

AustChoice Investment Service

A FLEXIBLE MULTI-PURPOSE INVESTMENT VEHICLE

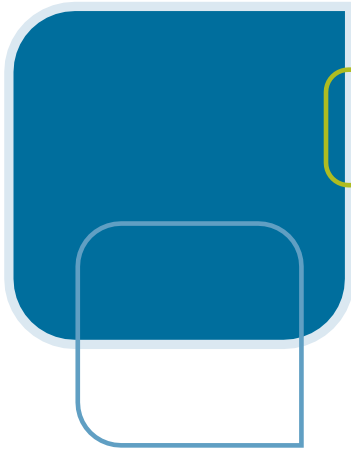
Product Disclosure Statement



Issued by Permanent Investment Management Limited
ABN 45 003 278 831 AFSL No 235150 as
Responsible Entity of the AustChoice Investment Service
ARSN 093 543 063
Promoted by DKN Services Pty Ltd



Date of Issue: 15 May 2006



AustChoice Investment Service

SUPPLEMENTARY PRODUCT DISCLOSURE STATEMENT (SPDS)

Date issued 24 January 2007

This is a Supplementary Product Disclosure Statement (SPDS). It must be read together with, and supplements, the Product Disclosure Statement for the AustChoice Investment Service dated 15 May 2006.

Permanent Investment Management Limited retired as the responsible entity for the AustChoice Investment Service with effect from 19 December 2006 and Australian Executor Trustees Limited ABN 84 007 869 794 AFSL No 240023 was appointed as Responsible Entity in its place.

The Product Disclosure Statement is amended as follows

1. The words 'Permanent Investment Management Limited ABN 45 003 278 831 AFSL No 235150' should be read as 'Australian Executor Trustees Limited ABN 84 007 869 794 AFSL No 240023'.
2. All references to the 'Responsible Entity' or 'Permanent Investment Management Limited' or 'PIML' should be read as references to 'Australian Executor Trustees Limited'.
3. In the *Important Notice* on the inside front cover, the words 'Permanent Investment Management Limited and any member of the Trust Company Australia Limited ABN 59 004 027 749' should be read as 'Australian Executor Trustees Limited and any member of the Australian Wealth Management Limited ABN 53 111 116 511 group'.
4. The paragraph headed *Responsible Entity* on page 2 is replaced with the following:

'Australian Executor Trustees Limited is wholly owned by Australian Wealth Management Limited ABN 53 111 116 511. Australian Wealth Management Limited is an integrated financial services company with a suite of products and services designed to provide continuing services to clients from the wealth accumulation phase, into retirement and across into the next generation. Australian Wealth Management Limited is listed on the Australian Stock Exchange Limited.'
5. In *Privacy and Use of Personal Information* on page 19, the reference to www.trust.com.au should be read as a reference to www.aetlimited.com.au.
6. In *Summary of Constitution* on page 20, 'Sydney' is deleted.
7. On the back cover, the Responsible Entity details are replaced with:

'Australian Executor Trustees Limited
ABN 84 007 869 794
AFSL No 240023

Corporate Trustee Services
Locked Bag 801
Milsons Point NSW 1565

Telephone 1800 254 180
Facsimile 02 9028 5942
Website www.aetlimited.com.au.'

Important Notice

Permanent Investment Management Limited (PIML or Responsible Entity) ABN 45 003 278 831 is the issuer of this Product Disclosure Statement (PDS) and the Responsible Entity of the AustChoice Investment Service (Service). The offer made in this PDS is available, subject to the terms and conditions described in this PDS, to persons receiving an electronic PDS within Australia. PIML reserves the right to change the terms and conditions relating to the offer set out in this PDS. The distribution of this PDS (including it being made accessible on any computer network) in jurisdictions outside Australia may be subject to legal restrictions. Therefore, any person residing outside Australia who receives or accesses this PDS should seek independent legal advice and should comply with any such restrictions, as failure to do so may constitute a violation of securities laws.

This PDS does not constitute an offer or invitation in any place where, or for any person to whom, it would not be lawful to make such an offer or invitation. Investors should rely only on the information set out in this PDS.

Applications can only be made on the Application Form attached to the back of this PDS or on the Application Form that is accompanied by an electronic version of this PDS at www.austchoice.com.au. Details of where to lodge the Application Form and the method of payment are set out in the Application Form.

A copy of the Service's Constitution (Constitution) and further information may be obtained by contacting the Investment Manager at the address or telephone number shown on the back cover.

SMF Funds Management Limited (SMF or Investment Manager) ABN 23 009 564 354 and any other member company of the SMF Group, DKN Services Pty Ltd (DKN) ABN 12 103 365 091 and any member of DKN Financial Group Limited ABN 75 008 112 150, Permanent Investment Management Limited and any member of Trust Company of Australia Limited ABN 59 004 027 749 and its subsidiaries, and their respective officers, guarantee neither the repayment of capital from, or the performance of, the AustChoice Investment Service generally nor the investments that may be made through it. Investments in the AustChoice Investment Service are subject to investment risk, including possible delays in repayment and loss of income and principal invested.

If you have received this PDS and Application Form from the internet or other electronic means and would like a copy of the printed PDS, you will be sent one free of charge by contacting AustChoice Customer Service on 1800 333 900.

The Australian Registered Scheme Number (ARSN) for the AustChoice Investment Service is 093 543 063.

Contents

Who We Are	2
About Investing	3
Risk vs Return	6
Withdrawals	8
Reporting	9
Other Features	10
Fees and Charges	12
Additional Explanation of Fees and Charges	14
Taxation Information	15
Further Information	16
Completing the Application Form and Investment Authority	21

The information contained in this PDS is general information and does not take into account your individual objectives, financial situation or needs. You should assess whether the information is suitable for you and discuss your particular needs with a licensed financial adviser before investing in the Service.





Choice Service Simplicity Flexibility

The AustChoice Investment Service is an Investor Directed Portfolio Service Like Scheme (IDPS Like Scheme) that provides a broad choice of funds, most of which are wholesale. The Service gives you access to a wide selection of domestic and international fund managers and investment markets, including cash, fixed interest, shares and property, with a single point of contact.

Financial security and independence can only be achieved with careful planning. Investment specialists will tell you that a sound strategy is to diversify your investments, have good investment administration and review your investments regularly, as economic and personal circumstances can change.

Having a number of investments usually entails complex paperwork! The Service has been designed to allow diversity and flexibility of investments to achieve your investment and lifestyle goals while consolidating your investments into one easy-to-manage fund and reporting process. You are able to switch your investments to match your changing circumstances, undertake a regular savings program or redeem investments when needed.

Who We Are

PROMOTER

DKN Services Pty Ltd (DKN) ABN 12 103 365 091 is the Promoter of the Service. DKN is a subsidiary of DKN Financial Group Limited ABN 75 008 112 150, a publicly listed financial services company.

DKN Financial Group is a leading Australian-owned distributor of financial services solutions to financial planning practices. DKN Financial Group has been established to support a network of self-licensed financial planners and advisers, through a cooperative-styled approach to developing and distributing a range of products and services. Refer to page 18 for DKN Financial Group's role in relation to the Service.

RESPONSIBLE ENTITY

Permanent Investment Management Limited (PIML) ABN 45 003 278 831 is the Responsible Entity of the Service. PIML is wholly owned by Trust Company. Trust Company has over 100 years of experience in the Australian financial services industry, delivering trusted financial solutions and personal service with integrity. Trust Company's main business activities span funds management, estates and trusts, financial planning, property and infrastructure custody, superannuation, charitable services, securitisation and structured finance. To find out more, visit www.trust.com.au.

INVESTMENT MANAGER

The Investment Manager, SMF Funds Management Limited (SMF), is responsible, as agent of the Responsible Entity, for the operations, management and administration of the Service.

SMF is a wholly owned subsidiary of Select Managed Funds Limited (Select) ABN 99 009 529 471, and is an innovative and experienced investment manager. Since its establishment in 1981, SMF's range of funds and administration activities has undergone rapid but controlled growth. SMF has built a team of specialists to meet the complex demands of the continually changing regulatory environment and is committed to delivering quality performance and cost-efficient products and services to a wide range of companies, government instrumentalities and individuals.

Some of the underlying investments in the Service are managed by United Funds Management Limited (United) ABN 65 073 186 419, who is the investment arm of SMF and a wholly owned subsidiary of Select.

CUSTODIAN

BNP Paribas Fund Services Australasia Pty Ltd (BNP Paribas or Custodian) ABN 71 002 655 674 is the Custodian of the Service.



About Investing

All investments carry some level of risk. In an investment context, risk has traditionally been thought of as the variability in short-term returns and the potential to lose your capital. However, risk can also be considered as the likelihood that your financial goals will not be met or that investments may not perform according to your expectations. Investments that provide the potential for higher returns tend to produce more variable returns in the short term.

These investments are generally described as more risky as there is a higher chance of capital loss, but they may also give you a better chance of achieving your long-term goals. Investments that provide more stable returns and less chance of capital loss are considered to be less risky, but may not provide sufficient long-term returns for you to achieve your financial goals.

It is important to understand the type of investor you are. What you consider as acceptable in terms of risk may not be acceptable to someone else. Your risk profile will depend on your time frame and view of risk and performance return. Risk is usually associated with volatility of an investment's return. Managing these risks to take into account the many factors that may affect eventual returns is a primary objective in the investment selection offered by the Service. Further information about the specific risks that may affect the financial performance of an investment are identified in the section 'Risk vs Return' on page 6.

The Service gives you a choice of investment strategies and options, which can be tailored to achieve your individual objectives, and can be altered over time. The information in this PDS is of a general nature only; it has not been prepared taking your investment objectives, financial situation or needs into account. Written financial advice from your licensed financial adviser should be obtained prior to selecting investment options.

You must be 18 years of age or over to invest in the Service in your own right; otherwise, your account must be held in trust. Upon attaining the age of 18 years, your trustee may choose to convert the account into your name by completing a new Application Form or by writing to the Responsible Entity, at which time your assets will be transferred into your name. You should seek independent financial advice in relation to any capital gains tax issues relating to the transfer of assets.

When you initially invest in the Service, you must complete an Application Form and an Investment Authority, which specifies your investment selections. Regular payments can be arranged by completing the Direct Debit Request on page 25.

Your cheque is deposited into an interest-bearing bank account (Cash Account). Refer to the section 'Cash Account' on page 4. Your interest in the Service is created at the time of the deposit. If the Responsible Entity is not able to accept your application for whatever reason, you will receive a full refund including any applicable interest from this account.

You are responsible for ensuring that there are sufficient funds in your account for your cheque to clear. If your cheque is dishonoured, you may be liable for any costs incurred by the Responsible Entity as a result of the dishonour (including bank fees and any transaction costs for investments purchased on your behalf).

