be provided and will incur a brokerage fee of up to 0.33% of the trade value. For information on what additional transaction brokerage may apply, speak to your adviser.

<sup>3</sup> Trading on certain international exchanges may incur additional costs (for example local stamp duties or commissions) which are generally deducted from your account at the time they arise. A foreign currency conversion fee may also apply to trades in international listed securities. Refer to 'International listed securities' below and to the International Listed Securities Guide, which is available online at [www.hub24.com.au/product-documents/hub24-invest-documents](http://www.hub24.com.au/product-documents/hub24-invest-documents), for more information.

<sup>4</sup> Excludes those trades within a managed portfolio.



## FEES AND OTHER COSTS

Activity type	Transaction method	Fee amount	How and when paid
<b>Transacting in Australian listed securities<sup>1</sup></b>	Via aggregated trading <sup>2</sup>	Brokerage of 0.11% of the trade value, subject to a minimum fee of \$11.	Brokerage is deducted from your cash account at the time of settlement as part of the total cost (for buy trades) or net proceeds (for sell trades).
	Via bespoke trading <sup>3</sup>	Brokerage of up to 0.33% of the trade value.	
	Direct market trading	Brokerage of 0.11% of the trade value, subject to a minimum of \$22.	
	Trading through your broker <sup>4</sup>	A fee of \$22 <sup>5</sup> per trade in addition to the brokerage fee agreed between you and your broker.	
	Trades within the automatic investment plan and/or automatic investment drawdown	Brokerage of 0.11% of the trade value. No minimum applies.	
	Corporate actions <sup>6</sup>	A fee of up to 0.11% of the transaction amount.	
	In specie transfers	A fee of up to \$27.50 per security for in specie transfer out.	
<b>Transacting in international listed securities<sup>7</sup></b>	Via aggregated trading <sup>2</sup>	Through an approved international exchange: Brokerage of 0.22% of the trade value, subject to a minimum fee of \$33.	Brokerage is deducted from your cash account at the time of settlement in addition to any trade costs.
	Trades within the automatic investment plan and/or automatic investment drawdown	Through an approved international exchange: Brokerage of 0.22% of the trade value. No minimum applies.	
	Corporate actions <sup>6</sup>	A fee of up to 0.22% of the transaction amount.	
	In specie transfers	A fee of up to \$27.50 per security for in specie transferred out.	
<b>Transacting in term deposits</b>	Via aggregated trading	Nil.	N/A
	Withdrawing a term deposit before maturity	A break fee of \$55 per term deposit will be charged when a term deposit is broken before maturity, on your instruction through your adviser. Additional fees or interest penalties may be charged by the underlying term deposit provider. <sup>8</sup> Refer to the relevant term deposit disclosure document for more information.	The break fee is deducted from your cash account at or around the time you break the term deposit.

<sup>1</sup> Transacting in certain Australian listed securities may incur additional costs (for example, stamp duties or commissions) which will generally be deducted from your account at the time they are incurred. Refer to 'Australian listed securities transaction costs' below for more information.

<sup>2</sup> Excludes those trades within a managed portfolio.

<sup>3</sup> Your adviser and/or their Licensee may choose to trade Australian listed securities outside our aggregated trading service, using HUB24 and/or our default brokers for such trading services (as agreed by the Operator from time to time). This only applies where the Operator has an arrangement in place with your adviser, their Licensee and/or the broker. In this case, bespoke trading services will be provided and will incur a brokerage fee of up to 0.33% of the trade value. For information on what additional transaction brokerage may apply, speak to your adviser.

<sup>4</sup> Your adviser and/or their licensee may choose to trade Australian listed securities using a broker other than our default broker(s) (as agreed by the Operator from time to time). This only applies where the Operator has an arrangement in place with the relevant broker. In this case, you or your adviser may agree on the applicable brokerage fee for transacting in Australian listed securities. If you utilise these separate trading services, the maximum fees in the table above may not

## FEES AND OTHER COSTS

apply. The broker(s) will provide us with the applicable transaction brokerage to be applied to your account. For information on what additional transaction brokerage may apply, speak to your adviser.

