



FUTURITY

Investment Bond

Futurity Investment Group Limited
Product Disclosure Statement | Part A

Futurity Investment Bond

5 October 2026



About using this Product Disclosure Statement

This Futurity Investment Bond Product Disclosure Statement (PDS) is issued and managed by Futurity Investment Group Limited (‘Futurity’, ‘we’, ‘our’ or ‘us’) ACN 087 648 879 and AFSL 236665, a mutually structured, friendly society-based life insurance company.

This document serves as a combined PDS for Futurity Investment Bond. PDS Part A, including the Financial Services Guide (FSG), should be read in conjunction with PDS Part B: Investment Menu Booklet. Any reference to the PDS includes a reference to both PDS Part A and PDS Part B. Neither part alone constitutes a complete PDS. If any part of the PDS is invalid or unenforceable under the law, it is excluded so that it does not in any way affect the validity or enforceability of the remaining parts.

A Target Market Determination (TMD) has been issued by us which considers the design of this product, including its key attributes, and describes the target market for this product. A copy of the TMD for this product is available on our website, futurityinvest.com.au.

We recommend that you read the entire PDS and TMD carefully and, if necessary, seek independent professional advice for your specific personal circumstances.

Some words or expressions in this PDS that commence with capital letters have defined meanings in the Glossary.

Information in this PDS is of a general nature and does not take into account your objectives, financial situation or needs. This PDS does not (and is not intended to) contain any recommendations, statements of opinion or advice.

Applications to invest in a Futurity Investment Bond or Investment Bond can be made using the Application Form that accompanies this PDS. Where you have appointed a Financial Adviser in relation to your Futurity Investment Bond, your Financial Adviser will be provided online portal access to assist you in completing an online Application Form and to

view information about your Investment Bond on an ongoing basis, as set out in the PDS. Your Financial Adviser may provide information and declarations on your behalf where you have authorised them to do so. You remain responsible for the accuracy and completeness of all information provided, whether provided by you directly or by your Financial Adviser on your behalf.

Distribution of this PDS (including by Electronic Means) in countries outside of Australia may be subject to legal restrictions. Persons and entities residing outside Australia, or those who are currently (or become) tax residents of a country other than Australia, who receive or access this PDS should seek independent professional advice for their specific personal circumstances before using or relying on it.

This PDS does not constitute an offer or invitation to invest in Futurity Investment Bonds in any place where, or to any person to whom, it would not be lawful to make such an offer or invitation. All dollar amounts referred to in this PDS are in reference to Australian currency unless noted otherwise.

None of Futurity or the investment managers of the Underlying Managed Funds (UMFs) guarantee (whether expressly or impliedly) the return of your invested capital or that the Investment Options will achieve any particular rate or level of returns or meet their investment objectives or performance benchmark targets. Past performance is not indicative of future performance.

Copies of the PDS are available free of charge on our website futurityinvest.com.au, by contacting us on 1300 345 456, or from your Financial Adviser. If you received the PDS by Electronic Means and would like a copy of the printed PDS, you can have one sent free of charge on request.

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PDS Part B: Investment Menu Booklet

(See separate accompanying PDS Part B: Investment Menu Booklet)

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The Futurity difference

At Futurity, an investment is never just an investment. It’s a way to unlock life’s potential – helping you to plan and fund the moments that matter most to you and your family.

Whether it’s building for your future, supporting the next generation or protecting what you’ve worked for, a Futurity Investment Bond can help you manage wealth with long-term clarity and confidence. As experts in tax-effective investing outside of superannuation, we offer solutions designed to help you create simple tax-effective ways to achieve your investing ambitions and life plans.

As at June 2026, Futurity had total funds under management of \$1.3 billion and almost 45,000 Members. Since 1974, Futurity has helped more than 576,600 Members and paid more than \$4.14 billion in benefits to support their goals. As a mutual organisation, we are owned by our Members, not shareholders, and are prudentially supervised by the Australian Prudential Regulation Authority (APRA). That means every decision we make is guided by the people we serve.

Our commitment goes far beyond Member outcomes. Through our philanthropy and the Futurity Education Foundation, we’ve helped fund initiatives that create a more equitable education system. We also founded the National Excellence in Teaching Awards in 1994, which has recognised more than 1,120 teachers and school leaders for their outstanding contribution to education.

This is where ambition meets assurance.

Where you can unlock life’s potential.



About Futurity Investment Bond

At Futurity, we believe building and preserving wealth should be straightforward. Futurity Investment Bond combines tax-effective investing with the flexibility to pursue your financial goals and a clear estate planning framework. Designed for long-term investors, it provides a simple and efficient way to grow wealth, manage intergenerational wealth transfers and support your financial future.

Instead of being taxed at your personal marginal tax rate plus Medicare levy, earnings within investment bonds are taxed at a maximum rate of 30%¹. This internal tax structure can potentially help your Investment Bond grow more effectively over the long term.

Futurity Investment Bond is also designed to make passing on your wealth seamless with the estate planning features on offer.

These features support the efficient transfer of a Bond Owner’s legacy as intended, giving the next generation a confident head start on their financial journey.

While built for the long term, this solution keeps you in control today. You retain the flexibility to access and manage your Investment Bond at any time.



¹ The current tax rate applicable to the ordinary class of a life insurance company in Australia.

Six fundamental features of the Investment Bond



1. Tax-effective wealth creation

Build long-term wealth in a tax-effective environment, with no personal tax liability on withdrawals after meeting the 10-Year Rule and flexibility provided through the 125% Rule.



2. Simple and accessible investing

Enjoy a straightforward investment structure, with low minimum investment amounts, designed to make wealth creation accessible and easy to manage over the long term.



3. A complement to superannuation

Enhance your broader wealth strategy with an investment solution that complements superannuation, providing additional flexibility, accessibility and estate planning benefits outside the superannuation environment.



4. Estate planning and wealth transfer features

Support the efficient transfer of wealth to future generations through estate planning features, such as the Future Activated Transfer and Bond Estate Nomination features.



5. Investment flexibility and choice

Choose from a diverse investment menu of professionally managed Investment Options and tailor your strategy with the product features available which include Investment Option switching, Regular Savings Plan, dollar cost averaging, auto-reweight and Regular Withdrawal Plan.



6. Competitive fees and digital convenience

Benefit from a competitive fee structure and streamlined administration, and secure online access to view, transact and manage your Investment Bond through a dedicated online portal, with Financial Adviser access also available.

Key features – Futurity Investment Bond

		Page
Tax-effective investing	Instead of attracting personal marginal tax rates and the Medicare levy, earnings within the Investment Bond are currently capped at a maximum tax rate of 30%.	10
Ownership flexibility	Individual or joint individual owners (up to three joint owners), companies or trusts (including deceased estates).	20
Access to the Investment Bond	Access the Investment Bond at any time ² .	10
Simplicity	While funds remain invested within the Investment Bond, there is no need to declare earnings in annual tax returns or keep ongoing tax records. A tax file number (TFN) is not required to set up the Investment Bond.	10
Tax offset on withdrawals within 10 years from the Commencement Date	If a withdrawal is made within the first 10 years, the earnings component is generally assessable ³ as personal taxable income. However, a 30% tax offset applies to compensate for tax already paid within the Investment Bond.	10
No personal tax liability on withdrawals after meeting the 10-Year Rule	Once the Investment Bond reaches its 10-year anniversary from the Commencement Date, under the 10-Year Rule, withdrawals will not attract any personal tax liability.	10
125% Rule	The 125% Rule allows for ongoing contributions into the Investment Bond, from a Regular Savings Plan and additional contributions, up to 125% of the previous investment year’s total contributions without resetting the Commencement Date of the 10-Year Rule. A breach of this limit resets the Commencement Date of the 10-Year Rule to the start of the investment year the excess contribution occurred.	11
No contribution caps	No maximum contribution limit applies, including for additional contributions. However, where Bond Owners are seeking to maintain the 10-Year Rule, it is important to monitor the impact of the 125% Rule when making additional contributions.	11
Estate planning	Future Activated Transfer – A transfer can be scheduled for a future date or event (such as the death of the last surviving Bond Owner) to transfer the Investment Bond while fully preserving the 10-Year Rule status of the Investment Bond. Bond Estate Nomination – A structured beneficiary nomination feature that allows the appointment of multiple beneficiaries to receive the Investment Bond proceeds tax free upon a Bond Death Maturity.	15

² There may be personal tax implications for withdrawals made before meeting the 10-Year Rule.
³ No amount is assessable if a withdrawal were due to death, accident, serious illness or other disability of the Investment Bond’s last surviving life insured, or due to unforeseen serious financial hardship of the Bond Owner.

