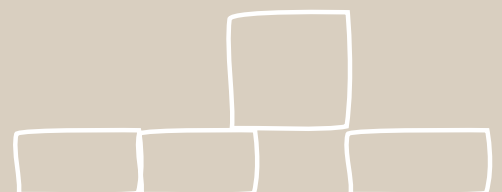




Education savings: investing for your child



What better investment can you make than in a child's education?

Regardless of what school you send your child to, there will be costs involved. To help ease the burden of saving for a child's education – whether it be for secondary school or tertiary studies – WealthBuilder can help support education savings.

WealthBuilder allows you to set up a fund for education savings, add a Regular Savings Plan or access the Loan Facility. You might also like to consider a Child's Advancement Policy where you can build education savings for a child or grandchild, but with the flexibility to spend it on other financial priorities if needed, such as first car, overseas backpacking holiday, wedding expenses or deposit on a home.

What is WealthBuilder?

WealthBuilder is an investment bond that is suited to people looking to save or invest for the medium to long term. WealthBuilder provides access to a range of investment options, but unlike traditional investment products, such as unit trusts, earnings from the investment bond are taxed in the hands of IOOF, rather than the investor.

You can select from a range of investment options on the Easy Choice Options or Custom Choice Options menus, accessing quality investment managers and a mix of different asset classes within your single tax paid investment account. WealthBuilder is flexible, allowing you to plan ahead, while also accommodating anything that you have not planned for.

12 WealthBuilder investment options to choose from

The WealthBuilder investment options provide access to quality investment managers and a mix of different asset classes to help meet your individual investment needs.

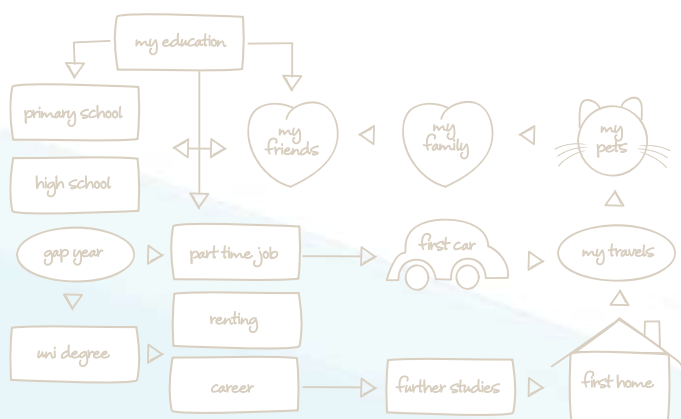
IOOF WealthBuilder Funds

Easy Choice Options:

- Capital Guaranteed Fund
- Fixed Interest Fund
- Australian Shares Fund
- Capital Stable Fund
- Balanced Fund
- High Growth Fund

Custom Choice Options:

- Australian Shares Fund – MultiMix
- International Shares Fund – MultiMix
- Smaller Companies Fund – Perennial
- High Conviction Shares Fund – Perennial
- Global Property Securities Fund – Perennial
- Global Shares High Alpha Fund – Perennial



Investing for your child



Set up a Regular Savings Plan (monthly direct debit facility)

You can implement a Regular Savings Plan (RSP) via a direct debit facility. An RSP may assist you to save regularly for future goals such as an early mortgage payout, an extended holiday or a small business purchase. Regular contributions can create increased potential for growth and income through a greater investment amount, with the convenience of an automatic deposit facility.

Under the RSP facility, you can request a nominated amount to be deducted from your chosen financial institution account on a monthly basis. You can start the RSP with a minimum monthly deposit (by direct debit) of \$100 per WealthBuilder Fund that you choose to invest into.

Start with only \$500

If you are a new investor and nominate an RSP on your application, you can establish your new investment in WealthBuilder with an initial contribution (by cheque) of only \$500 per Fund. This is much lower than the standard minimum initial investment to set up a WealthBuilder account which is \$2,000 (without an RSP), making it even easier for you to invest.

Due to the tax paid structure of investment bonds, there are some limits around the maximum contributions that can be made to a WealthBuilder account each year. You can invest, in any one year, up to 125% of your previous anniversary year's investment amount without affecting the tax benefits of your account. This is called the "125% Rule".

You can increase your RSP contribution amount at anytime. By increasing your RSP contribution amount in line with the maximum contribution you can make under the 125% Rule, you can maximise your investment savings and the taxation benefits within your WealthBuilder investment. More information about the 125% Rule can be found in the PDS.

Investing for children

WealthBuilder is a type of life insurance policy allowing you to nominate or elect the following for your investment:

- a policy owner/investor (in most cases, you);
- a life insured; and
- one or more nominated beneficiaries.

A Child's Advancement Policy allows you to invest on behalf of a child without being exposed to the penalty taxes associated with investments held by minors. An adult investor can establish a Child's Advancement Policy for a child less than 16 years of age. Only one child can be nominated under each Child's Advancement Policy, with a single policy owner.

How does a Child's Advancement Policy work?

Under a Child's Advancement Policy, the adult is the policy owner and the child is the life insured. The policy owner (adult) may nominate an age for the child (between 10 and 25 years of age) as the age when the Child's Advancement Policy is to be transferred into the name of the life insured (child). This is known as the nominated vesting age. Where no vesting age is nominated, the Child's Advancement Policy will automatically transfer to the child, when then child reaches 25 years of age. No stamp duty is payable on the transfer.

Borrow to grow your child's wealth

WealthBuilder investors also have access to a Loan Facility which allows you to borrow money for investment purposes using your WealthBuilder investment as security. This concept is also known as gearing and may not be suitable for everyone.

When you use the Loan Facility, the interest on the borrowings is generally tax deductible.

Some borrowing limits apply and there is risk involved. Please refer to the PDS and speak to your financial adviser for more information on the Loan Facility.





For more information

This brochure is one in a series about the WealthBuilder product, and should be read in conjunction with the WealthBuilder Product Disclosure Statement (PDS). To receive a copy of another brochure, or the PDS, please speak to your financial adviser or contact IOOF.



The IOOF Group – Your Investment Guardians

The IOOF Group is a financial services provider committed to delivering straightforward, quality investment solutions. Built on a long history of providing financial solutions for its members, the IOOF Group has transitioned from a large mutual organisation into a listed, specialist funds management business and platform provider that still values and respects its heritage. With many years of experience helping Australians enhance their financial security, the IOOF Group has the knowledge and expertise to deliver a variety of financial products and services and to be your investment partner throughout your life stages.

Important information

IOOF WealthBuilder ("WealthBuilder") is issued/offered by IOOF Ltd (ABN 21 087 649 625) AFS Licence No. 230522 ("IOOF"). IOOF is a company in the IOOF Group which consists of IOOF Holdings Ltd (ABN 49 100 103 722) and its related bodies corporate. The information contained in this brochure does not and is not intended to contain any recommendations, statements of opinion or advice; is a summary only and should not be solely relied upon by clients considering whether to invest in WealthBuilder; and is of a general nature only and does not take into account your individual objectives, financial situation or needs. IOOF recommends advice from a licensed and qualified financial adviser is sought before an investment decision is made. The WealthBuilder Product Disclosure Statement should be considered when deciding whether to acquire, or to continue to hold, the investment in WealthBuilder. Wealthbuilder commences from 20 October 2008.

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