There are differences between holding assets (for example, units in trusts) in your own name and investing in those assets through an IDPS Like Scheme such as the Service. In particular, it is a requirement of the Service that you maintain your Cash Account with a range of 2-5% of your investment value. Your funds will be credited to the Cash Account. This Cash Account is used to allow the Investment Manager to transact on your behalf. Further information about the Cash Account, including the minimum balance requirements, is on page 4.

The Constitution provides that an investor's liability is usually limited to the value of their Investment Account and to liabilities referable to their Investment Account.

INVESTMENT AUTHORITY

Your Investment Authority, once completed and signed, fulfils a number of purposes. It allows the Investment Manager and the Responsible Entity to make the investments you have selected. It is also relevant in the following circumstances:

- if you elect to participate in the Regular Savings Plan described on page 10 of this PDS, subsequent regular payments will be invested in the investments and proportions you have specified in your Investment Authority;
- if you elect to reinvest distributions (see page 10 of this PDS), subsequent distributions will be invested in the investments and proportions specified in your Investment Authority;
- where your Cash Account balance falls below the required minimum 2% of your investment account, your investments will be sold or redeemed in the proportions specified in your Investment Authority; and
- if you do not provide us with an Investment Authority at the time of joining the fund, your investment will be held in the AustChoice Cash Holding Account until such time as we receive further instructions. This will be confirmed with you in your welcome letter.

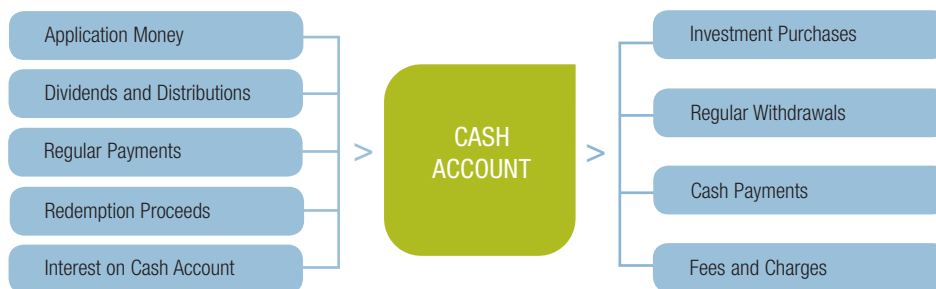
About Investing (continued)

CASH ACCOUNT

Your Cash Account must begin with a balance of 4% of your Investment Account balance. If your Cash Account balance falls to 2% of your Investment Account balance, the Investment Manager will restore the balance to 4% of your Investment Account by redeeming your investments in the proportions specified by you in your Investment Authority. If your Cash Account balance exceeds 5% of your Investment Account balance, the Investment Manager

will invest the amount in excess of 4% in the investments and proportions specified in your Investment Authority. Your Cash Account balance is invested at the Investment Manager's discretion in either a cash management fund, which may be the United Cash Management Fund (the required disclosure documents are available from your licensed financial adviser or can be downloaded from Member/Adviser Online Access at www.austchoice.com.au) or an interest-bearing bank account.

HOW YOUR CASH ACCOUNT WILL OPERATE



THE AUSTCHOICE INVESTMENT SERVICE

Investors establish a portfolio of investments of their choice. There are four categories of investment options designated—Parts A, B, C and D. Investors must also maintain a Cash Account. The Responsible Entity holds investors' investments on their behalf. The Investment Manager provides regular portfolio valuations and annual taxation statements.

INVESTMENT ACCOUNT

CASH ACCOUNT

Each investor's Cash Account must begin with a balance of 4% of the Investment Account balance.

INVESTMENTS

PART A

SPECIALLY SELECTED FUNDS

Choice of a number of funds managed by United Funds Management Limited

No minimum investment or withdrawal amount

Withdrawal time frame at least 2 weeks

PART B

EXTERNALLY MANAGED FUNDS

Choice of an extensive range of funds

The Responsible Entity of the Service buys and holds units for you in funds of your choice

In most cases, minimum initial investment \$2,000 and withdrawal \$1,000*

These funds have different withdrawal periods. It may take a number of weeks to redeem your investment from some managers

PART C

DIRECT SECURITIES

Choice of numerous shares and other listed securities

Minimum investment \$5,000

Minimum withdrawal \$1,000

Withdrawal time frame dependent on time taken to realise assets

PART D

TERM DEPOSITS

Choice of 1 to 5 year term of fixed rate investments

Minimum investment \$20,000

Withdrawal time frame dependent on time taken to realise assets

* Note: Minimum initial investments are a requirement of the Service and not the underlying funds.

The full list of investment options available in Parts A and B is available on the Investment Options form which is available free of charge from your adviser or AustChoice Customer Service on Freecall 1800 333 900 or can be downloaded from our website www.austchoice.com.au.

The Investment Manager will typically fulfil the directions in your Investment Authority by debiting your Cash Account within one week of receipt of cleared funds.

When your money is invested according to the directions in your Investment Authority, an Investment Account (which records the details of your investments) will be opened in your name. Your Cash Account will become a sub-account of your Investment Account. The balance of your Investment Account will be the value of your investments plus your Cash Account balance.

INVESTMENT OPTIONS

Overview

The Service gives you a broad range of investment choices. You may wish to utilise a number of the available options to compose your preferred portfolio. The options comprised in Part A and Part B give you access to Australian Equities funds, International Equities funds, Growth funds, Property funds, Ethical funds, Capital Stable funds, Fixed Interest funds and Cash Management funds. Part C gives you direct access to Australian Direct Securities and variable Part D Term Deposits.

Full details of the investment options are available free of charge from your adviser, AustChoice Customer Service on Freecall 1800 333 900 or our website www.austchoice.com.au.

Part A—Specially Selected Funds

This section gives you access to funds for which there is no minimum investment amount.

These funds are managed by United Funds Management Limited (United). For each fund, United uses the 'manage the manager' investment style, employing sector specialist investment managers. United monitors the underlying manager position of each portfolio and, where appropriate, changes the managers from time to time.

You can choose from a mixture of these funds and create an investment strategy that meets your requirements.

Part B—Externally Managed Funds

You are also able to invest in a range of funds managed by other investment managers. This section enables you to direct the Investment Manager to purchase units on your behalf in one or more of the products currently available. Minimum transaction amounts apply to Part B investments. The required disclosure documents for each of these funds is available from our website at www.austchoice.com.au and from your licensed financial adviser.

Part C—Direct Securities

You can establish a portfolio of shares and other listed securities either quoted on the Australian Stock Exchange or traded on an exempt stock market. Minimum transaction amounts apply to Part C investments. Investments will be made through stockbrokers approved by the Investment Manager. If, after securities are bought

for you, the company or trust announces a renounceable rights issue, the Responsible Entity will sell your rights, provided that the sale proceeds exceed the costs of the transaction. Your Cash Account will be credited with the net proceeds.

Part D—Term Deposits

You can choose to invest in fixed rate/fixed term investments with an investment term of 1, 2, 3, 4 or 5 years. Minimum transaction amounts apply to Part D investments.

MINIMUMS FOR EACH INVESTMENT OPTION				
	PART A	PART B*	PART C	PART D
Minimum Initial Investment	\$0	\$2,000	\$5,000	\$20,000
Minimum Balance	\$0	\$1,000	\$1,000	\$20,000
Minimum Additional Amount	\$0	\$1,000	5,000	\$20,000
Minimum Withdrawal Amount	\$0	\$1,000	\$1,000	n/a
Minimum Regular Payment	\$0	\$100	n/a	n/a

*Note: Minimum transaction amounts and minimum balance are requirements of the Service and not the underlying funds.

Unsupported Investment Options

We reserve the right to close any investment options that may not be well supported or that we deem unsuitable for investors. (For example, where an investment philosophy may change and we may deem that the investment is no longer suitable for retail investment.) We make these decisions to protect the interests of investors, given the potential investment risks of operating unsupported or unsuitable investment options. These risks may include company-specific risks, investment manager risks, liquidity risks and fund risks, as described on page 6.

If you have invested in such an option, it is our practice to notify you prior to closing the option. The extent of the notice will vary depending upon the reasons for the closure. We will attempt to provide investors with at least 30 days' notice. This may not be possible in all circumstances—for example, where the underlying investment manager provides the Responsible Entity with less than 30 days' notice of the closure of an underlying investment option. By law, we must inform you of such a change as soon as possible after, but not more than three months after, the closure of the option. You may incur a buy/sell margin if we close an investment option.

Redemption proceeds are paid into the AustChoice Cash Holding Account, an interest-bearing holding fund, until your instructions to switch are received.

Risk vs Return

There are many risks that may affect the financial performance of an investment. The following risks are identified to assist investors in better understanding their investment decision.

Stock Market Risk: This refers to changes in share prices that result in loss of principal amounts. Factors that drive changes in share prices include changing profitability of companies and industries, economic cycles, volume of shares, insurance, investor demand levels, business confidence and central bank policies.

Company-Specific Risk: This is inherent in a particular company's performance due to factors that are unique to that company. These factors will cause a stock's return to differ to that of the market and the risk that a stock's return is substantially below that of the market. Actively managed portfolios look to gain exposure to this risk in order to outperform the market.

Currency Risk: This affects international investments and is the risk that the value of the investments' performance declines due to fluctuations in exchange rates between the Australian dollar and foreign currencies.

Manager Risk: This applies where an investment is via a managed fund and refers to the risk that the manager will neither achieve its performance objectives nor produce returns that compare favourably against its peers.

Liquidity Risk: This exists when particular investments are difficult to purchase or sell, preventing the closing out of a stock position or rebalancing within a timely period and at a fair price.

Interest Rate Risk: This refers to changes in the market values of securities, especially fixed interest securities. An increase in market interest rates usually produces a reduction in the market value of fixed interest securities. Similarly, a reduction in market interest rates usually produces an increase in the market value of fixed interest securities.

Fund Risk: Risks particular to the Service include that it could terminate, the Responsible Entity could be replaced or our investment managers could change. We endeavour to keep fund risk to a minimum by aiming to act in the best interests of investors.

Derivatives Risk: An investment manager may use financial derivatives such as futures, options, swaps and forward rate agreements. Risks associated with derivatives include the value of the derivative not moving in line with the underlying asset, the counter parties to the derivative (including the option) not being able to meet payment obligations and the derivative position being difficult or costly to reverse. Refer to the section 'Derivatives Policy' on page 16.

The AustChoice Investment Service gives you a choice of investment options, ranging from highly secure to very aggressive. There is a relationship between investment risk and investment return. Investments that are more likely to provide higher returns generally have a commensurately higher level of risk.

Investments with a high exposure to shares (both Australian and international) and property are more likely to produce the highest returns in the long term, but are more likely to show the greatest variations in capital values in the short term due to movements in related market prices.

Short-term fluctuations in the value of these investments, combined with the time taken to redeem these assets, may mean that the amount you receive is less than your account valuation at the time of requesting the redemption.