		Page
Bond Guardian	Bond Guardians may be appointed, individually or jointly, to manage the Investment Bond if the last surviving Bond Owner passes away or experiences legal, physical or mental incapacity. The specific level of authority granted to exercise Authorised Functions can be chosen at the time of appointment.	17
Bond Representative	To assist with management of the Investment Bond, individual or joint Bond Representatives can be appointed with a specific level of authority granted to exercise Authorised Functions while the Bond Owner is alive and has legal capacity in respect of the Investment Bond.	26
Extensive investment menu	An extensive menu of Investment Options invested into UMFs of leading Australian and international fund managers.	30
Competitive fee structure	If the investment amount or Investment Bond balance exceeds \$250,000, the Investment Bond may be entitled to the reduced management fee scale applying progressively to the Investment Bond balance.	34
Regular Savings Plan	A Regular Savings Plan can be set up to build wealth over time from as little as \$200 per month or \$100 per fortnight.	24
Dollar cost averaging	For contributions of \$25,000 or more, a dollar cost averaging facility can be used to manage market volatility. The contribution is progressively switched according to the Default Investment Allocation over a selected period of up to 12 monthly switches, reducing the impact of market volatility during the entry phase.	24
Auto-reweight	Auto-reweight serves as a form of automatic switching designed to keep the Investment Bond aligned to the specified Default Investment Allocation. This facility maintains the investment strategy through the auto-reweight process at the Bond Owner’s selected frequency – quarterly, half-yearly or annually. During the auto-reweight process, units are switched between Investment Options to restore the investment portfolio to its intended weightings according to the Default Investment Allocation at that time.	25
Regular Withdrawal Plan	A Regular Withdrawal Plan can be started at any time, providing a regular income stream for those planning an early retirement before superannuation becomes accessible, funding major life events or supplementing income streams.	26
Online portal	The online portal provides comprehensive self-service features and visibility of the Investment Bond and performance at any time.	43
Investment Option switching	Switch between Investment Options at any time without personal tax or capital gains tax (CGT) liabilities.	40
Protection from creditors	The Investment Bond may receive protection from creditors in the event of bankruptcy, provided the Bond Owner and/or their spouse (including a de facto partner) is nominated as the life insured.	12

Benefits of Futurity Investment Bond

Tax-effective and simple

Futurity Investment Bond is structured as a tax-paid product, meaning the issuer, Futurity, pays tax on ongoing investment earnings at the current maximum rate of 30%, rather than at an individual's personal marginal tax rate. Depending upon the Investment Options chosen, the effective tax rate can be less than 30% due to available tax offsets (franking credits and foreign tax offsets) and tax provisioning.

Unlike many other investments, earnings within a Futurity Investment Bond do not need to be declared on personal tax returns while funds remain invested within the Investment Bond, and there is no requirement to provide a TFN for the Investment Bond. This simplicity of tax reporting is a key benefit. All earnings generated are retained within the Investment Bond and are not distributed, which contrasts with other structures such as managed funds. Consequently, there is no exposure to ongoing personal tax liability while funds remain invested.

Furthermore, earnings within a Futurity Investment Bond are not subject to the Medicare levy or withholding tax (resident or non-resident), and switching between Investment Options does not incur personal tax or CGT liabilities. This structure allows for seamless portfolio management without ongoing tax complexity.

Withdrawals

The 10-Year Rule

Investment bonds offer flexible access to funds, with withdrawals permitted at any time. The maximum tax benefits are achieved when the Investment Bond reaches 10 years from the Commencement Date (10-Year Rule), while maintaining compliance with the 125% Rule. Withdrawals made after the 10-Year Rule is met do not incur any personal tax liability.

If a withdrawal occurs before the 10-Year Rule is met, a portion of the Investment Bond's earnings may be assessable, depending on the investment year the withdrawal is made.

A compensating tax offset, currently fixed at 30%, is available to reduce any personal tax payable by the Bond Owner in the financial year an assessable withdrawal occurs. This tax offset is applied at a fixed rate and does not vary, irrespective of the actual effective tax rate paid internally within the Investment Bond. The calculation of this tax offset is performed automatically by the Australian Taxation Office (ATO) upon the Bond Owner lodging a tax return and accurately reporting the assessable amount in the tax return.

The assessable portion of earnings scales down according to the following timeframes from the Commencement Date. If a withdrawal is made:

- in the eighth investment year or earlier, the entire earnings portion is assessable;
- in the ninth investment year, only two-thirds of the earnings portion is assessable;
- in the tenth investment year, only one-third of the earnings portion is assessable; and
- after the tenth investment year, none of the earnings portion is assessable.

Contributions

No maximum contribution limit applies, including for additional contributions.

However, where Bond Owners are seeking to maintain the 10-Year Rule, it is important to monitor the impact of the 125% Rule when making additional contributions.

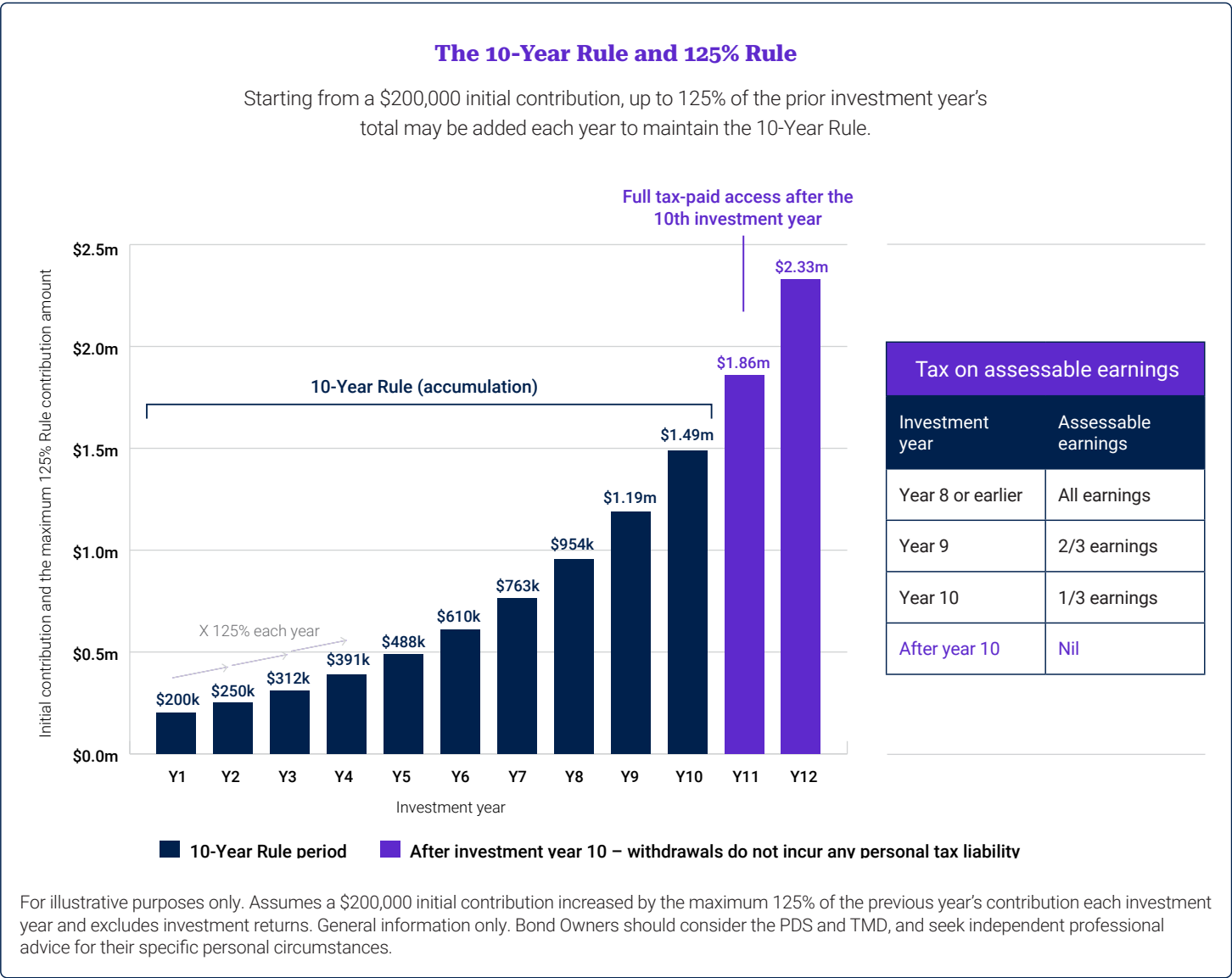
The 125% Rule

Under the 125% Rule, contributions in any investment year following the initial investment year must not exceed 125% of the previous investment year's total contributions to maintain the 10-Year Rule. A breach of the 125% Rule resets the

Commencement Date of the 10-Year Rule to the beginning of the investment year in which the excess contribution occurred.

