

# Specialist Funds

## Product Disclosure Statement Update

15 September 2023

This document is a Product Disclosure Statement (PDS) Update, issued by IOOF Investment Services Ltd ABN 80 007 350 405, AFSL 230703 (IOOF). It updates the PDS for the following Funds:

Fund	APIR Code	PDS
Specialist Diversified Fixed Interest Fund	MMC0102AU	PDS and Additional Information Booklet (AIB) dated 30 September 2022
Specialist Property Fund	WPC0012AU	PDS and Additional Information Booklet (AIB) dated 30 September 2022
Specialist Global Shares Fund	WPC0011AU	PDS and Additional Information Booklet (AIB) dated 30 September 2022
Specialist Australian Shares Fund	WPC0005AU	PDS and Additional Information Booklet (AIB) dated 30 September 2022

This PDS Update should be read in conjunction with the previous Update which stated that – effective 5 April 2023, the Specialist Dynamic Allocation Fund ARSN 143 234 262 had been terminated. As a result of this termination, all references in the Additional Information Booklet to the Specialist Dynamic Allocation Fund shall be deleted effective from 5 April 2023.

## Update to the fees and costs information

The percentage (%) and dollar (\$) amounts below are for the financial year to 30 June 2023 and they replace the percentage (%) and dollar (\$) amounts in the PDS and Additional Information Booklet for the financial year to 30 June 2022. The reporting of indirect costs has also been updated. Indirect costs may be incurred through investing in underlying unit trusts (where the amount is not otherwise paid out of the management fee).

The percentage (%) amounts in the 'Fees and costs summary' table are replaced with the following:

Fund	Management fees and costs (% pa) Estimated amount, comprised of: 1 Estimated management fee <sup>1</sup> 2 Estimated indirect costs <sup>2</sup>	Performance fees (% pa) <sup>3</sup>	Transaction costs (% pa) <sup>4</sup>	Buy-sell spread	
				Buy (%)	Sell (%)
<b>Specialist Diversified Fixed Interest Fund</b>	0.52% estimated management fees and costs, comprised of: 1 0.50% estimated management fee 2 0.02% estimated indirect costs	0.04%	0.01%	0.06%	0.08%
<b>Specialist Property Fund</b>	0.97% estimated management fees and costs, comprised of: 1 0.97% estimated management fee 2 0.00% estimated indirect costs	Nil	0.08%	0.14%	0.14%
<b>Specialist Global Shares Fund</b>	0.91% estimated management fees and costs, comprised of: 1 0.90% estimated management fee 2 0.01% estimated indirect costs	0.00%	0.11%	0.11%	0.14%
<b>Specialist Australian Shares Fund</b>	0.80% estimated management fees and costs, comprised of: 1 0.80% estimated management fee 2 0.00% estimated indirect costs	0.43%	0.00%	0.20%	0.20%

- 1 The estimated management fees include the investment management fee, which is the fee charged by the Responsible Entity for overseeing and managing the assets of the Funds, and fees charged by underlying investment managers. All ongoing administration, Responsible Entity fees, underlying investment manager fees and other fees that would normally be payable by the Fund(s) will be paid out of the investment management fee. It excludes transaction costs and other abnormal expenses. The estimated management fees may vary due to changes to the relevant Fund's underlying assets, investment managers and their fees.
- 2 As an investor in the Funds, you may incur indirect costs which are not charged directly to the Funds. Indirect costs have the effect of reducing your overall return on investment (where such indirect costs are not otherwise paid out of the management fee, as noted above). These indirect costs may be incurred through investment in underlying unit trusts. Indirect cost amounts included in this document are based on actual costs incurred for the financial year to 30 June 2023 and involve estimates where information was unavailable at the date this document was issued. Amounts may vary from time to time and you may not be given advance notice of any changes to these amounts.
- 3 Estimated performance fees are calculated by reference to the average of the last five years' experience to 30 June 2023 where available or for new arrangements, a reasonable estimate for the current financial year has been used, adjusted to reflect a 12 month period.
- 4 The estimated net transaction costs in this document are based on actual costs incurred for the financial year to 30 June 2023 and involve estimates where information was unavailable at the date this document was issued and are net of buy-sell spread recovery.