- <sup>5</sup> This fee shown is inclusive of GST only. It reflects the actual amount payable by you. If eligible, the Operator will claim the benefit of Reduced Input Tax Credits (RITCs) on behalf of the Service.
- <sup>6</sup> The fee for corporate actions will apply when you participate in corporate actions through the Service that require settlement from your cash account. Corporate actions include, but are not limited to, initial public offerings, rights issues, share purchase plans, exercising of options, buy backs and takeovers.
- <sup>7</sup> Transacting in international securities (including in specie transfers) may incur additional costs (for example, local stamp duties or commissions) which will be deducted from your account. Refer to 'International listed securities' below for more information.
- <sup>8</sup> The break fees or costs or interest penalties (if any) that may be charged by the underlying term deposit provider may be significant and therefore are a risk to be considered in deciding whether to withdraw a term deposit before its maturity. The underlying term deposit provider may provide an estimate of break fees or costs or interest penalties upon request. Refer to the relevant term deposit disclosure document for more information.

# FEES AND OTHER COSTS

## OTHER FEES

The fees in the following table are payable to the Operator, and are payable out of the cash account. Fees will be incurred only when you engage in the relevant transaction. Further information about some of the fees in this table is set out below.

Activity type	Fee amount	How and when paid
<b>Reconstruction fee</b>	If we are required to reconstruct a CGT parcel history for in specie investment transfers, a fee may be charged at \$110 per hour.	The fee is deducted from your cash account at the time a revision of the CGT parcel history is carried out.
<b>Dishonour payment</b>	A fee of \$55 may be charged if a payment is dishonoured.	Any fees relating to dishonoured payments will be deducted from your cash account at or around the time the dishonour occurs.
<b>External settlement fee</b>	Where permitted, if you request us to settle an investment transaction, from your cash account, for an investment that is acquired outside of the Service, a fee of \$22 may be charged for processing this transaction.	The fee is deducted from your cash account at the time the settlement transaction is processed.
<b>Negative cash account fee</b>	A negative cash account fee will be charged which is equal to the interest rate applicable on positive cash account balances.	The negative cash account fee is calculated daily on your negative cash account balance. It is payable monthly in arrears and deducted from the interest received in relation to the cash held in your cash account before interest (if any) is credited to your account.

## EXPLANATIONS OF PARTICULAR FEES AND COSTS

The following section provides further information on management fees and costs and other fees and costs.

### Administration fees

The administration fees are to cover the costs of operating and maintaining the Service, such as, but not limited to, the ongoing administrative activities in relation to your account, annual audit, legal and compliance, and tax consulting fees, access to technology for managing your account, online access to up-to-date account information and consolidated reporting. For those persons who invest in the Discover Menu these costs are borne by us and no administration fee is charged.

### Cash management fee

The cash management fee is up to 1.75% p.a. and applies to your cash account balance and may vary from time to time. The cash management fee is equal to the amount of interest received from the Australian banks or other authorised deposit-taking institutions ('ADIs') in which the cash held in your cash account is deposited, less the amount of interest we aim to credit to your cash account calculated using the target interest rate.

The target interest rate varies from time to time and is determined based on a number of factors, which may include, the cash rate target as set by the Reserve Bank of Australia and the rates of interest paid by each ADI (which may be different). The target interest rate is calculated daily and reviewed periodically from time to time.

More information (including the latest target rate of interest) can be found on InvestorHUB (for cash in Australian dollars), by contacting the Client Services team on 1300 854 994 or by contacting your adviser.

### Foreign currency fee

The foreign currency fee is up to 1.75% p.a. and will apply to the value of any foreign currency holdings. If the amount of the fee is greater than the amount of foreign currency interest received, the fee will be reduced, so that it does not cause foreign currency interest to become negative. The foreign currency fee is set by the Operator and can vary from time to time.