Consequently, if no contribution is made in a particular investment year, the maximum contribution for the following year without causing a reset of the Commencement Date becomes zero. Making a contribution in any subsequent investment year will therefore constitute a breach of the 125% Rule and reset the Commencement Date of the 10-Year Rule to the beginning of the investment year that contribution is made.

The chart below displays how a \$200,000 initial contribution can grow through the application of the 125% Rule and the tax benefits of the 10-Year Rule after investment year ten.



Estate planning and wealth transfer

Futurity Investment Bond is designed as a streamlined, tax-effective estate planning solution. Its features enable Bond Owners to pass on wealth seamlessly either as part of or outside of a will and legal estate.

The Future Activated Transfer feature allows for scheduled ownership transfers at a future date or event (such as the death of the last surviving Bond Owner) while fully preserving the 10-Year Rule status of the Investment Bond.

Alternatively, Bond Estate Nominations can be made for beneficiaries to receive the Investment Bond proceeds upon the death of the life insured, bypassing probate and removing the asset from potential estate disputes. The Investment Bond’s proceeds do not form part of the deceased’s estate and can be paid efficiently and tax free, regardless of the duration the Investment Bond has been held.

These features provide certainty and control, serving as an effective estate planning and wealth transfer solution.

Borrowing against an investment bond

Investment bonds can potentially be used as security against a loan. The tax implications of utilising an investment bond as security depend on individual circumstances, and independent professional advice should be sought to address specific circumstances.

Statutory protection from creditors

Subject to specific statutory requirements, if an investment bond is owned by an individual and that individual or their spouse (including a de facto partner) is nominated as a life insured, the asset may receive protection from creditors under bankruptcy law. This protection extends to the investment bond itself, as well as any proceeds received from the investment bond on or after the date of bankruptcy, provided the investment bond was not established with the intent to defeat creditors.

Due to the complex legal frameworks governing bankruptcy and asset protection, independent professional advice should be sought to determine how these provisions apply to specific personal circumstances.

Why investment bonds are suitable investments alongside superannuation

Investment bonds offer a compelling complement to superannuation, particularly for individuals seeking greater flexibility and control over their investments. Superannuation is subject to strict legislated contribution caps, preservation rules, and access limitations until conditions of release are met. Furthermore, superannuation has been the subject of many regulatory adjustments since its inception in Australia. Investment bonds allow for flexible contributions without any caps (unless maintaining the 10-Year Rule where the 125% Rule should be considered) and withdrawals can be made at any time without the need to meet any conditions of release, making investment bonds suitable for early retirement planning, funding major life events or supplementing income streams. Unlike superannuation, an investment bond can be established by individuals (including jointly), companies and trusts, with no age limits or work tests applying to contributions.

Investment bonds also offer an alternative concessionally taxed or tax-paid investment, where superannuation contributions, including concessional and non-concessional, have reached their limits, or tax-effective limits under Divisions 293 and/or Division 296⁴.

From an estate planning perspective, investment bonds provide a streamlined and tax-effective mechanism for wealth transfer. This is particularly advantageous compared to superannuation, where nominated beneficiaries can be subject to trustee discretion and where death benefits may be subject to tax if paid to non-dependants.

Furthermore, investment bonds can potentially be used as security for borrowing, unlike superannuation, while offering statutory creditor protection under certain circumstances similar to superannuation. These attributes make investment bonds a versatile solution for building and preserving wealth outside the constraints of the superannuation system.

Comparison table: Futurity Investment Bond and Superannuation⁵

Feature	Futurity Investment Bond	Superannuation
Tax on earnings	Maximum 30% (paid within the Investment Bond). Effective tax rate may be lower after tax offsets such as franking credits.	Maximum 15% up to \$3m. Additional 15% on earnings attributable to balances from \$3m to \$10m, and a further 10% above \$10m (effectively 30% and 40% for earnings in the accumulation phase) (Division 296).
Access to funds	Available at any time, with no preservation restrictions. Withdrawals can be made at any time ⁶ .	Generally, not accessible until reaching preservation age, 60, and meeting a condition of release or turning 65.
Contribution limits	No contribution limit. However, if maintaining the 10-Year Rule, the 125% Rule should be considered.	Annual concessional and non-concessional caps apply, plus a transfer balance cap limiting amounts moved to the retirement phase. Additional or penalty tax may apply if caps are exceeded.
Ownership transfer	Permitted, and generally without triggering CGT or stamp duty.	Not permitted, except via a reversionary pension on death.
Tax reporting	Not required unless a withdrawal is made before meeting the 10-Year Rule.	Generally handled by the superannuation fund. Personal tax reporting or assessment may still arise (e.g. excess contributions, or Division 296 tax on balances above \$3m).
Estate planning	Flexible, with no restriction on who can be nominated as a beneficiary. Any person (or entity) can be nominated as a beneficiary.	Benefits can generally only be paid to dependants or the estate in accordance with the <i>Superannuation Industry (Supervision) Act 1993</i> . Trustee discretion may apply unless a valid binding nomination is in place.
Death benefit tax	No tax, regardless of the beneficiary.	Tax may apply where benefits are paid to non-tax dependants (e.g. adult children).
Use as loan security	Yes.	No.
Income stream setup	Available at any time, including before retirement.	Generally limited to the retirement phase (a transition-to-retirement income stream may be available from preservation age).
Tax file number requirement	No.	Not compulsory, but higher tax applies and some contributions cannot be accepted without a TFN.

⁵ Current as at the date of this PDS.

⁶ There may be personal tax implications for withdrawals made before meeting the 10-Year Rule.

Estate planning

Estate planning

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Estate planning features

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Estate planning

Estate planning features

Futurity Investment Bond includes estate planning tools designed to assist in meeting wealth transfer objectives either as part of or outside of a will and legal estate.

Planning ahead provides structural certainty and control over who receives the Investment Bond proceeds, how it is allocated and exactly when it is accessed by the next generation. This can be achieved through the Future Activated Transfer feature, which allows Investment Bond ownership to be automatically transferred from the current Bond Owner as part of a succession plan on a future date or event (such as the death of the last surviving Bond Owner).

Alternatively, the Bond Estate Nomination feature can be utilised to facilitate tax-effective inheritances to nominated beneficiaries. Upon a Bond Death Maturity event, the Investment Bond proceeds are paid to the nominated beneficiaries on a tax-free basis.

To further support these arrangements, a Bond Guardian can be appointed to act with a specified level of authority in the event that the last surviving Bond Owner dies or becomes legally, physically or mentally incapacitated before the Future Activated Transfer date or a Bond Death Maturity event. Importantly, full ownership and operational control of the Investment Bond are retained by the Bond Owner right up until any pre-programmed arrangement takes effect, allowing total flexibility if financial circumstances change.

If neither the Future Activated Transfer, nor the Bond Estate Nomination features are selected, and the Investment Bond reaches a Bond Death Maturity event, the Investment Bond proceeds will be paid directly to the Bond Owner (where the Bond Owner is not the life insured) or to the Legal Personal Representative (LPR) of the Bond Owner’s estate to then deal with in accordance with the deceased Bond Owner’s will and legal estate arrangements.

Future Activated Transfer

With the Future Activated Transfer feature, Investment Bond ownership can be automatically programmed to transfer from the original Bond Owner to a nominated Future Activated Transfer recipient.

Ownership of the Investment Bond automatically transfers to the nominated recipient upon the occurrence of either event:

- At a specified future date; or
- Upon the death of the last surviving Bond Owner.

The nominated recipient will receive ownership of the Investment Bond in its existing tax-advantaged state, preserving the 10-Year Rule, without the Investment Bond being impacted. There are also no CGT implications attached to the transfer. Until the transfer becomes operative, the Bond Owner retains full control of and access to the Investment Bond, including the right to utilise the Investment Bond for any required purpose and make changes to the Future Activated Transfer arrangement.