When selecting investment options, it is wise to consider a number of factors, including the length of time of the investment and your tolerance to risk. In general, investors with a greater aversion to risk should consider more conservative investment choices.

CASH

The risk of capital loss with cash investments is very low. However, the purchasing power of cash may fall if the investment return does not keep pace with inflation.

FIXED INTEREST

There is a risk of capital loss with fixed interest investments if interest rates rise and the investment is sold or redeemed before the date of maturity. Usually, the longer the period to maturity, the greater the impact on capital values due to a change in interest rates.

GLOBAL CREDIT

Global credit asset allocation consists predominantly of non-government investment grade and non-investment grade global fixed interest securities, eg corporate, mortgage and asset-backed securities. Returns on these assets are affected by risk factors such as investment-specific risk, market risk, credit risk, interest rate risk, equity risk, liquidity risk and currency risk.

PROPERTY

Property values are determined by a number of factors, including rental levels, interest rates and the general economic climate. There is a significant risk of capital loss from property investment, particularly if there is an existing oversupply of property or this is expected in the immediate future. Listed property trusts can also be influenced by movements in the share market.

AUSTRALIAN SHARES

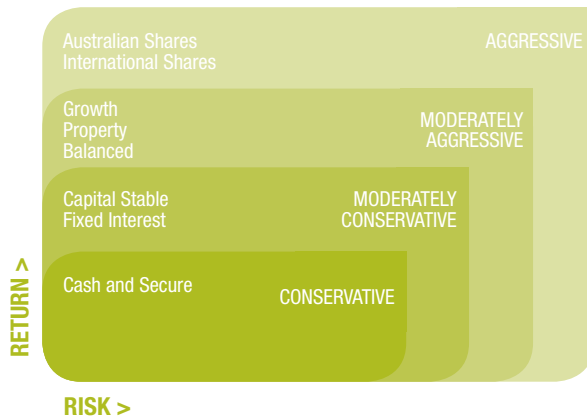
Share values are also determined by a number of factors. Some relate specifically to the company (for example, management skills), and others to the financial environment (for example, the rate of economic growth and investor confidence). Such influences can cause variations in the share prices. Hence, the value of your investment portfolio can vary.

INTERNATIONAL SHARES

International share investments are affected by, among other things, movements in currency values relative to the Australian dollar. The risk of capital loss with international shares can be significant.

IDENTIFYING YOUR ASSET OPTIONS AND RISK PROFILES

In selecting the appropriate investment strategy for you, you must take into consideration the degree of risk you are willing to take with your investments. Risk relates to the increasing volatility in returns. The asset classes available to you are generally categorised into the following risk profiles:

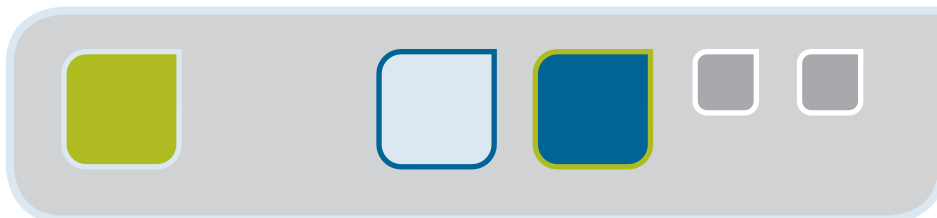


PROFESSIONAL ADVICE

You should obtain professional advice prior to investing and should read the required disclosure documents applicable to the investments being considered. The disclosure documents are available from your licensed financial adviser or can be downloaded from Member/Adviser Online Access at www.austchoice.com.au.

The investment returns from your portfolio depend on the returns from the investments you choose. The Responsible Entity, the Custodian, the Investment Manager, the underlying investment managers of the funds in which you invest or the responsible entities of those funds guarantee neither the performance of your investment nor the return of capital nor a particular rate of return.

By providing access to the investment options, the Responsible Entity, the Custodian or the Investment Manager of the Service are providing neither investment advice nor endorsing any underlying investment manager or fund.



Withdrawals

CASH PAYMENT

You can withdraw any or all of the balance of your Investment Account at any time. To do this, a completed Payment Instructions form should be sent to the office of the Investment Manager, detailing the amount, the assets to be sold and payment method. This form is available from AustChoice Customer Service on 1800 333 900 or from www.austchoice.com.au.

In the case of the investment options comprised in Parts B, C and D of the Service, there is a minimum withdrawal amount and minimum balance (see page 5 of this PDS). The minimum balance amount for Part B investments is a requirement of the Service and not the underlying funds. If your withdrawal brings the value of one of your investments below the minimum balance, you may be required to redeem all of the balance of that investment. Withdrawal payments from the Service may be paid in the form of a cheque to you or may be credited directly into your nominated bank, credit union or building society account.

Withdrawal Conditions

Due to the nature of the Service and the Corporations Act 2001, the Responsible Entity is not required to use its own resources to buy back your interests in the Service.

A withdrawal from a Part A or B fund will mean that the Responsible Entity will need to redeem the monies from the underlying investment manager. Typically, the Responsible Entity will pass redemption requests to underlying investment managers on a daily basis. The time taken to meet your withdrawal request will depend on the response time of the underlying investment manager.

For any withdrawal involving the sale of a direct investment (Parts C and D), the time taken to meet the redemption request will depend on the time needed for the stockbroker or Responsible Entity to realise the relevant asset.

You should be aware that it may take some time to make a withdrawal from the Service, given the communication requirements with the underlying investment managers and stockbrokers. A withdrawal may result in a liability for either income tax or capital gains tax and, where appropriate, you should obtain professional advice.

Furthermore, if you require urgent access to your funds you may wish to consider the investments chosen for redemption. Payment of your withdrawal request will normally be made within five business days of receipt of your monies from the relevant fund managers.

Where giving effect to a withdrawal request might otherwise adversely affect investors other than the requesting investor, the Investment Manager of the Service will use all reasonable endeavours to have the investment realised in a manner that is as fair as possible between the investors concerned.

The options available to the Investment Manager when a minimum holding requirement of an underlying fund will be breached by a withdrawal request are

- to refuse the request; or
- to accept the request, and therefore redeem the whole of the investment (including investments of all other investors in that same underlying fund).

It is not intended to invest in funds that will place minimum holding requirements on the Service.

REGULAR WITHDRAWALS

The Service can be used to obtain a regular payment to meet your lifestyle needs. You can choose to withdraw a specified amount regularly by payment directly into your bank account, subject to the minimum withdrawal amount and minimum balance requirements of the Service.

The amount and frequency of this regular withdrawal can be changed at any time.

The relevant section of the Application Form should be completed if you want to put this in place.

Regular payments will only be made where you have sufficient funds to meet the withdrawal request.

TRANSFER OF ASSETS

You can at any time request in writing that the Investment Manager arrange to transfer to you or your nominee any assets in your Investment Account. However, where the transfer request relates to units in an underlying fund, the investment manager of the underlying fund may have fund membership qualification restrictions that prevent the Responsible Entity from being able to comply with your request. For example, where an underlying fund manager imposes a minimum investment amount and your transfer request involves the withdrawal from that fund, your request will result in the reduction of the Service's total investment to below the imposed minimum. If this is the case, you will be notified and you may experience delays in your request for the disposal of your units in the underlying fund or payment to you of sale proceeds.

Such transactions may have tax consequences.

Withdrawals (continued)

CHANGING INVESTMENTS (SWITCHING)

You may change your selection of investments at any time by completing a Switching Instructions form.

You will not be charged for switching from one investment option to another. However, there may be external charges such as brokerage or a buy/sell differential on changing investments (refer to Buy/Sell Margin in the fees table on page 13), as well as tax consequences.

Switching may take some time to complete. Neither the Responsible Entity nor the Investment Manager is responsible for any movement in the value of investments during this period. Once all your investments have been redeemed from the funds selected (in part or full), the monies will be immediately placed with the new funds you have chosen.

It is your responsibility to monitor the performance of your portfolio and to direct the Investment Manager to make any changes to your portfolio that you would like. It is recommended that you consult your licensed financial adviser prior to requesting any changes to your portfolio.



Reporting

Acknowledgement of Application: After receipt of your initial application to become an investor in the Service, the Investment Manager will send you confirmation of your application. Once your selected investments have been purchased, you will be sent an Investment Confirmation Report, which also specifies any fees that have been deducted from your Investment Account.

Taxation Information: Shortly after the end of each financial year, you will receive a statement that will provide you with relevant information about your investments through the Service in order to complete your taxation return. We strongly recommend that you consider professional assistance in completing your income tax return, as the information provided by the Service must be considered in the context of the individual taxation circumstances of the investor.

Investment Information: You will be provided with a portfolio report on a quarterly basis, which includes a full valuation of your portfolio and a summary of transactions that have occurred throughout the year, as well as fees and charges that have been deducted from your Investment Account. The quarterly report for 30 June each year is subject to an external audit review of the adequacy of internal procedures in preparing the statements, which will also be provided to you.

Information About Underlying Investments: The Investment Manager of the Service will receive reports from the underlying investment manager or company of the fund(s) in which you invest through the Service (this includes Parts A or B) and any reports from a company for shares which you buy through the Service (Part C). There are no reports received for Term Deposits (Part D).

However, you may request that the original reports be forwarded to you. You may elect to receive copies of all communications sent to the Investment Manager of the Service or to which it is entitled as holder of the underlying investments, which it has acquired on your behalf. You can ask to receive any particular communication or class of communications, which the Investment Manager of the Service must send to you.

Enquiries or requests for information can be made during business hours to AustChoice Customer Service on 1800 333 900.

Written correspondence can be sent to

The Austchoice Investment Service
C/- SMF Funds Management Limited
Level 3, 30 Collins Street
MELBOURNE VIC 3000

Other Features

REGULAR SAVINGS PLAN

The Regular Savings Plan (applicable to the investment options contained in Parts A and B only) enables you to save and invest on a regular basis. Having made your initial investment, you can make additional monthly investments of as little as \$100. (There is no minimum regular payment amount where your investment strategies consists of only Part A funds.) This is done by automatic deduction each month from your nominated bank, credit union or building society account. The debit will take place on or about the 15th day of each month.

To participate in the Regular Savings Plan, you will need to complete, in addition to the Application Form and Investment Authority, the Direct Debit Request (DDR) on page 25 of this PDS. Once cleared funds are received, a regular payment will be invested in the investments and proportions specified in your most recent Investment Authority, subject to the Cash Account investment rules on pages 4–5.

If at any time you decide that you want future regular payments to be invested differently, you can, free of charge, complete a new Investment Authority and send it to

The Austchoice Investment Service
C/-SMF Funds Management Limited
Level 3, 30 Collins Street
MELBOURNE VIC 3000

Your participation in the Regular Savings Plan will remain current until you or the Investment Manager terminate it. Any money received after this PDS expires and a new PDS is issued is sufficient notice to renew your participation in the Regular Savings Plan.