This fee is calculated daily and payable monthly in arrears from any interest received in relation to the foreign currency.

### Expense recovery

The expense recovery fee is calculated based on the daily weighted average of your total account balance during the preceding quarter and deducted from your cash account quarterly in arrears following the end of each quarter.

### Family group fee discount

Family Groups (you and relevant members of your family) may be eligible for a fee discount in respect of the tiered percentage fee component of the Administration fee for each of the Core Menu and Choice Menu (shown in the table on pages 2 and 3 of this Part II of the IDPS Guide), where each member of the Family Group has the same adviser. The Discover Menu is not eligible for family group fee discounts.

This discount is achieved by linking the accounts of the Family Group and then applying the relevant tiered percentage Administration fee to the combined value of those accounts in either of the Core Menu and Choice Menu. Combining the value of the Family Group accounts can (but won't always) result in a lower overall Administration fee. Any lower Administration fee is applied proportionately to each Family Group account.

## FEES AND OTHER COSTS

If there are a combination of HUB24 Invest - Premium and HUB24 Super - Premium account(s) in either of the Core Menu and Choice Menu within the Family Group, then the relevant tiered percentage Administration fee is calculated as if all accounts were in HUB24 Invest - Premium and then a similar calculation is carried out as if all accounts were in HUB24 Super - Premium.

The Administration fee is then applied proportionately based on the aggregate holdings in HUB24 Invest - Premium and HUB24 Super - Premium, and then proportionately to each HUB24 Invest - Premium and HUB24 Super - Premium Family Group account.

Each eligible Family Group account will still be subject to the account keeping fee (if applicable) and to any minimum and maximum Administration fee shown in the tables on pages 2 and 3 of this Part II of the IDPS Guide.

A Family Group can be set up through your adviser by completing a 'Group Fee Discounting' form and nominating the accounts to be combined into a Family Group for the purpose of calculating the Administration fees. Please speak to your adviser about setting up a Family Group.

In order to be eligible for a Family Group fee discount, there must be a minimum of two linked accounts and all accounts within the Family Group must have the same adviser and one of the following relationships to the primary account holder:

- immediate family members, such as spouse, defacto/ domestic partner, child (including an adopted child, a stepchild or ex-nuptial child), parent, sibling and grandchild;
- for companies, family trusts, and self-managed superannuation funds – the directors and beneficiaries must be members of the same immediate family as described in the dot point above.

All accounts held in the name of the primary account holder may also be included in the Family Group.

A Family Group includes those accounts invested in both the Core Menu and Choice Menu and can comprise a maximum number of six (6) accounts, unless otherwise approved by us.

The Operator may, at its discretion, reject a request to establish a Family Group or cancel the linking of Family Group accounts. For example, because you are no longer part of the relevant Family Group. Also, where you or any other member of a Family Group changes adviser, you or they will cease to be eligible for the Family Group discount that applies to that Family Group. In this case, the Administration fees will immediately revert to the standard fees shown in the table on pages 2 and 3 of this Part II of the IDPS Guide. You may wish to speak with your new adviser about whether a new Family Group can be established.

The Family Group fee discount may not apply for Family Group accounts with a combined account balance of more than \$5m, but may be individually negotiated based on the nature of your investments. In this case, please speak with your adviser.

### **Adviser brokerage**

Where allowed under the law, brokerage can be charged by your adviser when investing directly into Australian and international listed securities (excluding trades within a managed portfolio). The charge varies and is agreed between you and your adviser.

### **Australian listed securities**

Brokerage is associated with buying and selling Australian listed securities that are accessible through the Service. In addition, trading certain Australian listed securities may incur additional charges (for example stamp duties, taxes, fees or commission) which we will pass on to you and which are generally deducted from your account at the time they are incurred.