A Future Activated Transfer becomes operative at law when both the Bond Owner and the nominated recipient have executed the required memorandum of transfer, and it has been formally registered by Futurity. Where possible, Futurity will recognise and effect the transfer upon the Bond Owner having fully completed the memorandum of transfer initially, when adding the Future Activated Transfer arrangement to the Investment Bond, subject to the nominated recipient subsequently accepting the terms of the transfer.

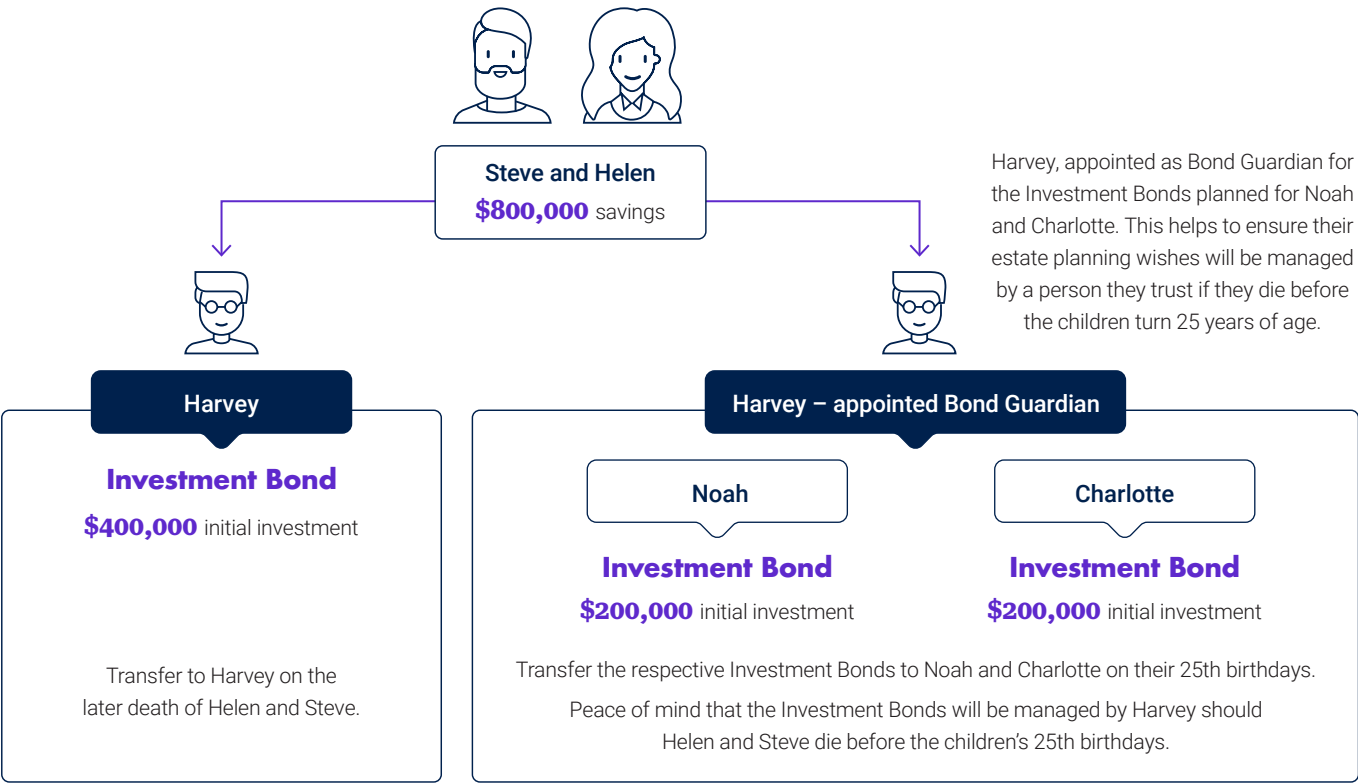
If the last surviving Bond Owner dies prior to the Future Activated Transfer becoming operative, the appointed Bond Guardian (or if no Bond Guardian is appointed, the last surviving Bond Owner’s LPR) will hold the Investment Bond in trust until the Future Activated Transfer becomes operative.

The Future Activated Transfer becoming operative automatically causes any existing Bond Estate Nomination to be cancelled. The appointment of any Appointed Associates will also be cancelled. Furthermore, any existing Regular Savings Plan, Regular Withdrawal Plan, dollar cost averaging and auto-reweight instructions will be removed upon execution of the transfer.

Example of Future Activated Transfer

Helen and Steve, aged 68 and 65, have a divorced son, Harvey, with two children, Noah and Charlotte. They are making estate planning arrangements for \$800,000 from their savings. They want to initially invest \$400,000 for Harvey, to pass to him once they have both died. They will also invest \$200,000 for each grandchild, Noah and Charlotte, to help them build a home deposit to be transferred to them on their respective 25th birthday. Helen and Steve want greater certainty that their estate planning wishes will be met.

Their Financial Adviser recommends that they establish three Investment Bonds as follows.



Bond Estate Nomination

The Investment Bond includes a Bond Estate Nomination feature, allowing death benefit proceeds to be paid directly to nominated beneficiaries without passing through a will or legal estate.

The Bond Owner can nominate one or more beneficiaries and establish specific percentage benefit allocations for the Investment Bond's proceeds to be paid in the event of a Bond Death Maturity⁷. Upon this event, the Investment Bond's proceeds will be paid directly to the nominated beneficiaries on a tax-free basis, strictly in line with the pre-determined benefit allocations.

There is also the option to make a partial Bond Estate Nomination by allocating less than 100% of the benefit allocation to the nominated beneficiaries. For example, if three beneficiaries are nominated to receive a 30% benefit allocation

each, totalling 90%, the remaining 10% will be paid directly to the Bond Owner (where the Bond Owner is not the life insured) or to the LPR of the Bond Owner's estate to then deal with in accordance with the deceased Bond Owner's will and legal estate arrangements.

This Bond Estate Nomination feature can avoid the potential administrative delays and costs associated with obtaining probate or estate administration because death benefit proceeds paid to nominated beneficiaries occur outside of a will and legal estate. Furthermore, as non-estate payments, nominating beneficiaries potentially mitigates the risks of legal challenges often associated with contested estates and disputed wills.

Until a Bond Death Maturity event occurs, Bond Estate Nominations can be cancelled or amended by the Bond Owner at any time.

⁷ Besides nominating individual persons, Bond Estate Nominees can also be legal entities such as companies or incorporated associations and therefore can be used for making charitable bequests.

Bond Estate Nomination survivorship rules

A primary benefit of Bond Estate Nomination survivorship rules is that the Bond Owner is not required to remember to update the Bond Estate Nomination solely due to the death of one of the nominated beneficiaries⁸.

Joint survivorship

Bond Estate Nominations, by default, operate under joint survivorship rules in the event of a Bond Death Maturity.

Under these rules, if multiple beneficiaries are nominated and one pre-deceases the others, that share of the benefit allocation of the deceased beneficiary is automatically redistributed to the surviving beneficiaries. This redistribution is executed on a pro-rata basis, in accordance with established benefit allocations of the surviving beneficiaries.

Down-the-line survivorship

A Bond Estate Nomination can alternatively be configured to operate under a different survivorship mode by instructing a 'down-the-line' outcome.

Instead of automatically redistributing a deceased beneficiary's benefit allocation to the surviving beneficiaries, this mode directs the deceased beneficiary's benefit allocation down-the-line to the deceased beneficiary's LPR to then deal with in accordance with the deceased beneficiary's will and legal estate arrangements.

A completed Bond Estate Nomination form is required to implement down-the-line arrangements. Due to the legal complexities of non-standard Bond Estate Nomination structures, seeking independent professional advice tailored to specific personal circumstances is highly recommended before executing this type of nomination.

⁸ The Bond Estate Nomination survivorship rules only apply to the death of Bond Estate Nominees who are individual natural persons. If none survive the life insured, the Bond Estate Nomination becomes of no effect.

Bond Guardian

Up to three Bond Guardians can be appointed to act in the capacity of the Bond Owner in the event of the death, or the legal, physical or mental incapacity of the last surviving Bond Owner.

Bond Guardians must act strictly in the best interests of the Bond Estate Nominees or Future Activated Transfer recipients. Consequently, consideration should be given to appointing individuals who are highly trusted and competent to perform these duties. There are no personal tax or CGT implications for Bond Guardians fulfilling this role. Income tax and CGT obligations remain with the Bond Owner or LPR of the last surviving Bond Owner.