Regular investments are accepted by the Service in accordance with the PDS current at the time of the relevant investment. A copy of the current PDS is available free of charge upon request.

To keep you informed of the progress of your investments, you will receive quarterly reports advising you of the value of your investments. You may not necessarily have a copy of a current disclosure document for an underlying fund at the time Regular Savings Plan investments are made on your behalf.

You are responsible for ensuring that there are sufficient funds in your account for you to make payments relating to the Regular Savings Plan. If your payment is dishonoured, you may be liable for any costs incurred by the Responsible Entity as a result of the dishonour (including bank fees).

REINVESTMENT OF DISTRIBUTIONS

Some of your investments may produce income. This can be paid directly into your bank account. If you choose this option, you will need to fill in your bank account details on the Application Form (see page 23 of this PDS).

Alternatively, your income distributions can be reinvested. (Please indicate if you choose this option in the relevant section of the Application Form on page 23 of this PDS.)

If you choose the option to reinvest, your income distributions will be credited to your Cash Account and will be periodically invested on your behalf in the investments and proportions specified in your Investment Authority.

If no preference is indicated on the Application Form, your income distributions will be reinvested. Where distributions are reinvested, they remain taxable.

You may not necessarily have a copy of a current disclosure document for an underlying fund at the time the additional investment is acquired under the reinvestment facility.

Reinvestment of distributions is not available for Part C Direct Securities investments. Any dividends received will be deposited into your Cash Account.

MARGIN LENDING FACILITY

It is recommended that you consult your adviser before participating in a margin lending facility.

The margin lending facility enables you to borrow (or gear) to invest in the Service through lump sum and regular margin lending programs offered by external providers.

The programs allow you to use your investments in the Service as security for an investment loan. This increases the amount you can invest in the Service. Gearing may be a tax-effective strategy for some investors, as the interest payable on an investment loan should be tax deductible.

Participation in a margin lending facility can enhance your after-tax returns in favourable market conditions. However, in adverse investment conditions your potential loss could be multiplied. Risks, including adverse market conditions, government policies and regulatory changes, could affect your overall investment returns.

The margin lending facility enables you to invest in managed funds as well as direct shares, or a combination of both, and the terms and conditions of the facility are set out in disclosure documents relating to the facility.

Not all of the managed funds offered by the Service may be supported by providers of the margin lending facility. You should confirm which managed funds are supported at the time of completing the agreement with the provider of the margin lending facility.

Administration

If, after consulting your adviser, you wish to proceed with a margin lending facility, you must complete the AustChoice Investment Service Application Form, together with the relevant provider application forms, and forward them to the relevant provider for loan approval. On approval, the application will be sent to the Investment Manager to process. Confirmation will be sent to you once the investment has been made on your behalf. All subsequent transactions in relation to your account must be sent to the relevant provider, who will forward them to the Investment Manager. These can only be processed with the authority of the provider. You should consider any delays caused by this additional approval process when making transaction requests.

Reporting

On a quarterly basis, you will receive a statement from the Service with information on asset valuation, unit prices, performance, transaction and other relevant details. You will also receive regular reports from the provider of your geared investment loan.

Redemption

Your gearing portfolio may be altered or cancelled at any time, subject to the terms and conditions set out in the provider's gearing documents. If full redemption is requested and gearing terms and conditions are met, units will be sold and the proceeds available to you will be net of the loan amount and other expenses.

Fees and Charges

The fees and charges applicable to investors participating under the Service in the margin lending facility are the same as those applicable to other AustChoice Investment Service investors.

Neither the Responsible Entity nor the Investment Manager take any responsibility for your margin lending arrangement. You should be aware of the additional restrictions placed on your account by the margin lender. In certain circumstances, such as where there is a decrease in the value of your investments, the Investment Manager may be required to act directly on instructions from the margin lending provider.



Fees and Charges

CONSUMER ADVISORY WARNING

Did You Know? Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of your fund balance, rather than 1%, could reduce your financial return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000). You should consider whether investment features such as superior investment performance or the provision of better investor services justify higher fees and

costs. You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your licensed financial adviser.

To Find Out More If you would like to find out more or see the impact of these fees based on your own circumstances, the **Australian Securities and Investment Commission (ASIC)** website at www.fido.asic.gov.au has a managed investment fee calculator to help check out different fee options.

The following table shows the total fees and costs you may be charged, including the costs of the Service and the cost of any investments you choose. These fees and costs may be deducted from your account from the returns on your investment or from assets in your investment account as a whole. It is important that you understand the fees of any investment you choose and that those fees are in addition to the fees charged by us for the services,

together with transaction and account costs incurred on your behalf. The costs of the investments you choose will generally be set out in a disclosure document or PDS for the investments. The impact of taxes on your investment is set out on page 15. You should read all of the information about fees and costs, as it is important to understand their impact on your investment.

TYPE OF FEE OR COST	AMOUNT Gross of GST and net of any application RITC ¹ rebate	HOW & WHEN PAID
Fees when your money moves in or out of the Service.		
ESTABLISHMENT FEE This is the fee to set up your initial investment.	Nil	Not applicable
CONTRIBUTION OR ENTRY FEE This is the fee for the initial and every subsequent investment you make (or that may be made on your behalf, eg by an employer).	Up to 5.13% of the contribution (or \$51.30 per \$1,000 invested). This is the maximum fee allowable under the Constitution. The amount of this fee can be negotiated with your adviser. ²	This fee is deducted from each contribution and paid to your adviser.
WITHDRAWAL OR EXIT FEE This is the fee for each withdrawal you make (including any instalment payments and your final payment).	Nil	Not applicable
TERMINATION FEE This is the fee when you finally close your investment.	Nil	Not applicable
MANAGEMENT COSTS		
MANAGEMENT FEE² These are the fees and costs charged for managing your investments in order to pay for costs associated with operating the Service. These costs include wages to administration staff, rent, computer equipment, maintenance and development of the computerised administration system, internal compliance and quality control functions and investment operations, which select and monitor the range of investments offered by the Service. There are also a number of external service provider and regulatory fees paid by the Investment Manager, some of which are required by law. These include <i>Audit Fees</i> —to have the financial statements of the Service audited and also to conduct various additional independent audits on the operation of the Responsible Entity and Investment Manager. <i>Printing Costs</i> —to produce product disclosure statements, investor benefit statements, reports and other investor-related material. <i>Postage</i> —to distribute reports to members and respond to investor queries. <i>Legal Fees</i> —to pay lawyers in association with the operation and development of the Service. <i>Regulatory Fees</i> —to pay ASIC in funding the supervision of the investment industry in Australia.	Minimum of \$25.00 per month or up to 1.537% pa of the amount invested (or \$15.37 annually per \$1,000 invested). The Constitution allows a maximum management fee of 2.56% pa (or \$25.60 annually per \$1,000 invested).	This fee is calculated monthly and paid in arrears out of your account by the Responsible Entity to the Investment Manager and your adviser.

TYPE OF FEE OR COST	AMOUNT Gross of GST and net of any application RITC ¹ rebate	HOW & WHEN PAID
MANAGEMENT COSTS CONTINUED		
ACCOUNT FEE This fee is for the general administration of your account. This includes regular reporting and any changes to your account details.	\$53.30 per annum. This is the maximum fee allowable under the Constitution.	This fee is deducted directly from your account on a monthly basis.
RESPONSIBLE ENTITY FEE This fee is for the supervision and custodial costs of the Service.	0.123% pa of the amount invested (or \$1.23 annually per \$1,000 invested). This is the maximum fee allowable under the Constitution.	This fee is calculated monthly and paid in arrears out of your account to the Responsible Entity, or by the Responsible Entity to the Custodian.
EXPENSE REIMBURSEMENT Only properly incurred expenses, which are referable to all investors, will be deducted in the Service.	Up to 0.103% pa of the amount invested (or up to \$1.03 annually per \$1,000 invested).	Expenses are estimated annually, calculated daily and paid when such costs fall due out of the Service's assets before distribution. Any adjustment, if required, is made at the end of the year.
UNDERLYING INVESTMENT MANAGER FEES These are the fees and costs for investing the assets. They comprise fees charged and paid to United and underlying investment managers, as well as brokerage and other charges on Direct Securities transactions.	The underlying investment manager fees are different for each underlying investment option. A complete list of current fees for each managed investment option is included in the Investment Profile Summary, available from our website. Some investment manager agreements include performance fees if the investment manager outperforms over a defined period of time. If paid, these performance fees would increase the fund MER and there would be a corresponding increase in performance for that manager.	For Parts A and B, this fee is not deducted directly from your account. The fee is calculated and deducted daily from the value of the investment options and is reflected in the unit price of those investments. For Part C and D, this fee is deducted directly from your account at the time of the investment transaction.
TRANSACTIONAL AND OPERATIONAL COSTS		
BUY/SELL MARGIN	For managed funds only, the sell price of your unit holdings may be up to 2.5% lower than the buy price (or up to \$25.00 per \$1,000 of the buy price). You may also incur share brokerage and GST when buying and selling shares.	You will incur a buy/sell 'cost' at the time the investment transaction occurs and it will be reflected in the value of your investments.
SERVICE FEES³		
SWITCHING FEE This is the fee when you switch between investment options.	Nil	Not applicable

¹ RITC refers to Reduced Input Tax Credits.

² Refer to section 'What is Paid to Your Licensed Financial Adviser' on page 14.

³ Refer to section 'Additional Explanation of Fees and Costs' on page 14 for information on other service fees.

Example of Annual Fees and Costs

The following table gives an example of how the fees and costs in a balanced investment option for the Service can affect your managed

investment over a one-year period. You should use this table to compare the Service with other managed investment products.

EXAMPLE—United Capital Balanced Fund		
Account balance of \$50,000 with total investment of \$5,000 during the year		
Contribution Fee	0.00%–5.13%	For every additional \$5,000 you put in, you will be charged between \$0 and \$256.50, which will be paid to your licensed financial adviser.
+ Management Fee	1.537%	For every \$50,000 you have invested in the Service, each year you will be charged a management fee of \$768.50.
+ Account Fee	\$53.30	Each year you will be charged an account fee of \$53.30.
+ Responsible Entity Fee	0.123%	Each year you will be charged a Responsible Entity fee of \$61.50.
+ Expense Reimbursement	Up to 0.103%	Each year you will be charged up to \$51.50 for the reimbursement of expenses.
+ Underlying Investment Manager Fees	0.65%	Each year you will be charged \$325 in underlying investment manager fees.
= Cost of investing in the United Capital Balanced 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 from \$1,259.80 to \$1,516.30.

Note: Costs will vary depending on investment option(s) you choose, the balance of your account, the level of your additional investments and the fees you negotiate with your licensed financial adviser.