A manager may trade some or all of the securities held within managed portfolios through your broker. These trades may incur additional brokerage as agreed between the manager and the broker. Please refer to your broker for additional brokerage costs, if applicable.

The amounts set out in this 'Australian listed securities' sub-section are an additional cost to the investor.

### **Buy-sell spread for managed funds**

The Operator does not charge a fee in the form of buy/sell spreads to recover costs incurred by the Operator in relation to the sale and purchase of assets that are accessible through the Service.

However, buy/sell spreads may apply to investments in managed funds that are accessible through the Service. This margin represents an allowance for the transaction costs, such as brokerage and stamp duty, which are incurred by the fund manager when buying or selling the fund's underlying securities, and which is typically taken into account in the calculation of unit prices by the managed fund. Buy-sell spreads are an additional cost to the investor. To identify the buy-sell spread applicable to a managed fund, please refer to the current disclosure documents for that managed fund, which are available on InvestorHUB.

### **Netting managed fund transactions**

When carrying out a managed fund transaction, the Operator may offset your instructions to buy or sell assets against both your and other investors' instructions to buy or sell those assets, so that only net transactions are acted on. This process is known as 'netting'.

The Operator may retain any benefit that may be secured from the netting of managed fund transactions. These may include the fees and costs that would have applied had the transaction been processed without netting.

### **Dishonour fee**

A fee may be charged for any dishonoured payments. Please note your financial institution may also charge you a dishonour fee.

# FEES AND OTHER COSTS

## International listed securities

Brokerage will be incurred, and conversion and other fees and costs may be incurred, on buying and selling international listed securities.

International listed security trades, income receipts, corporate actions or any other transactions that require a conversion from one currency to another may incur a foreign currency conversion fee. Currently this fee is nil.

Additional brokerage, transaction and currency conversion fees may apply to trades in international listed securities outside of the approved investment list or the list of approved international exchanges. It is at the Operator's discretion to allow additional international trades and listed securities outside of the approved exchanges and international listed securities.

Trading on certain international exchanges may incur additional fees and costs (for example local stamp duties, taxes, fees or commissions) which are deducted from your Account, generally at the time of trade settlement.

The amounts set out in this 'International listed securities' sub-section are an additional cost to investors.

Refer to the International Listed Securities Guide, as updated from time to time, for indicative fees and costs charged by certain international exchanges. The International Listed Securities Guide is available free of charge on the product website or by contacting your adviser or the Operator.

## Fund management and performance fees

Fund management and performance fees may be charged in relation to the selected managed funds forming part of your investment strategy. These fees are generally reflected in the fund's unit price and are paid to the relevant fund manager.

Please refer to the relevant managed fund product disclosure documents provided by your adviser.

## Fees when you invest in a managed portfolio

The type of fees you pay for investing in managed portfolios will be set out in the product disclosure statement for the relevant managed portfolio. Managed portfolios may charge an investment management fee (including, if applicable, an investment performance fee).

Typically, fees when you invest in a managed portfolio are in addition to any costs of managed funds, Exchange Traded Funds ('ETFs'), Exchange Traded Products ('ETPs') or Listed Investment Companies ('LICs') held within a managed portfolio. Refer to the disclosure document for the relevant investment for a description of the fees and costs applicable to that investment.

The specific fees and costs (including who it is payable to) for each managed portfolio are available in the product disclosure statement for the relevant managed portfolio, and can be obtained from the product website shown on the front cover or your adviser.

## Managed portfolio related fees and costs

Investment management and performance fees may be charged in relation to the managed portfolios forming part of your investment strategy. These fees are deducted from your cash account monthly in arrears rather than from the relevant non-unitised and registered managed investment scheme where such managed portfolios are available ('Scheme').

Where amounts are owed to a Scheme or a Responsible Entity ('RE') of a Scheme (for example because your investment in a managed portfolio has gone into negative balance) you are also taken to have authorised the Operator to deal with your accessible investments (for example monies held in your cash account and other securities) including acquiring, investing in, redeeming, selling, transferring or otherwise disposing of those accessible investments without specific instructions from you to fund those obligations in relation to any of your managed portfolio investments in a Scheme. If payment from your cash account is not possible, these amounts may be paid from the relevant Scheme.