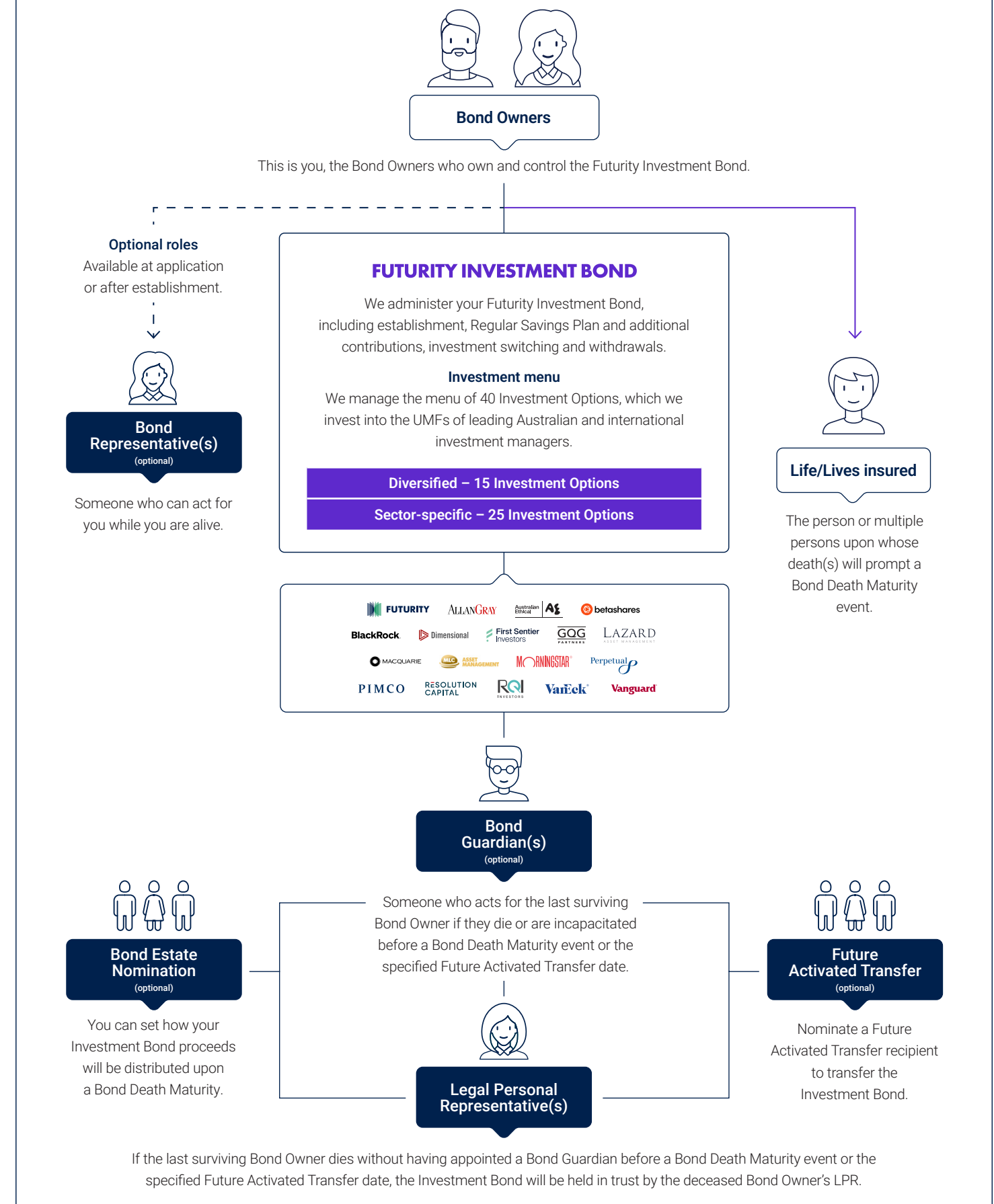
Bond Guardians possess basic Authorised Functions, which include receiving reports and statements, as well as accessing the online portal and personal details. In the Application Form (or by subsequent written instruction to Futurity), the Bond Owner can expand the Bond Guardian's level of authority to execute additional Authorised Functions on the Bond Owner's behalf. The Bond Guardian's authority is strictly limited to the Authorised Functions as provided by the Bond Owner.

Terms and conditions apply to utilising the Bond Guardian facility (page 48).

Death of the last surviving Bond Owner without appointed Bond Guardians

If the last surviving Bond Owner dies while there is a surviving life insured on the Investment Bond or the specified Future Activated Transfer date has not been reached without having appointed a Bond Guardian, the Investment Bond will be held in trust by the deceased Bond Owner's LPR. The Investment Bond will continue to be administered by the LPR until the occurrence of a Bond Death Maturity event or the specified Future Activated Transfer date.

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Investment Bond ownership and other information

Investment Bond ownership options

The Investment Bond can be established under a variety of ownership structures.

Individual and joint individual ownership

Up to three individual persons can own the Investment Bond, with no maximum age limit applying to ownership.

When multiple individuals own the Investment Bond, it is held under joint ownership rules. This structure creates an inherent estate planning mechanism, in the event of a joint Bond Owner's death, where full ownership automatically transfers to the surviving joint Bond Owner(s). This transfer occurs independently of ordinary will and legal estate administration procedures.

Under a joint ownership structure, instructions can be provided at inception regarding which individual or combination of joint Bond Owners has the authority to provide and authorise transaction instructions. In certain circumstances, such as formal litigation between Bond Owners, divorce, separation or family disputes, Futurity retains the discretion to override these instructions.

Child ownership

A child aged 10⁹ or older can own an Investment Bond. For children aged from 10 years of age to under 16 years of age, the consent of a parent or legal guardian is required. Until the child attains 16 years of age, transaction capabilities on the Investment Bond remain conditional upon parental or legal guardian consent.

Upon attaining 16 years of age, the child assumes ownership capacity in their own right, gaining full operational control and legal rights over the Investment Bond.

A child aged under 10 can be a beneficial Bond Owner, subject to an appropriate trustee being the legal owner.

⁹ Under the *Life Insurance Act 1995* (Life Act), an investment bond cannot be owned by a child under 10 years of age.
¹⁰ For example, Futurity might be provided such information and documentation for the purpose of Anti-Money Laundering and Counter-Terrorism Financing Laws (AML/CTF Laws).



Life insured

The life insured represents the natural person, or multiple persons, whose death prompts a Bond Death Maturity event.

The life insured must be a natural person. The life insured can be the Bond Owner, but there is no legal requirement for the Bond Owner and the life insured to be the same individual, nor does the life insured need to be a relative or financial dependant of the Bond Owner.

Where a company or a trust holds ownership of the Investment Bond, an individual life insured (or multiple lives insured) must still be explicitly specified.

Additional lives insured can be added to the Investment Bond at any time. However, a life insured cannot be removed once added to the Investment Bond because traceability must be maintained to the Investment Bond's original life insured so as to not jeopardise its investment bond tax treatment status by creating a new Investment Bond.

Investment Bond term

The investment features a maximum default Investment Bond term of 99 years. However, full or partial withdrawals can be executed at any time. The Investment Bond term does not restrict the ability to access funds. Furthermore, the Investment Bond term can be amended at any time by completing and submitting the Change of Bond Details form.

Investment Bond transfer

Ownership of the Investment Bond can be transferred at any time. A transfer can be made with immediate effect, meaning that upon the date Futurity registers the transfer recipient as the transferee, as specified by the Bond Owner as the transferor, all legal rights, control and interests of the transferor cease and transfer entirely to the transferee.

From a tax perspective, the transfer occurs with full preservation of the Investment Bond's Commencement Date and 10-Year Rule with no CGT implications, if the transfer involves nil consideration. The registration of an ownership transfer automatically cancels any existing Future Activated Transfer and Bond Estate Nomination arrangements. The appointment of any Appointed Associates will also be cancelled. Furthermore, any existing Regular Savings Plans, Regular Withdrawal Plan, dollar cost averaging and auto-reweight instructions will be removed upon registration of the transfer.