The percentage (%) and dollar (\$) amounts in the example of annual fees and costs for the Fund are replaced with the following:

Fund	Contribution fees	Plus Management fees and costs	Plus Performance fees	Plus Transaction costs	Equals Cost of product
<b>Specialist Fund(s) – Balance of \$1,000,000 with total EXAMPLE contributions of \$10,000 during the year<sup>1</sup></b>					
<b>Specialist Diversified Fixed Interest Fund</b>	0.00%	0.50% pa Management fee 0.02% pa Indirect costs <b>0.52% pa Total</b>	0.04% pa	0.01% pa	
	<b>\$0</b>	<b>\$5,200</b>	<b>\$400</b>	<b>\$100</b>	<b>\$5,700</b>
<b>Specialist Property Fund</b>	0.00%	0.97% pa Management fee 0.00% pa Indirect costs 0.97% pa Total	0.00% pa	0.08% pa	
	<b>\$0</b>	<b>\$9,700</b>	<b>\$0</b>	<b>\$800</b>	<b>\$10,500</b>
<b>Specialist Global Shares Fund</b>	0.00%	0.90% pa Management fee 0.01% pa Indirect costs 0.91% pa Total	0.00% pa	0.11% pa	
	<b>\$0</b>	<b>\$9,100</b>	<b>\$0</b>	<b>\$1,100</b>	<b>\$10,200</b>
<b>Specialist Australian Shares Fund</b>	0.00%	0.80% pa Management fee 0.00% pa Indirect costs 0.80% pa Total	0.43% pa	0.00% pa	
	<b>\$0</b>	<b>\$8,000</b>	<b>\$4,300</b>	<b>\$0</b>	<b>\$12,300</b>

<sup>1</sup> This example assumes the \$10,000 contribution occurred at the end of the first year, therefore it does not include the management cost on the additional \$10,000 invested, nor any market movement on the total amount invested. You may incur a buy-sell spread whenever you make an investment or withdrawal. The estimated sell spread on withdrawing from the Fund(s) is between 0.08% and 0.20% (this equates to between \$8 and \$20 on each \$10,000 you withdraw).

The 'Management fees and costs' section in the PDS (under 'Additional explanation of fees and costs') is replaced with the following:

## Management fees and costs

Management fees and costs are made up of the management fee and indirect costs described below.

### Management fee

The estimated management fee (also referred to as an 'investment management fee') consists of underlying investment manager fees and the fee charged by the Responsible Entity for managing the assets of the Fund and overseeing the day to day operations of the Fund. The amount of the management fee may be negotiated by wholesale clients. For further information, refer to 'Management fee' in the '**Specialist Funds AIB**'.

### Indirect costs

Indirect costs are reflected in the daily unit price and any reporting on the performance of the Fund. Indirect cost amounts included in this document are based on actual costs incurred for the financial year to 30 June 2023 and involve estimates where information was unavailable at the date this PDS was issued. For further information, refer to 'Indirect costs' in the '**Specialist Funds AIB**'.

The 'Management fees and costs' section in the AIB (in '6. Additional information about fees and costs') is replaced with the following:

## Management fees and costs

The estimated management fees and costs are fees and costs for investing the Funds' assets. The management fees and costs don't include performance fees, transaction costs or the buy-sell spread. Management fees and costs are made up of the management fee and indirect costs described below.

### Management fee

The management fee is an estimate and includes fees charged by:

- underlying investment managers, and
- the Responsible Entity for managing the assets of the Funds and overseeing the day to day operations of the Funds.

The Responsible Entity will pay out of its portion of the management fee any fees and other costs and expenses incurred in operating the Funds ('operational costs'), such as custody costs, registry costs, auditing fees and tax return fees. The payment of any fees and other costs and expenses out of the management fee does not extend to the performance fee. This will be a cost to the relevant Fund in addition to the management fee.

We have the right to increase our fees up to the limit set out in the relevant Fund's constitution without obtaining the consent of unitholders, but will give unitholders 30 days' advance written notice of such an increase.

### Indirect costs

The Funds may also incur costs and expenses that won't be charged as a management fee but are expected to reduce the net return of the Funds. These indirect costs may be incurred through investment in underlying investment funds. These indirect costs are reflected in the daily unit price and any reporting on the performance of the Funds.

Indirect cost amounts included in this document are based on actual costs incurred for the financial year to 30 June 2023 and involve estimates where information was unavailable at the date this document was issued. Amounts may vary from time to time and you will not be given advance notice of any changes to these amounts.

Updated amounts will be available at [www.ioof.com.au](http://www.ioof.com.au)

## Do you need to do anything?

You do not need to take any action. You may wish to assess this change to ensure that the Fund continues to meet your circumstances and needs.

## More information

If you have any questions or require further information, please contact our Investor Services team on 1800 002 217, Monday to Friday from 8am to 6pm (AEST) or email [investorservices@insigniafinancial.com.au](mailto:investorservices@insigniafinancial.com.au) with any questions related to your account.

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