Additional Explanation of Fees and Costs

OTHER FEES CHARGED

Portfolio Management Fee

This is an additional fee of up to 1.025% pa of the amount invested (or \$10.25 annually per \$1,000 invested) for advice from your financial adviser about your investment. The Constitution allows you to negotiate this fee with your financial adviser; however, the Responsible Entity has limited the maximum fee to 1.025% pa. This fee is charged monthly, deducted from your account and paid to your adviser.

Dispute Fee

This is an additional fee of up to \$150 per hour, which may be charged where an investor involves the Investment Manager in time-consuming dispute activities. This fee will be deducted from your account at the time the fee is incurred and paid to the Investment Manager.

Remuneration Planning Fee

This is an additional fee of up to \$100 pa where the Service is used by employers for remuneration planning by your financial adviser. The amount of this fee can be negotiated with your financial adviser and will be deducted from your account at the time the fee is incurred and paid to you adviser.

Recovery of Interest Incurred or Dishonour Fees

If you fail to make a payment when due and interest is incurred, or if your payment is rejected for whatever reason and a dishonour fee is charged, the amount of interest or the actual dishonour fee charged will be deducted from your account at the time it is incurred.

Retention of Internal Transfer Difference

Where the Investment Manager is able to match one investor's instruction to dispose of an asset with another investor's instruction to acquire that asset, the Investment Manager is entitled to transfer the asset between the two investors' accounts and to retain for itself the difference between the amount debited from the purchaser's account and the amount credited to the seller's account. However, the purchaser cannot be charged more, and the seller cannot receive less, than if their instructions were met other than by transfer of the asset between investors' accounts.

What is Paid to Your Licensed Financial Adviser

As disclosed in the Fees and Charges table and Other Fees Charged, the adviser recommending this product to you will be entitled to receive the Entry Fee, part of the Management Fee and the Portfolio Management Fee as a result of funds being placed into the Service.

In addition, where the Service is used to invest employer funds under a remuneration planning arrangement, a fee of up to \$100 pa may be paid to advisers or consultants. Your adviser's remuneration is included in the charges shown in the Fees and Charges table (except any remuneration that the adviser charges directly to you as a fee for service).

All these fees are determined at the time you join the Service by agreement between you and your adviser.

Up until 30 June 2006, your adviser may receive shares in DKN Partner Solutions Limited ABN 34 078 950 651, a related entity of the promoter. After 30 June 2006, this facility is no longer available to your adviser.

Your adviser may hold shares in DKN Partner Solutions Limited ABN 34 078 950 651, a subsidiary of DKN Financial Group Limited, and may be entitled to receive income or capital appreciation as a shareholder.

All fees are paid to your adviser through his or her licensed principal.

The Promoter may also engage the services of other entities to promote products and services to advisers. In some cases, your adviser may be able to choose to pay a fee or part of the fees they receive to such entities and in return receive shares in the relevant entity (up until 30 June 2006).

Increases or Alterations in the Charges

The PDS will be updated if charges are increased. Before any charges are increased, we will give you at least 30 days' written notice of the proposed increase. External cost pressures such as increased regulatory complexity and the introduction of new or improved investor services are but two of the circumstances that may give rise to an increase in fees and charges.

The Constitution permits an increase in fixed dollar fees, such as the Account Fee, at the end of each financial year. The increase may be at a rate not exceeding the Consumer Price Index (All Groups) for the previous year.

Ongoing Management Charges

The Management Expense Ratio (MER) is the ongoing management charge of each investment option in AustChoice Investment Service, expressed as a percentage of the assets that are invested in the option. The MERs include the maximum administration costs of the Service and the underlying investment manager fees range. The MERs in the table below do not include any Portfolio Management Fee payable to your licensed financial adviser, as detailed on this page, as this fee is negotiated between you and your licensed financial adviser.

The latest MER for each of the underlying investment options is available from www.austchoice.com.au or from AustChoice Customer Service on 1800 333 900.

As at 30 June 2005	MER %
Australian Shares	1.88 to 3.18
International Shares	2.32 to 3.08
Growth	2.12 to 3.55
Property	1.88 to 2.51
Capital Stable	2.14 to 2.60
Fixed Interest	1.96 to 2.44
Income	2.11 to 2.97
Cash & Secure	2.05 to 2.11

Taxation Information

Investing in managed funds has tax and often social security implications, which can be complex and are invariably particular to your individual circumstances, including the type of taxpayer you are (eg individual, company, super fund, trust etc) and whether funds are borrowed to acquire investments. We urge you to seek professional advice on the tax implications of investing. This information is a general guide only (it is not applicable to units and shares held for trading purposes) and should not be solely relied upon, as it does not relate to your individual circumstances and tax laws change frequently.

Any taxable income derived by you during a financial year will form part of your assessable income. Normally, you will be taxed on your distributions in the financial year to which the distribution relates, even if it is reinvested or received in the next year. Interest and dividend income will generally be assessable in the year it is received into your account. The benefits of any imputation credits or foreign tax credits arising from your investment are generally passed on to you.

If a switch is made between funds, or if investments are redeemed to enable you to withdraw money from the Service, it is treated as a disposal of investments for tax purposes. You may be subject to capital gains tax on the disposal of these investments.

The ongoing management fees paid by you for investing through the Service are generally fully deductible for income tax purposes. Entry fees are likely to affect any capital gains tax calculations.

The Commonwealth Government has been undertaking substantial income taxation changes following the Review of Business Taxation (RBT). Some of the RBT recommendations have already been introduced into law, while others are in bill form or are the subject of general public announcements. Other proposals have been deferred. Accordingly, against this background of change, we strongly recommend that you seek professional taxation advice in relation to your investment.

Collection of Tax File Numbers (TFNs) is authorised and their use and disclosure are strictly regulated by the tax laws and Privacy Act. Quotation of a TFN is not compulsory, but tax is required to be deducted from your distributions at the highest marginal rate plus Medicare Levy if you do not quote your TFN or claim an exemption. By quoting your TFN, you authorise us to apply it to your investment and you authorise its disclosure to the Australian Taxation Office (ATO). For more information about the use of TFNs, contact the ATO.

If you are not an Australian resident, Australian non-resident withholding tax and trustee tax will be withheld from distributions at the prescribed rates. You are subject to the tax laws in your country and should consult a taxation adviser before investing. An income tax report and a capital gains tax report will be forwarded to you each year to assist you in preparing your income tax return. Generally, non-resident investors who, together with associates, have always held less than 10% of the units in a fund or a public company will not be subject to Australian Capital Gains Tax on the disposal of those units. We strongly recommend that investors seek their own professional advice in this regard.

The above taxation information has been prepared by Deloitte Growth Solutions Pty Limited ABN 21 010 764 306, based on taxation legislation in force as at 21 January 2006. The above information may not be applicable to your investment and we strongly advise you to seek professional taxation advice in relation to your investment.





Further Information

The AustChoice Investment Service is regulated by a Constitution and the Corporations Act 2001. The Constitution sets out the conditions under which the Service is to operate, in particular the rights and responsibilities of the Responsible Entity. The Constitution incorporates duties that are binding on the Responsible Entity and are imposed by the Corporations Act 2001. Where the provisions of the Constitution are inconsistent with the Corporations Act 2001, the duties under the Corporations Act 2001 prevail. The Responsible Entity may amend the Constitution in accordance with the Corporations Act 2001. The Responsible Entity, Custodian and their respective associates may be investors in the Service.

The Service terminates on the day before the 80th anniversary of the date of the Constitution or the date on which the Service is terminated under the Constitution or by any applicable law, whichever is earlier.

On termination, the Responsible Entity must realise the assets of the Service. The Responsible Entity can indemnify itself out of the proceeds of realisation of the assets of Investment Accounts for prospective and actual expenses of termination and for liabilities of the Service. The remaining net proceeds must be distributed to investors according to the net assets of each investor's Investment Account and Cash Account.

The fees and remuneration of the Responsible Entity continue to be payable until the final distribution of the Service.

About the Responsible Entity

The Responsible Entity of the AustChoice Investment Service is Permanent Investment Management Limited. The general duty of the Responsible Entity is to act honestly and in the best interests of investors at all times.

The Responsible Entity holds the Service's assets in trust for investors on the terms and conditions set out in the Constitution. The Responsible Entity has all powers with respect to the Service as though it were the absolute and beneficial owner of the Service's assets.

This includes the power to encumber and deal with the Service's assets and give any indemnity, guarantee or other security to any person as if it were dealing with its own property. The Responsible Entity may authorise any person (including an associate of the Responsible Entity) to act as its delegate to hold title to any asset of the Service, to perform any act or to exercise any discretion within its power. The Responsible Entity remains liable for the acts and omissions of a delegate. The Responsible Entity may, in connection with its duties and powers, engage valuers, solicitors, barristers, accountants and other persons as may be necessary, usual or desirable.

The Responsible Entity is entitled to be indemnified out of the assets of the Service for any liability incurred by it in performing or exercising any of its powers or duties in relation to the Service, except for liabilities arising from fraud, negligence, breach of duty or a breach of trust.

The Responsible Entity must retire when required to retire by law. The Responsible Entity may appoint a replacement responsible entity, subject to complying with the Corporations Act 2001. The retired Responsible Entity is released from all further obligations in relation to the Service except in relation to any failure to transfer trust assets to the new responsible entity or any prior breach of trust, unless the investors decide otherwise.

About the Investment Manager

The Responsible Entity has appointed SMF as the Investment Manager for the AustChoice Investment Service.

The Investment Manager is responsible for management of the investments acquired at the direction of investors and of the liabilities of the Service.

The Investment Manager may, subject to the Responsible Entity's approval, delegate its functions to an agent who may be an associate or related body corporate of the Investment Manager. The Investment Manager remains liable for the acts or omissions of a delegate.

Authorised Investments

Subject to the Constitution and any applicable law, including the Corporations Act 2001, the Responsible Entity may only invest or deal with the assets of an Investment Account in accordance with a direction from the investor to the Responsible Entity.

An investment direction must not relate to an asset or other property that is not an authorised investment. Authorised investments are the assets determined by the Responsible Entity from time to time in which the Custodian, on behalf of and as directed by the investor, may invest.

Derivatives Policy

The Responsible Entity does not directly use or invest in derivatives securities but may indirectly do so, should one of its underlying investment managers use them. Refer to section 'Derivatives Risk' on page 6.

Investors' Interests and Rights

Each investor has an interest in the assets of his or her Investment Account but has no interest in any other asset of the Service. Subject to the Constitution, an investor must not interfere with the management or operations of the Service or exercise a power with respect to an asset in his or her Investment Account. Interests in the Service are not divided into units and no certificates will be issued to investors. An investor's interest in the Service is not transferable, except where the Responsible Entity consents.