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Managing the Investment Bond

Investment Bond minimums

Minimum initial contribution	\$1,000
Minimum additional contribution	\$500 with minimum of \$100 per Investment Option
Minimum Regular Savings Plan contribution	\$200 per calendar month with minimum of \$50 per Investment Option (for monthly, quarterly, half-yearly and annual frequencies) \$100 per fortnight with minimum of \$50 per Investment Option (for fortnightly frequency)
Minimum switching amount	\$100 per switch transaction with minimum of \$50 per Investment Option
Minimum withdrawal amount	\$500
Minimum Investment Bond balance	\$500
Minimum balance per Investment Option	\$500
Minimum dollar cost averaging amount	\$25,000 minimum per initial or additional contribution

Initial contribution

The minimum initial contribution amount is \$1,000. There is no maximum initial contribution amount. Contributions can be made via BPAY® or direct debit.

Futurity may accept or reject an application at its discretion. An application for the Futurity Investment Bond will be processed once a completed Application Form (including any required accompanying documents) and the initial investment amount have been received by Futurity.



Default Investment Allocation

The Futurity Investment Bond provides the versatility to invest across a wide range of Investment Options through a chosen Default Investment Allocation. This allocation strategy, established during the initial setup of the Investment Bond, serves as the primary instruction for the allocation of initial and future additional contributions, whether they are made via a Regular Savings Plan or as ad hoc additional contributions. Furthermore, the Default Investment Allocation will be used for the auto-reweight and dollar cost averaging features.

The Default Investment Allocation can be updated at any time. However, new instructions will only apply to future contributions.

Regular Savings Plan

A Regular Savings Plan can be established with ongoing minimum Regular Savings Plan contributions of:

- \$200 per calendar month for monthly, quarterly, half-yearly or annual frequencies; or
- \$100 per fortnight for fortnightly frequency.

The minimum amount per Investment Option for each Regular Savings Plan transaction is \$50 per Investment Option.

Regular Savings Plan contributions will be processed according to the Default Investment Allocation at the time the contribution is processed.

Regular Savings Plan escalation feature

An automatic annual escalation rate, up to 25%, can be selected to increase Regular Savings Plan contributions each investment year. This escalation occurs on each anniversary of the Investment Bond Commencement Date. The selected rate of escalation can be increased, decreased or cancelled at any time by submitting a written request. Utilising the Regular Savings Plan escalation feature within the prescribed limits can assist in maximising the tax advantages associated with the 125% Rule.

For Bond Owners seeking to maintain the 10-Year Rule, it is important to monitor the impact of the 125% Rule when making additional contributions through a Regular Savings Plan (and the Regular Savings Plan escalation feature if applicable).

Additional contribution

Additional contributions can be made to the Investment Bond at any time with no maximum limit. The minimum additional contribution is \$500 per transaction with a minimum allocation of \$100 per Investment Option.

Additional contributions will be processed according to the Default Investment Allocation at the time the contribution is processed.

For Bond Owners seeking to maintain the 10-Year Rule, it is important to monitor the impact of the 125% Rule when making additional contributions.

Dollar cost averaging

A dollar cost averaging feature is available for initial and additional contributions, allowing the contribution to be progressively switched on a monthly basis up to a maximum period of 12 months. As these switches are executed at varying unit prices, this may reduce the impact of short-term market volatility by averaging the purchases over a longer period.

The minimum contribution required to establish dollar cost averaging is \$25,000 per initial or additional contribution transaction. The contribution amount is initially allocated to the Futurity Investment Bond – First Sentier Institutional Cash Fund (IB28) (or an alternative cash Investment Option as determined by Futurity from time to time) and is progressively switched, according to the dollar cost averaging instruction, into the selected Investment Options in accordance with the nominated Default Investment Allocation at the time of processing each switch.

Switching

Switching between Investment Options on the investment menu can be done at any time by completing a switch instruction. A minimum switching amount of \$100 per switch transaction applies, and a minimum balance of \$500 must remain in an Investment Option after a switch has been completed.

Futurity retains discretion under the Product Rules to restrict or limit switching rights, including limiting the number of switches permitted within certain periods and imposing minimum or maximum switching amounts and balances. For further details, refer to the *Transaction information* section on page 44.

Auto-reweight

Market movements over time will affect the value of the Investment Bond and may cause the portfolio investment allocation to deviate from the nominated Default Investment Allocation.

Auto-reweight serves as a form of automatic switching designed to keep the investment portfolio aligned to the Default Investment Allocation. This feature maintains the chosen investment strategy, according to the Default Investment Allocation, through the auto-reweight process at a nominated frequency being quarterly, half-yearly or annually.

During the auto-reweight process, units are switched between Investment Options to restore the portfolio investment allocation to its intended weightings in accordance with the Default Investment Allocation at the time of processing.

While there is an active dollar cost averaging arrangement outstanding, auto-reweight cannot be activated on the Investment Bond. If a dollar cost averaging instruction is received while auto-reweight is active, the auto-reweight instruction will be cancelled. Auto-reweight can be activated once the dollar cost averaging process has been completed by providing new instructions.

Auto-reweight may be subject to applicable minimum contribution or switching requirements. Although there are no fees associated with using the auto-reweight feature, it will create switch transactions and therefore buy/sell costs will apply. Further details can be found in the *Buy/sell costs* section on page 35.

Withdrawals

Withdrawals can be made from the Investment Bond at any time. The minimum withdrawal amount is \$500 per transaction.

A minimum Investment Bond balance of \$500 and a minimum balance of \$500 per selected Investment Option must be maintained.

Withdrawals will usually be processed within seven Melbourne business days.

Bond Owners should be aware of the potential tax consequences of making a withdrawal prior to meeting the 10-Year Rule. For more information, refer to the *The 10-Year Rule* section on page 10 and *The 125% Rule* section on page 11.



Regular Withdrawal Plan

The minimum regular withdrawal amount is \$500 per selected frequency. Participation in the Regular Withdrawal Plan requires a minimum Investment Bond balance of \$500 and a minimum balance of \$500 per selected Investment Option to be maintained.

Regular withdrawals can be paid monthly, quarterly, half-yearly or annually.

Bond Owners can change the frequency, amount, nominated Australian financial institution account, and the specific Investment Options to be sold down, or cancel the Regular Withdrawal Plan at any time. There may be personal tax liabilities if a withdrawal occurs prior to meeting the 10-Year Rule.

Underlying investments will be sold down prior to the payment date to fund the regular withdrawal. The receipt of settlement proceeds from the sell down generally takes up to seven Melbourne business days. Regular withdrawal payments may be delayed if a delay in the settlement of those underlying assets occurs.

Bond Representative

Up to three Bond Representatives may be appointed to act in the capacity of the Bond Owner during the Bond Owner’s lifetime. This role is distinct from a Bond Guardian whose authority is activated only upon the death or the legal, physical or mental incapacity of the last surviving Bond Owner.

Bond Representatives are required to act strictly in the best interests of the Bond Owner, Bond Estate Nominees and Future Activated Transfer recipients. Consequently, consideration should be given to appointing individuals who are highly trusted and competent to perform these duties. There are no personal tax or CGT implications for Bond Representatives fulfilling this role. Income tax and CGT obligations remain with the Bond Owner.

Bond Representatives possess basic Authorised Functions, which include receiving reports and statements, as well as accessing the online portal and personal details. In the Application Form (or by subsequent written instruction to Futurity), the level of authority may be expanded to execute additional Authorised Functions. The authority of Bond Representatives is strictly limited to the Authorised Functions granted by the Bond Owner.

Terms and conditions apply to utilising the Bond Representative facility (page 48).

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Fees and other costs

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better investor services justify higher fees and costs. You may be able to negotiate to pay lower contribution fees and management costs where applicable if you are a wholesale or professional investor. Ask us or your Financial Adviser.

To find out more

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



The fees and other costs that you may be charged are outlined in the following section. These fees and costs may be deducted from your Investment Bond, from the returns on your Investment Bond or from the assets of the Investment Options as a whole. Refer to the *How the tax framework operates* section on page 39 for information about the impact of taxes on your Investment Bond.

You should read all of the information about fees and costs because it's important to understand their impact on your Investment Bond.