All other fees and costs (such as government fees, bank fees, fees for failed transactions and penalty interest) incurred as a result of a transaction, deposit or withdrawal relating to your investment in a managed portfolio, will be passed on to you and may be payable out of the cash allocation of the relevant managed portfolio. These are incidental fees and costs that are not included in management fees and costs, performance fees or transaction costs outlined in the relevant managed portfolio product disclosure statement.

## Your consent and authorisation of fees when you invest in a managed portfolio

Where you invest in a managed portfolio, you are taken to have instructed the Administrator to pay any fees in respect of the managed portfolio from your cash account to the RE, your adviser's licensee, investment manager, investment adviser or the portfolio manager (as applicable) for their services (including where those fees are payable to HUB24 as the applicable investment manager).

Where your adviser, their licensee or one of its related parties (referred to as 'related party') provides you with ongoing advice (or related services) in relation to a managed portfolio, you may be requested to provide your consent to the deduction and payment of fees from your cash account when you invest in a managed portfolio. If your consent to these fees is required and you don't provide it (or you revoke it) then you may not be allowed to invest into that managed portfolio or may be required to withdraw from that managed portfolio.

You can provide your consent as part of your application into the Service, via written instructions or online. Where you have provided your consent, the payment of remuneration by you to your adviser or a related party will continue until you direct us to cease paying it.

The applicable fees are disclosed in the product disclosure statement for the relevant managed portfolio.

# FEES AND OTHER COSTS

## Reconstruction fee

A fee may be charged by us if we are required to re-construct a CGT parcel history in respect of any in specie investment transfers.

## OTHER PAYMENTS AND INFORMATION

### Fund manager service fees

Where permitted by law, the Operator may receive the following payments from responsible entities whose funds are available through the Service:

- Service fees of up to \$30,000 p.a. per responsible entity, plus
- up to \$10,000 p.a. per managed fund available through the Service.

The amount of these payments may increase from time to time and may be subject to indexation.

These service fees relate to the services that the Operator provides to fund managers for the review, maintenance and administration of the managed fund investment options available through the Service.

These fund manager service fees are paid to us from the fund manager's own resources and are not an additional cost to you.

### Payment of fees on your behalf

Where permitted by law, the Operator may enter into an agreement with your adviser, or your adviser's licensee, or another third party for your adviser's licensee or another third party to pay some or all of your fees on your behalf. This amount may vary depending on the agreement you have with your adviser and the agreement between the Operator and your adviser's licensee. Where this occurs, the Operator will reduce the relevant fees paid by you as agreed, or not charge them at all (as applicable). Your adviser can provide you with further information about any such arrangement.

### Managed portfolio service fees

Where permitted by law, the Operator may receive the following payments from the portfolio manager whose managed portfolios are available through the Service:

- Service fees of up to \$10,000 p.a. per managed portfolio, plus
- Up to 0.15% p.a. on the total amount of funds we have invested with each portfolio manager.

The amount of these payments may increase from time to time and may be subject to indexation.

These service fees relate to the services that the Operator provides to portfolio managers for the establishment, ongoing monitoring, management and compliance of the managed portfolio investment options available through the Service.

These managed portfolio service fees are paid to us from the portfolio manager's own resources and are not an additional cost to you.

Managed portfolio service fees do not apply in respect of the Discover Menu.

Where permitted by law, the Operator may also receive a payment of up to 5.5% from managers for facilitating initial public offers ('IPOs') through the managed portfolios available through the Service. This payment, where applicable, will be calculated based on the value of the total participation in the respective IPO, and is payable by the product issuer or one or more of the managers or arrangers of the IPO, it will not be an additional cost to you.