As an investor, you have the right to

- specify the authorised investments, subject to the Investment Authority to be acquired for your Investment Account;
- receive income entitlements;
- redeem your interest in whole or part, subject to the restrictions in the Constitution;

- where practicable, receive a transfer of the investments held for you, subject to the restrictions in the Constitution;
- participate in the distribution of the assets of the Service on termination or winding up of the Service;
- call, attend and vote at meetings of investors of the Service (rules governing the holding of meetings are set out in the Constitution and Corporations Act 2001); and
- receive quarterly and 'year-to-date' consolidated reports on all your investments (including valuations), showing your income and expenditure. Internal procedures used to prepare the annual statements are subject to an annual audit. You will not be sent reports if the Investment Manager cannot, after making enquiries, locate you. There are differences between holding units in a trust and other assets directly in your own name and investing in those unit trusts and other assets indirectly through the Service.

The Investment Manager of the Service will receive all reports (including audited accounts) required to be sent to investors in accordance with the Constitution and Corporations Act 2001. However, you may request that these be forwarded to you. If you were to hold units in a trust directly, you would receive reports from the underlying manager of the trust.

You are not entitled to attend meetings of investors in a unit trust in which you invest indirectly through the Service. However, if you were to hold units in a trust directly, you would be entitled to attend any such meetings.

Where you make investments through the Service, for reasons of administrative efficiency, it may take up to a week before the Investment Manager of the Service acts upon your investment directions. If you were to invest directly, you may experience less of a delay. However, during this interim period your money will be earning interest.

It is a requirement of the Service that you maintain a Cash Account. If the balance of this account falls below 2% of your Investment Account balance, the Responsible Entity is entitled to realise sufficient of your investments to restore the Cash Account to 4% of your Investment Account balance.

Your Cash Account will be credited with distributions with effect from the date the Responsible Entity of the Service receives the distribution. However, if you want your distribution proceeds to be paid into your bank or other account, this will generally take the Investment Manager an additional week to organise.

In the case of a withdrawal funded by redemption of units in a fund managed by an underlying investment manager (Part B fund), it will take about a week plus the period taken by the underlying manager of the Part B fund to effect redemption. This delay may be longer than the delay you would experience were you to invest directly in a retail fund comparable to the Part B fund.

Where you invest in a unit trust through the Service, you incur charges for fees and expenses both in respect of the Service and the underlying unit trust. The charges with respect to the underlying unit trust will generally be at wholesale rates, which are less than retail rates. Nevertheless, the total fees and charges you incur may be greater than those you would incur were you to invest directly in a comparable retail unit trust.

If company shares are held on your behalf through the Service and the company has a renounceable rights issue, you will not have the option of exercising your rights. Rather, your rights will be sold (provided that the proceeds of sale would exceed the transaction costs) and your Cash Account credited with the net proceeds. The disposal of these rights will have tax consequences.

Investors' Liabilities

The Responsible Entity is usually entitled to be indemnified by an investor or a past investor for any tax paid out of the Service for that person, except to the extent the Responsible Entity is reimbursed out of the Service.

The Constitution provides that an investor's liability is usually limited to the value of the investor's Investment Account from time to time and to liabilities referable to the Investment Account.

You should be aware that the courts have not decided the extent of liability of investors where the Constitution purports to limit liability in the way described above. Accordingly, the Responsible Entity can not give assurance that an investor's liability is so limited in all circumstances.

Valuation of Assets

The Responsible Entity may cause an asset of the Service to be revalued at any time. It is the current intention of the Responsible Entity to value investments in unit trusts and listed securities on a weekly basis.

The valuation method for an asset of the Service is to be determined by the Responsible Entity in consultation with the Auditor. In the case of any disputes, the asset concerned must be valued by a qualified valuer agreed between them or, failing agreement, nominated by the Auditor of the Scheme Accounts.

Where an investor wishes to invest through the Service in unit trusts of underlying investment managers, the Investment Manager will make the investment at the then prevailing unit price. Units will be notionally allocated to the investor's Investment Account.

Unit prices may decrease as well as increase. The value of your Investment Account will increase and decrease in line with changes in the value of your underlying investments. The current value of an investment made through the Service is the market value of that investment after the deduction of fees and charges (where applicable).

Further Information (continued)

Distributions

The method and timing of distributions of income received from underlying trusts or securities will vary. In the case of a distribution from an underlying trust, the method of allocation of distributions to investors will be an approximation of the method used by the underlying manager. Therefore, it may not reflect precisely the amount you would have received if you had invested directly in the underlying trust.

GENERAL

Summary Only

The information in this PDS constitutes a summary of some of the provisions of the Constitution and can only be relied upon as a guide.

You can obtain a free copy of the Constitution by writing to the Investment Manager or, alternatively, you may inspect the Constitution at the office of the Investment Manager during normal working hours.

To the extent that the provisions of the Corporations Act 2001 affecting constitutions are amended after the date of this PDS, the information in this section may become incomplete during the life of this PDS. Independent professional advice should be sought on any aspects of the Constitution or Corporations Act 2001, if required.

Investment Management Agreement

The Responsible Entity has the power under the provisions of the Constitution to appoint an Investment Manager on such terms and conditions as the Responsible Entity determines and may delegate to the Investment Manager such duties and powers in relation to the administration and management of the fund as it sees fit.

The Responsible Entity has an agreement (the Investment Management Agreement) with SMF, appointing it as the Investment Manager of the Service. Under the agreement, the Investment Manager is the agent of the Responsible Entity and has been engaged to

- manage and invest the assets of the Service;
- undertake promotional activities in respect of the Service; and
- provide any other services in relation to the Service that it agrees with the Responsible Entity.

Service Agreement between SMF and DKN

SMF has entered into an agreement (the Service Agreement) with DKN, dated 25 January 1999. The Service Agreement relates in part to the AustChoice Investment Service.

In summary, under the terms of the Service Agreement, DKN agrees to

- promote and market the Service to approved securities dealers;
- monitor the performance of the Service, supplying advice, recommendations and all necessary information to SMF regarding investments of the Service;

- provide SMF with draft investor newsletters and marketing material; and
- provide all reasonable assistance to SMF to enable SMF to satisfactorily perform its duties as Investment Manager of the Service.

A copy of the above Service Agreement is available for inspection, free of charge, at registered offices of DKN during the life of this PDS.

Consents and Declarations of Interest

Deloitte Growth Solutions Pty Limited (Deloitte) has given its written consent (and has not withdrawn that consent) for the taxation information on page 15 to be provided in the form and context in which it appears. Deloitte received a payment of \$1,400 (exclusive of GST) for providing taxation information. They have not authorised nor caused the issue of this PDS.

United has given its written consent (and has not withdrawn that consent) for the statements on page 5 concerning United in the form and context in which it appears.

The Investment Manager's parent company, Select, has a wholly owned subsidiary who operates a financial planning business. Therefore, Select will indirectly benefit where advisers authorised by that subsidiary sell this product. Select is a substantial shareholder in DKN Financial Group Limited, who is the 100% shareholder of DKN, the company responsible for marketing the Service. Accordingly, Select will also indirectly benefit where other advisers sell this product and pay part of the management fee to DKN.

To the extent that some of the directors of SMF hold shares in Select and/or are directors of the Select group of companies, those directors of SMF will share in the indirect benefits that accrue to Select in connection with the Service. The directors of SMF, the directors of the Responsible Entity and the Responsible Entity may also hold units in funds and shares in companies in which investment may be indirectly made through the Service.

Except for fees, remuneration and other interests disclosed in this PDS and ordinary remuneration of directors, the Responsible Entity, the Investment Manager, their respective directors and experts have no interest in the promotion or in the assets proposed to be acquired for the purposes of the Service or the SMF Managed Funds (Trusts), and no amounts have been paid by any person in the two-year period prior to the lodgement date of this PDS

- to the Responsible Entity to procure subscriptions for interests in the Service or the Trusts or for services in connection with the Service or the Trusts or the Constitution or the deeds under which they were established;
- to the Investment Manager to induce it to act in any capacity or for other services in connection with the Service or the Trusts;
- to the directors of either the Investment Manager or the Responsible Entity to induce them to become or to qualify them as a director or for other services in connection with the Service or the Trusts; or

- to an expert for services rendered in connection with the promotion or inception of the Service or the Trusts.

Disclaimer

The holding of interests in the Service is subject to investment and other risk. This could involve delays in repayment or loss of income or principal invested. An investment in the Service does not entitle an investor to an interest in the funds managed by the underlying investment managers, and does not represent either a deposit with, or a liability of, the underlying investment managers or their related companies.

The Responsible Entity, the Custodian, the Investment Manager or their related bodies corporate guarantee neither the performance of the Service nor investments made through the Service, the repayment of capital nor any particular rate of income or capital return.

The Responsible Entity may, in its absolute discretion, reject an application in whole or in part without reason.

Corporations Act 2001

The Service has been registered as a managed investment scheme under Chapter 5C of the Corporations Act 2001, with Permanent Investment Management Limited as the Responsible Entity.

Chapter 5C of the Corporations Act 2001 replaces the previous two-tiered trustee/manager structure with a single Responsible Entity. The Responsible Entity operates the managed investment scheme.

Chapter 5C contains various provisions dealing with the duties and responsibilities of the Responsible Entity and its officers, changing the Responsible Entity, the contents of the constitutions and the requirement for the Responsible Entity to have in place a Compliance Plan for the Service.

A Compliance Plan has been registered with ASIC for the Service. The plan sets out the procedures in place to ensure that the Service is operated in accordance with the Corporations Act 2001 and the Constitution for the Service.

The Responsible Entity has established a Compliance Committee pursuant to Chapter 5C of the Corporations Act 2001.

Under the Constitution and in accordance with ASIC policy, the Responsible Entity must establish and maintain a complaints handling procedure, details of which are available to unit holders on request.

The Responsible Entity has duties under the law, including those of a trustee. Such duties include to act honestly with a reasonable degree of care and diligence, to act in the best interests of investors and give priority to their interests, to treat investors of the same class equally, to treat all investors fairly and not to make improper use of information.

SMF will continue to be responsible for investment management, accounting and day-to-day administration functions.

Cooling-Off Period

A 14-day 'cooling-off' period will apply to your investment in the Service in certain circumstances. If during the 14-day cooling-off period, you decide that the investment does not meet your needs, then simply advise us in writing or by fax. The 14 days start when your transaction confirmation is received by you or five days after your investments are issued, whichever is earlier. We will refund your investment, reduced or increased by market movements. We will also deduct any tax or duty incurred and a reasonable amount for transaction and administration costs. As a result, the amount returned to you may be less than your original investment.

Privacy and Use of Personal Information

In the Application Form, personal information about you is collected if you are investing as an individual or partnership. This information is used to establish and manage the investment for you, provide requested services to you, assist internal administration, carry out research and development and to meet legal obligations. If you do not provide the requested information, your investment may not be able to be established.