Type of fee or cost	Amount	How and when fees are charged
Fees when your money moves in or out of the Investment Bond		
Establishment fee The fee to open your Investment Bond	Nil	Not applicable
Contribution fee The fee on each amount contributed to your Investment Bond	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your Investment Bond	Nil	Not applicable
Exit fee The fee to close your Investment Bond	Nil	Not applicable

Type of fee or cost	Amount	How and when fees are charged
Management fees		
The fees for managing the Investment Bond comprise of two components. A detailed breakdown of management fees for all Investment Options on the investment menu is provided in the table on pages 30-31.	1) Futurity management fees 0.35% p.a. for the Vanguard Diversified Index Investment Options (IB01 – IB05) and the Futurity Investment Bond – First Sentier Institutional Cash Fund (IB28). 0.55% p.a. for all other Investment Options.	Calculated daily on the net asset value of each Investment Option. This is reflected in the unit price of each Investment Option and is charged to the Investment Option monthly in arrears. The Futurity management fees component applies the reduced management fee scale progressively to the Investment Bond balance (page 34).
	2) UMF investment fees Ranging between 0.04% p.a. and 1.28% p.a. (excluding performance fees).	Investment management fees charged by UMFs are deducted at the UMF level and incorporated into the respective unit prices. The UMF may charge or incur performance fees.
Other fees and costs		
Switching fees The fee for changing Investment Options	Nil	Not applicable*
Buy/sell costs	Ranging between 0.00% and 0.25%.	These costs are reflected in the buy/sell unit price for each Investment Option (pages 30-31). Depending on the Investment Option and whether buying or selling units, a percentage cost is borne by the Bond Owner (page 35).
Transactional and operational costs	Capped at a maximum per Investment Option of 0.10% p.a.	These are costs that Futurity charges directly, or is reimbursed for, against the Investment Options. These costs can vary between Investment Options and may include asset acquisition, disposal, valuation, and transaction costs, alongside auditor, actuary and legal fees. They are not fees charged to the Bond Owner separately, but are reflected in each Investment Option's unit price. These costs are capped and any amount exceeding the cap will be absorbed and met by Futurity from the Management Fund (page 35). Futurity, as a mutual organisation, seeks to limit costs to Members and caps transactional and operational costs at 0.10% p.a. to provide a simple, consistent and transparent cost recovery mechanism.

* Buy/sell costs may be incurred when switching between Investment Options.

The table on the following pages provides the investment menu together with management fees for all Investment Options as at the date of this PDS. The UMF investment fees are set by the respective UMF investment managers. These fees may be increased, decreased or waived by UMF investment managers from time to time without prior notice to Futurity or to you. Futurity maintains a current Investment Menu – Fees and Costs schedule on our website at futuresinvest.com.au. You should review the current Investment Menu – Fees and Costs schedule in conjunction with this PDS to confirm that you have the latest available information. A paper copy is available free of charge on request.

Total management fees – Investment Options

Futurity code	Investment Option	UMF APIR code or ASX code	Futurity management fees p.a.	UMF investment fees p.a.*	Total management fees p.a.	Performance fees p.a.^	Buy/sell costs
Diversified							
Diversified indexed options							
IB01	Futurity Investment Bond – Vanguard Conservative Index Fund	VAN0109AU	0.35%	0.29%	0.64%	Not applicable	0.09% / 0.09%
IB02	Futurity Investment Bond – Vanguard Balanced Index Fund	VAN0108AU	0.35%	0.29%	0.64%	Not applicable	0.09% / 0.09%
IB03	Futurity Investment Bond – Vanguard Growth Index Fund	VAN0110AU	0.35%	0.29%	0.64%	Not applicable	0.08% / 0.08%
IB04	Futurity Investment Bond – Vanguard High Growth Index Fund	VAN0111AU	0.35%	0.29%	0.64%	Not applicable	0.07% / 0.07%
IB05	Futurity Investment Bond – Vanguard Diversified All Growth Index ETF	VDAL	0.35%	0.27%	0.62%	Not applicable	0.00% / 0.00%
Diversified actively managed options							
IB06	Futurity Investment Bond – Dimensional World Allocation 30/70 Trust	DFA8313AU	0.55%	0.371%	0.921%	Not applicable	0.06% / 0.06%
IB07	Futurity Investment Bond – Dimensional World Allocation 50/50 Trust	DFA0033AU	0.55%	0.391%	0.941%	Not applicable	0.06% / 0.06%
IB08	Futurity Investment Bond – Dimensional World Allocation 70/30 Trust	DFA0029AU	0.55%	0.402%	0.952%	Not applicable	0.07% / 0.07%
IB09	Futurity Investment Bond – Dimensional Sustainability World Allocation 70/30 Trust	DFA7518AU	0.55%	0.402%	0.952%	Not applicable	0.07% / 0.07%
IB10	Futurity Investment Bond – Dimensional World Equity Trust	DFA0035AU	0.55%	0.413%	0.963%	Not applicable	0.09% / 0.09%
IB11	Futurity Investment Bond – Betashares Diversified All Growth ETF	DHHF	0.55%	0.19%	0.74%	Not applicable	0.00% / 0.00%
IB12	Futurity Investment Bond – MLC Wholesale Horizon 5 – Growth Portfolio	MLC0265AU	0.55%	0.97%	1.52%	0.04%	0.15% / 0.15%
IB13	Futurity Investment Bond – Australian Ethical Balanced Fund	AUG0017AU	0.55%	0.91%	1.46%	Not applicable	0.10% / 0.10%
IB14	Futurity Investment Bond – Allan Gray Australian Balanced Fund	ETL4654AU	0.55%	0.76%	1.31%	0.23%	0.20% / 0.20%
IB15	Futurity Investment Bond – Morningstar Growth Real Return Fund – Class A	INT0038AU	0.55%	0.57%	1.12%	0.08%	0.13% / 0.11%
Sector-specific							
Sector-specific indexed options							
IB16	Futurity Investment Bond – Vanguard Australian Fixed Interest Index Fund	VAN0001AU	0.55%	0.19%	0.74%	Not applicable	0.06% / 0.06%
IB17	Futurity Investment Bond – Vanguard Global Aggregate Bond Index Fund (Hedged)	VAN9309AU	0.55%	0.24%	0.79%	Not applicable	0.09% / 0.09%
IB18	Futurity Investment Bond – Vanguard Australian Shares Index Fund	VAN0002AU	0.55%	0.16%	0.71%	Not applicable	0.04% / 0.04%
IB19	Futurity Investment Bond – Vanguard International Shares Index Fund (Hedged)	VAN0105AU	0.55%	0.22%	0.77%	Not applicable	0.06% / 0.06%
IB20	Futurity Investment Bond – Vanguard International Shares Index Fund	VAN0003AU	0.55%	0.18%	0.73%	Not applicable	0.05% / 0.05%
IB21	Futurity Investment Bond – Vanguard Emerging Markets Shares Index Fund	VAN0005AU	0.55%	0.56%	1.11%	Not applicable	0.18% / 0.18%
IB22	Futurity Investment Bond – Vanguard Australian Property Securities Index Fund	VAN0004AU	0.55%	0.23%	0.78%	Not applicable	0.05% / 0.05%
IB23	Futurity Investment Bond – Vanguard International Property Securities Index Fund (Hedged)	VAN0019AU	0.55%	0.48%	1.03%	Not applicable	0.07% / 0.07%
IB24	Futurity Investment Bond – Vanguard Global Infrastructure Index Fund (Hedged)	VAN0024AU	0.55%	0.57%	1.12%	Not applicable	0.07% / 0.07%
IB25	Futurity Investment Bond – iShares S&P 500 ETF	IVV	0.55%	0.04%	0.59%	Not applicable	0.00% / 0.00%
IB26	Futurity Investment Bond – Betashares NASDAQ 100 ETF	NDQ	0.55%	0.48%	1.03%	Not applicable	0.00% / 0.00%
IB27	Futurity Investment Bond – VanEck MSCI International Quality ETF	QUAL	0.55%	0.40%	0.95%	Not applicable	0.00% / 0.00%
Sector-specific actively managed options							
IB28	Futurity Investment Bond – First Sentier Institutional Cash Fund	FSF1809AU	0.35%	0.08%	0.43%	Not applicable	0.00% / 0.00%
IB29	Futurity Investment Bond – PIMCO Australian Bond Fund	ETL0015AU	0.55%	0.55%	1.10%	Not applicable	0.10% / 0.10%
IB30	Futurity Investment Bond – PIMCO Global Bond Fund	ETL0018AU	0.55%	0.57%	1.12%	Not applicable	0.10% / 0.10%
IB31	Futurity Investment Bond – RQI Australian Value – Class A	FSF0976AU	0.55%	0.37%	0.92%	Not applicable	0.10% / 0.10%
IB32	Futurity Investment Bond – Perpetual ESG Australian Share Fund	PER0116AU	0.55%	1.175%	1.725%	Not applicable	0.12% / 0.12%
IB33	Futurity Investment Bond – First Sentier Concentrated Australian Share Fund	FSF0016AU	0.55%	0.97%	1.52%	Not applicable	0.20% / 0.20%
IB34	Futurity Investment Bond – Australian Ethical Australian Shares Fund	AUG0018AU	0.55%	1.00%	1.55%	Not applicable	0.15% / 0.15%
IB35	Futurity Investment Bond – Betashares Geared Australian Equities Complex ETF	GEAR	0.55%	0.78%#	1.33%##	Not applicable	0.00% / 0.00%
IB36	Futurity Investment Bond – Arrowstreet Global Equity Fund (Hedged)	MAQ0079AU	0.55%	1.28%	1.83%	Not applicable	0.16% / 0.17%
IB37	Futurity Investment Bond – GQG Partners Global Equity Fund (Hedged)	ETL0666AU	0.55%	0.78%	1.33%	Not applicable	0.10% / 0.10%
IB38	Futurity Investment Bond – GQG Partners Emerging Markets Equity Fund – Class A	ETL4207AU	0.55%	0.96%	1.51%	Not applicable	0.25% / 0.25%
IB39	Futurity Investment Bond – Resolution Capital Global Property Securities Fund (Managed Fund)	WHT0024AU	0.55%	0.55%	1.10%	Not applicable	0.20% / 0.20%
IB40	Futurity Investment Bond – Lazard Global Listed Infrastructure Active ETF	LAZ0014AU	0.55%	0.98%	1.53%	Not applicable	0.25% / 0.25%