### MDA and WDA Facility Provider fees

Where permitted by law, the Operator (who is also the MDA and WDA Facility Provider) may receive the following payments from the relevant MDA and WDA Service Provider for access to the MDA or WDA Facility available through the Service:

- Service fees of up to \$10,000 p.a. per MDA and/or WDA investment,
- Up to 0.15% p.a. on the total amount of funds we have invested under each MDA and/or WDA investment.

The amount of these payments may increase from time to time and may be subject to indexation.

These service fees relate to the services that the Operator provides to the MDA and WDA Service Provider when using the MDA or WDA Facility. Please refer to 'Managed Discretionary Accounts (MDAs) and Wholesale Discretionary Accounts (WDAs)' in Part I of the IDPS Guide for more information.

These MDA and WDA Service Provider fees are paid to us from the MDA or WDA Service Provider's own resources and are not an additional cost to you.

### Insurance remuneration

Where permitted by law, the Operator may receive remuneration from each premium payment made under your individual insurance policy for the provision of insurance administration services. This is not an additional cost to you.

## TAX

Unless otherwise stated all the fees and costs shown in this Part II of the IDPS Guide are expressed as inclusive of GST and net of any RITCs.

In the event of any change in tax laws or their interpretation which affects the rate of GST payable or RITCs that the Service may receive, the amounts deducted from your cash account in respect of the fees and other costs applied to your account may be varied or adjusted to reflect such changes without your consent or further notice to you.

Refer to Section 9 'Tax' in Part I of the IDPS Guide.

# FEES AND OTHER COSTS

## INSURANCE COSTS

If you access insurance through the Service, the costs associated with the insurance policy will be deducted directly from your cash account on the basis agreed with the insurer. Costs may be adjusted for any changes to your cover during a financial year.

Where other government charges such as stamp duty apply, we will charge your account directly. For example, stamp duty may apply to insurance premiums for income protection cover.

For more information, refer to Section 7 'Other Services' in Part I of the IDPS Guide

## ALTERNATIVE FORMS OF REMUNERATION

From time to time and subject to applicable law, there may be other direct or indirect benefits that the Operator may receive from providers of some of the financial products available through the Service. The Operator may also be entitled to remuneration from financial institutions (including banks, fund managers, portfolio managers, insurers and issuers of longevity products) whose financial products are available through the Service. We record any alternative forms of remuneration we receive in a register and you may request details of these forms of remuneration.

## VARIATION OF FEES

The fees and costs set out in this document may change from time to time. The Operator may vary the fees and costs set out in this document without your consent. We will give you at least 30 days' advance notice of any increases in fees as required by law. For any other materially adverse changes, advance notice will also be provided to investors at least 30 days in advance, where practicable, otherwise advance notice of materially adverse changes will be provided as permitted. If a change to fees and costs occurs that is not materially adverse to investors, we may update this IDPS Guide by publishing the updated information on the website shown on the front cover of this document. Otherwise, we will issue a supplementary or revised IDPS Guide. You can obtain updated information or any supplementary or revised IDPS Guide by asking your adviser or visiting the product website. You should regularly check our website to ensure that you have the most up to date information. You may request a printed or electronic copy of any updated information free of charge by requesting this from your adviser or by contacting the Operator.

We may individually negotiate fees with investors classed as wholesale clients on the basis of the value of their investments.

## ADVISER AND LICENSEE CHANGES

Fees and costs set out in the 'Fees and costs summary' are generally not negotiable by you. However, your adviser or the holder of the AFSL (Licensee) that your adviser operates under may, from time to time, negotiate the fees and other costs that apply to your account. The nature and amount of any variation depends on the arrangement between the Administrator, your adviser and your adviser's Licensee. Your adviser can provide you with further information about any such arrangement. Where you

leave your adviser or your adviser leaves their Licensee, the fees and other costs that apply may change and you may revert to the fees and other costs described in this Part II of this IDPS Guide. Notice of any such change will be given to you as required by law.

## CONTACT US

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