Personal information about you may be disclosed to external contractors who provide support services and to other organisations, such as the Australian Taxation Office, to meet legal obligations under various superannuation and tax laws.

PIML has a Privacy Policy, which explains how it treats information that is held about you. If you would like information on this policy, please refer to the privacy statement at www.trust.com.au.

DKN has a Privacy Policy setting out its policies on management of personal information, which is available online at www.dkn.com.au or by contacting DKN.

Under Australia's National Privacy Principles, you may access personal information about you held by the Funds except in limited circumstances. Please contact DKN if you think any of the information held about you is inaccurate, incomplete or out of date.

If you would like information about, or a copy of, PIML's or DKN's Privacy Policy, or wish to request access to or update the personal information held about you, or if you have a complaint, please contact DKN's Privacy Officer on (03) 9667 0700, write to the Privacy Officer at DKN, Level 10, 30 Collins Street, Melbourne VIC 3000, or email info@dkn.com.au.

Further Information (continued)

Are Labour Standards, Environmental, Social and Ethical Issues Taken into Account?

The Service offers specific ethical investments as part of the range of investment options available. However, labour standards, environmental, social and ethical considerations are not considered when we select investment options or appoint investment managers. Underlying fund managers may take these factors into consideration; please refer to the PDS of the underlying fund manager. Our aim is to select a diverse range of investment options from which investors can make their own selection.

Up-to-Date Information

The information contained in this PDS is up to date at the time of its preparation. However, some of the information can change from time to time. We will issue a supplementary or replacement PDS if there is a materially adverse change to information in this PDS or a materially adverse omission from the PDS.

If you have received this PDS and Application Form from the internet or other electronic means and would like a copy of the printed PDS, SMF will send you one free of charge on request.

For other changes, details of account balances and information about investment fund performance, you can contact AustChoice Customer Service between 8:00 am and 6:00 pm EST on 1800 333 900.

Further information including unit prices, investment profiles and newsletters is available from www.austchoice.com.au.

Summary of Constitution

The AustChoice Investment Service (the Service) is a discretionary master trust operated as an IDPS Like Scheme, governed by a Constitution under which Permanent Investment Management Limited is the Responsible Entity and the Custodian is BNP Paribas Fund Services Australasia Pty Ltd. The Constitution, Corporations Act 2001 and general law govern the operation of the Service and the rights and obligations of the Responsible Entity and investors. A copy of the Constitution is available from the Investment Manager or the Responsible Entity's Sydney office on request, free of charge.

Some of the provisions of the Constitution are summarised, as follows:

- there are no restrictions on the types of investments that may form the assets of the Service. However, if the investment policy were to significantly change from what is disclosed in the relevant PDS, the Responsible Entity would give investors reasonable notice to allow them to withdraw their investment;

- the Service will terminate 80 years from its commencement on 27 April 1998. The Service may be terminated by resolution of the investors, or by the Responsible Entity in certain circumstances. On termination, the assets are realised and any net proceeds are paid to investors in proportion to their investment;
- the Responsible Entity may be removed in circumstances set out in the Corporations Act 2001. The Responsible Entity may also retire, subject to compliance with Corporations Act 2001 requirements; and
- the Responsible Entity may amend the Constitution if the Responsible Entity reasonably believes that the amendment will not adversely affect investors' rights. Any other amendment requires approval by special resolution at a meeting of investors convened for that purpose.

Investors have the right to

- withdraw their investment (subject to liquidity);
- requisition (in certain circumstances), attend and vote at investor meetings; and
- receive income and capital distributions.

The Responsible Entity appoints the Auditor of the Service and the Auditor of the Compliance Plan.

If the Responsible Entity acts in good faith and without negligence, default or breach of trust, it is not liable to investors for any loss suffered in relation to the Service .

Complaints Resolution Procedure

The Responsible Entity has a complaints resolution procedure in place through which you can address any issues you have about your investment or the Funds in general. Please notify SMF on 1800 333 900 or write to

Complaints Officer
SMF Funds Management Limited
Level 3, 30 Collins Street
Melbourne VIC 3000

If you do not get a satisfactory outcome, you have the right to complain to the Financial Industry Complaints Service Limited (FICS) at

31 Queen Street
Melbourne VIC 3000
(Telephone 1800 335 405)

PIML is a member of this scheme.

ASIC also has an Infoline on 1300 300 630, which you may use to make a complaint and obtain information about your rights.

Completing the Application Form and Investment Authority

HOW TO INVEST IN THE SERVICE

A copy of this PDS is available in electronic form from the internet. If obtaining a copy from the internet, you should ensure that the complete Application Form and electronic PDS are received by you. If you have any doubts about this, please contact AustChoice Customer Service on 1800 333 900. To enable your application to be processed in a timely and effective manner, please complete all sections of the Application Form, as follows:

- use a **BLACK** pen;
- use **BLOCK** letters; and
- write **X** in the appropriate boxes.

1. Personal Details

Please provide all of the personal details requested in this section.

You are not obliged to quote your TFN or ABN or exemption in the space provided, but if you do not do so, the Responsible Entity will be required to deduct tax at the highest marginal tax rate (plus Medicare Levy) from any income distributions credited to your account.

2. Income Distributions

You have two choices. Your income distributions can be reinvested in the investments and proportions specified in your most recently completed Investment Authority. Alternatively, you can elect to have your income distributions paid into your account with a bank or other financial institution. Please indicate which option you prefer. If no preference is shown, your income distributions will be reinvested. Note that all dividends received in relation to Part C Direct Securities will be credited to your Cash Account. These dividends can not be automatically reinvested. You can elect to reinvest your Term Deposit interest (Part D) at the end of the investment term.

3. Regular Withdrawals

If you wish to receive a regular withdrawal payment from the Service, please complete the relevant details. If you choose the escalation option, your withdrawal payment will increase by the specified proportion on each anniversary of your first regular withdrawal.

4. Additional Investment Arrangements

You may elect to make additional contributions without completing an Application Form. If you do not make such an election, a new Application Form must be completed each time you make an additional contribution. If you want to take part in the Regular Savings Plan, you need to nominate the amount of the monthly contribution that you wish to make. When deciding this amount, you need to take into account that, in the case of a Part B fund, it is a requirement of the Service that \$100 be the minimum amount that you can contribute. If, for example, you want to contribute \$150 per

month, you could do this by adding \$50 per month to a Part A fund investment and adding \$100 per month to a Part B fund investment. You cannot direct regular savings to be invested in Parts C and D investments.

Regular savings will be invested in the investments and proportions specified in your most recently completed Investment Authority. If you do not want to add to all of your initial Part A and Part B investments, you will need to complete an Investment Authority for the purpose of investment of your regular savings.

In order for your regular savings to occur by debit from your bank or other account, you will need to complete the Direct Debit Request on page 25 of this PDS.

5. Bank Account Details

Please complete all account details if you wish to have your income distribution or regular withdrawal payments paid directly to your bank, credit union or building society account. If you want to use a credit union account, you should first check that your credit union is connected to the electronic banking system. You may use either a cheque account or savings account. Your BSB number will be shown on your account statement.

6. Reports

If you wish, the Investment Manager will send reports to your adviser rather than to you. Please indicate if you want this to occur.

7. Declaration

It is important that you read and understand the declaration detailed on page 22 of this PDS prior to signing the Application Form.

8. Fee Options

Your financial adviser should complete this section.

COMPLETING THE INVESTMENT AUTHORITY

The form is in two parts:

- **Parts A and B Investments** Please allocate a percentage amount to each of the investment products in which you would like to invest. Please ensure that the percentage allocations total 100%.

Note: For each Part B fund, it is a requirement of the Service that you have a minimum initial investment of \$2,000 before you may allocate a percentage of your regular contributions to that fund.

- **Parts C and D Investments** If you wish to make Parts C and D investments, please indicate the dollar value of each selected Part C and D investment.

Note: There is a minimum initial investment of \$5,000 for Part C and \$20,000 for Part D investments.

You should complete this form with your financial adviser after considering the information contained in this PDS and also in the disclosure document for each of the relevant products provided to you.

Completing the Application Form and Investment Authority (continued)

CHEQUES

Please make all cheques payable to

'Cogent Nominees Pty Ltd ACF AustChoice Investment Service
—Client Name' and mark them 'Not Negotiable'.

Completed forms, together with all cheques, should be forwarded to

The AustChoice Investment Service
C/- SMF Funds Management Limited
Level 3, 30 Collins Street
Melbourne VIC 3000

The Responsible Entity uses an unrelated custodian (BNP Paribas) to hold the property of the Service on behalf of the investors. Please note that Cogent Nominees Pty Ltd ABN 54 084 150 023 was purchased by BNP Paribas in 2002 and the name 'Cogent Nominees Pty Ltd' continues to be used by BNP Paribas as the registered name for holding securities.

DECLARATION BY APPLICANT

By completing and signing the attached Application Form and Investment Authority,

- you agree to be bound by the provisions of the Constitution, as amended from time to time, governing the Service;
- you confirm that you have received the PDS that was attached to the Application Form;
- if you have received this PDS from the internet or other electronic means, you declare that you have received it personally, or a printout of it, accompanied by or attached to the Application Form before making an application for units in the Service;
- you confirm that you have received from your licensed financial adviser a copy of the current signed disclosure document in relation to each of the underlying funds selected by you;
- you confirm that you have been fully informed of the nature and risks associated with each of the underlying investments that you have selected and you are satisfied that the underlying investments selected are suitable for your own individual needs;
- you acknowledge that the Responsible Entity, the Custodian, the Investment Manager and the managers of the selected underlying funds do not guarantee the performance of the investments that you have selected;
- you authorise the Responsible Entity of the Service to
 - establish a Cash Account in your name;

- pay the amount you wish to invest into that Cash Account pending fulfilment of your investment instructions;
- debit that Cash Account to make the investments you have selected, subject to any adjustments to your instructions necessary to ensure that your beginning Cash Account balance equals 4% of your Investment Account Balance;
- deduct from your Cash Account all fees and expenses incurred on your behalf;
- realise your investment in the proportions specified in your Investment Authority to the extent necessary to bring your Cash Account balance to 4%, where your Cash Account balance falls below 2% of your Investment Account balance; and
- invest the excess in the investments and proportions specified in your Investment Authority;
- you authorise the Investment Manager to provide your financial adviser with any information in relation to your investment in the Service;
- you acknowledge that it is your responsibility to monitor the ongoing performance of your selected portfolio and to direct the Investment Manager to make such changes thereto as you regard as necessary;
- you confirm that the details and information provided by you in the Application Form are true and correct and undertake to inform the Investment Manager of any changes to the information supplied as and when they occur;
- you acknowledge that all withdrawals are subject to the Constitution's requirements as to withdrawal requests; and
- you acknowledge you may not have a copy of a current disclosure document for an underlying fund at the time of making a regular savings plan investment.

DECLARATION BY FINANCIAL ADVISER

By stamping, signing and submitting the attached Application Form and Investment Authority,

- you confirm that you are properly licensed to provide financial advice in relation to the Service (if you are using the Service for the first time, please provide your Australian Financial Services Licence number);
- you confirm that you have provided your client with a copy of the current disclosure document in relation to each of the underlying funds selected in the attached Investment Authority; and
- you confirm that you have fully disclosed all fees and charges of the Service to your client.

Application Form

This Application Form is attached to the PDS for the AustChoice Investment Service that was issued on 15 May 2006. You should read the entire PDS before completing this Application Form. The Corporations Act 2001 prohibits you from passing on to another person this Application Form unless it is included in or accompanied by the complete and unaltered PDS. If you have received the PDS and Application Form from the internet or any other electronic means and would like a copy of the printed PDS, please call AustChoice Customer Service on 1800 333 900. PIML may, in its absolute discretion, reject an application in whole or in part without reason. Please complete this form using BLOCK LETTERS and a BLACK or BLUE pen. Write X in the appropriate boxes.

1 INVESTOR DETAILS

New Client	Existing Client	Investor Number	Investment Amount
<input type="checkbox"/>	<input type="checkbox"/>	A I S	\$

Individual Investors

Investor 1
 Title Surname

Given Name(s)

Sex Date of Birth DD MM YY Australian Resident (Y/N)

Investor 2
 Title Given Name(s)

Surname

Sex Date of Birth DD MM YY Australian Resident (Y/N)

Company/Trust Investors

Company/Trust Name

ABN/ACN/ARBN/ARSN

Trustee Name

Contact Name

Contact Details

Address

City/Suburb State Postcode

Tel (Home) Tel (Work) Fax

Tax File Number or ABN Notification

You are not obliged to quote your TFN or ABN or provide notification of your exemption, but if you do not, tax will be deducted at the highest marginal tax rate plus Medicare Levy from any income derived on your account.

Investor 1 TFN or ABN Investor 2 TFN

I have an exemption from quoting my TFN or ABN on the following basis:

Aged Pension Widow's Pension Non-resident Territory Benefits

Other exemption (please describe)

2 INCOME DISTRIBUTIONS

Note: If neither preference is selected, your income distributions will be reinvested.

Reinvest as per Investment Authority Credit Bank Account (complete section 4)

3 REGULAR WITHDRAWALS

Payment required \$ Monthly Quarterly Annual payment escalation %

Application Form continued

4 ADDITIONAL INVESTMENT ARRANGEMENTS

Do you wish to make additional investments in writing without completing an Application Form?

Regular Savings Plan Please complete the DDR on page 25.

Monthly Contribution (minimum \$100) \$

5 BANK ACCOUNT DETAILS

Complete this section if you want your distributions to be paid into your bank or other account.

Name of Financial Institution at which your account is held

Address of Financial Institution at which your account is held

City/Suburb

State

Postcode

Account Name

Branch No. (BSB)

Account Number

6 REPORTS

Please send the quarterly and annual reports directly to me via my adviser

7 DECLARATION

I have read and understood the PDS to which this application relates and the declaration as outlined on page 22 of the PDS. I hereby declare that the statement and answers set forth are strictly true. I understand that if my application has been made via a margin lender, all transactions in relation to my account must be authorised by the margin lender.

For use when the Investor is a company/trust

Date

Director/Secretary/Trustee Name (1)

Director/Secretary/Sole Director and Sole Secretary/Trustee Name (2)

Place Company Seal
here if required

Signature (1)

Signature (2)

X

X

For use when the Investor is an individual or in partnership

Full Name (1)

Full Name (2)

Signature (1)

Signature (2)

X

X

8 ADVISER USE ONLY

Adviser Name

Adviser Signature

Date

SMF Use

Licensee Stamp

Entry Fee
(initial)

Entry Fee
(regular)

Trail
Commission

Portfolio Management
Fee (please enter)

%

%

%

Standard

Default

%

%

%

%

Other

(please specify)

Please Note: These percentages should be provided excluding GST. Where no percentages are indicated, the default percentages will apply.

Please make cheques payable to 'Cogent Nominees Pty Ltd ACF AustChoice Investment Service' and marked 'Not Negotiable'.

Send forms and cheque to **The AustChoice Investment Service, C/- SMF Funds Management Limited Level 3, 30 Collins St, Melbourne VIC 3000**

Responsible Entity: Permanent Investment Management Limited ABN 45 003 278 831 AFSL No 235150

If you have any queries please contact AustChoice Customer Service on 1800 333 900 Facsimile (03) 6215 5933

AIS 132 150506

Direct Debit Request (DDR) continued

6 DIRECT DEBIT REQUEST SERVICE AGREEMENT

This Direct Debit Request (DDR) Service Agreement is issued by Permanent Investment Management Limited (PIML) in its capacity as Responsible Entity for the AustChoice Investment Service (User ID 080753).

In this Agreement, any action that may be taken by PIML may be taken by the Investment Manager, SMF Funds Management Limited (SMF). You should direct all enquiries about your direct debit to AustChoice Customer Service on 1800 333 900.

Our Commitment to You

- PIML will give you at least 14 days' notice in writing if there are changes to the terms of the drawing arrangements;
- PIML and SMF will keep information relating to your nominated financial institution account confidential, except where required for the purposes of conducting direct debits with your financial institution; and
- where the due date is not a business day, PIML will draw from your nominated financial institution account on the next business day.

Your Commitment to Us

It is your responsibility to

- ensure your nominated account can accept direct debits;
- ensure there are sufficient funds available in the nominated account to meet each drawing on the due date;
- advise us if the nominated account is transferred or closed or the account details change;
- arrange a suitable payment method if PIML cancels the drawing arrangements; and
- ensure that all account holders on the nominated financial institution account sign the Direct Debit Request form.

Your Rights

- subject to the terms and conditions of your AustChoice Investment Service account, you may alter the drawing arrangements. Such advice should be received by PIML at least five working days before the drawing date for any of the following:
 - stopping an individual drawing;
 - deferring a drawing;
 - suspending future drawings;
 - altering the Direct Debit Request form; or
 - cancelling the drawings completely.
- where you consider that a drawing has been initiated incorrectly, you should contact AustChoice Customer Service on 1800 333 900. If you are not happy with the response, you can address a formal complaint with the envelope marked 'Notice of Complaint' to the SMF Enquiries Officer, SMF Funds Management Limited, Level 3, 30 Collins St, Melbourne VIC 3000.

Other Information

- the details of your drawing arrangements are contained in the Direct Debit Request form;
- PIML reserves the right to ask that instructions from a customer to stop or in any way alter the drawing details be in a written or electronic form;
- PIML reserves the right to cancel drawing arrangements if three consecutive drawings are dishonoured by your financial institution, and to arrange with you an alternate payment method;
- the terms and conditions of your AustChoice Investment Service account also govern your drawing arrangements; and
- all bank charges incurred by PIML and SMF arising from a rejection by your bank of a direct debit, processed in accordance with this Direct Debit Request form, will be payable by you.

Investment Authority—Parts A, B, C & D continued

4 BROKERAGE ARRANGEMENTS (Direct Shares Only)

Please use the default broker

AustChoice's default broker is Webstock Internet Brokers, who provides trades for all AustChoice investors at a rate of 0.2% (plus GST) of the gross trade, subject to minimum of \$37.50 (plus GST). There are no additional administration charges when using this facility.

Please use my nominated broker below

Note that trades facilitated through a nominated broker will incur an additional administration fee of \$25 per trade plus whatever fee is charged by the broker. Please complete the broker details below so that we may facilitate the trade for you. Trades executed by you or your broker will not be settled by AustChoice.

Broker Name

Contact Name

Telephone

Facsimile

5 ENDOWMENT WARRANTS

Portfolio Endowment Warrant (PEWEMG)

\$

6 PART D—FIXED RATE/FIXED TERM INVESTMENTS (minimum \$10,000)

Term Deposit

1 Year

2 Years

3 Years

4 Years

5 Years

\$

7 DECLARATION

I/We authorise that the designated investments be executed on my/our behalf and acknowledge that this authority is provided on the basis that the Responsible Entity will effect it according to the terms and conditions of the AustChoice Investment Service Constitution. This Constitution provides a number of instances where the Responsible Entity may exercise discretion and powers with respect to investments held on my/our behalf (for example, in exercising voting rights and disposals to maintain minimum cash balances). I/We hereby authorise the Responsible Entity to exercise these discretions and powers in accordance with the Constitution.

I/We have received a copy of the relevant disclosure documents pertaining to the products selected above, which are current at the date of signing.

Important Note: Information provided to the Responsible Entity will only be used for the purposes specified. It may be accessed and updated by you through AustChoice Customer Service on 1800 333 900. It will only be disclosed to other parties where required by law (eg ATO) or to implement your request (eg fund manager). If you do not provide all of the requested information, we may not be able to action your request.

I consent to the collection and use of the above information by the Responsible Entity for the purposes specified.

For use when the investor is a company/trust

Director/Secretary/Trustee Name (1)

Director/Secretary/Sole Director and Sole Secretary/Trustee Name (2)

Signature (1)

Date

Signature (2)

Date

For use when the investor is an individual or in partnership

Full Name (1)

Full Name (2)

Signature (1)

Date

Signature (2)

Date

Investors should consult their advisers and, where applicable, the relevant disclosure documents with respect to information relating to any underlying funds.

Promoter

DKN Services Pty Ltd
ABN 12 103 365 091
Level 10, 30 Collins Street
Melbourne VIC 3000
Telephone (03) 9667 0700
Facsimile (03) 9667 0799
Website www.dkn.com.au

Responsible Entity

Permanent Investment Management Limited
ABN 45 003 278 831
Level 4, 35 Clarence Street
Sydney NSW 2000
www.permanentgroup.com.au

Investment Manager

SMF Funds Management Limited
ABN 23 009 564 354
AFSL No 224609
Level 3, 30 Collins Street
Melbourne VIC 3000
Telephone (03) 9203 4755
Facsimile (03) 9203 4799
Website www.smf.com.au

Custodian

BNP Paribas Fund Services Australasia Pty Ltd
ABN 71 002 655 674
AFSL No 241080
60 Castlereagh Street
Sydney NSW 2000

Auditor

Deloitte Touche Tohmatsu
ABN 74 490 121 060
505 Bourke Street
Melbourne VIC 3000

Customer services

Telephone 1800 333 900
8:00 am–6:00 pm (EST)
Email info@smf.com.au
Facsimile (03) 6215 5933

Postal Address

AustChoice Investment Service
Operations Centre
Level 3, 30 Collins Street
Melbourne VIC 3000

Website address

www.austchoice.com.au

Adviser Services

Telephone 1800 333 909