* This is the UMF Investment Fee including estimated UMF indirect costs charged by the investment manager, but excluding performance fees.
^ Performance fees are generally based on the average of actual performance fees of the UMF for the respective investment option incurred over the previous five financial years and based on the latest information available. Please refer to the *UMF performance fees and gearing effects* section on page 32 for more information.

The UMF investment fee is based on the UMF's management fees and costs (excluding transaction costs) of 0.78% p.a. of the UMF's gross asset value. This is equivalent to up to 2.23% p.a. of the Bond Owner's balance in the Investment Option, depending on the level of gearing.
The total management fee is the sum of the Futurity management fee and the UMF investment fee. The UMF investment fee is charged on the UMF's gross asset value, which is equivalent to up to 2.23% p.a. of the Bond Owner's balance in the Investment Option, depending on the level of gearing. As a result, the total management fee may be up to 2.78% p.a. of the Bond Owner's balance in the Investment Option.

Additional explanation of fees and costs

Management fees

The fees for managing your Investment Bond have two components:

- 1) Futurity management fees; and
- 2) UMF investment fees.

Total management fees, representing the sum of these two components for all the Investment Options on the investment menu, are shown in the table on pages 30-31.

Futurity management fees

How and when calculated

Futurity management fees are deducted from the income of the Investment Options before unit prices are declared and are not deducted directly from the Investment Bond as a separate transaction. The fee is calculated daily on the net asset value of each Investment Option and is reflected in its unit price. It is charged to the Investment Options monthly in arrears.

What these fees cover

Futurity management fees cover administration of the Investment Bond including operating the Investment Options, unit pricing and asset valuations, corporate operations, risk management, governance and compliance, marketing, product development, investment management, and distribution activities.

Tax effects on management fee disclosures

The payment of Futurity management fees represents internal transactions undertaken within Futurity as a single taxpayer entity, transacted between the Management Fund and each Investment Option. As such, these transactions are not tax assessable or deductible. All percentage rates listed as Futurity management fees in the table on pages 30-31 reflect the actual fee rates impacting the Investment Bond.

UMF investment fees

How and when calculated

These are investment management fees charged by UMF investment managers and currently range between 0.04% p.a. and 1.28% p.a. as shown in the table on pages 30-31.

UMF investment fees are deducted at their respective underlying fund level and are incorporated into their unit prices. Importantly, these fees are not directly met by the Bond Owner, but are reflected in the investment performance of the units held by Futurity in the Investment Options. As such, these fees ultimately impact, to varying degrees, the value of the Investment Bond.

UMF performance fees and gearing effects

Some UMFs may charge performance fees based on investment returns achieved that exceed set objectives, such as bettering a performance benchmark, such as the S&P/ASX 300 Accumulation Index.

How performance fees are calculated and applied by the UMFs will vary between UMFs, as different calculation methods are adopted and different performance targets are set by each investment manager for the UMFs. Investment managers generally incorporate performance fees into the value of the investment. The current performance fees applicable to each Investment Option are shown in the table on pages 30-31.

Also, some specialised managed funds may undertake a level of gearing by borrowing additional funds to invest. This can have the effect of increasing managed fund investment fees because of increased charges on the borrowed funds.

Changes to UMF investment fees

The UMFs into which Futurity invests are independent of Futurity and, generally under their respective managed fund’s constitutions, have rights to increase fees or operate under a waived or reduced fee basis for certain periods.

As such, changes to UMF investment fees may occur without notice.

Tax effects on UMF investment fees disclosures

UMF investment fees are incurred by Futurity as indirect fees that are embedded in the unit prices of the UMFs held by Futurity’s Investment Options. The transactions undertaken between Futurity, as a separate taxpayer entity, and the responsible entities (or trustees) of each UMF are external and at arm’s length. As such, these fees are effectively tax-deductible.

The benefit of these tax deductions results in reduced income tax provided for and paid by Futurity at its tax rate, which is currently 30%. Futurity fully passes this tax benefit on to the Investment Options, and they are taken into account in calculating their unit prices.

For example, the UMF investment fee rate for the Futurity Investment Bond – Vanguard High Growth Index Fund (IB04) is 0.29% p.a. before this tax deduction. However, the true final after-tax deduction rate is 0.203% p.a., which is 70% of the before-tax deduction rate. It is this lower UMF investment fee rate that actually impacts the Investment Bond, and this applies to each Investment Option’s UMF investment fee.

Example of annual total management fees

This table illustrates how management fees and costs for the Futurity Investment Bond – Vanguard High Growth Index Fund (IB04) can affect the Investment Bond over a one-year period. Bond Owners can use this to compare this product with other investment products.

This example assumes an Investment Bond balance of \$50,000 and an additional contribution of \$5,000 made at the end of the year.

Futurity Investment Bond – Vanguard High Growth Index Fund		Investment Bond balance of \$50,000 with an additional contribution of \$5,000 at the end of the year
Contribution fees [#]	Nil	Nil on your \$5,000 contribution made at the end of the year.
Plus Futurity management fee + UMF investment fee = Total management fees	0.35% p.a. + 0.29% p.a. = 0.64% p.a.	And, for every \$50,000 invested in this Investment Option, you will be charged \$320 each year.
Equals Cost of product*		If you had an Investment Bond balance of \$50,000 at the beginning of the year and contributed an additional \$5,000 at the end of that year, you will be charged fees and costs of \$320.

[#] A transaction buy/sell cost of 0.07% is incurred on the \$5,000 additional contribution for the Futurity Investment Bond – Vanguard High Growth Index Fund used in the example. This would amount to a once-off cost of \$3.50.

* The example does not show the impact of any fees that may be separately agreed with your Financial Adviser. The total estimated cost of product includes Futurity management fee and UMF investment fee, but excludes any transactional and operational costs or buy/sell costs as noted above. The estimated transactional and operational costs on a \$50,000 Investment Bond balance would amount to \$50 each year (\$50,000 x 0.10% p.a.).

Reduced management fee scale

If the investment amount or Investment Bond balance exceeds \$250,000, the Investment Bond may be entitled to a reduced management fee scale that applies progressively to the Investment Bond balance.

This reduces the standard Futurity management fees in accordance with the reduced management fee scale disclosures made from time to time in the current PDS. This does not extend to UMF investment fees, which are charged separately.

The Vanguard Diversified Index Investment Options (IB01 – IB05) will be at their standard Futurity management fee of 0.35% p.a. until a lower reduced management fee scale is adopted based on the Investment Bond balance. For example, their standard Futurity management fee of 0.35% p.a. will apply to these Vanguard Diversified Investment Options on Investment Bond balances up to \$500,000, with the reduced management fee scale of 0.30% p.a. being applied when their Investment Bond balance is more than \$500,000.

The reduced management fee scale is applied progressively on Investment Bond balance brackets as follows:

Investment Bond balance	Reduced management fee scale	
	Vanguard IB01-IB05 (p.a.)	Other Investment Options (p.a.)*
First \$250,000	0.35% (standard fee)	0.55% (standard fee)
Next \$250,000	0.35% (standard fee)	0.45%
Next \$1,500,000	0.30%	0.30%
Next \$8,000,000	0.15%	0.15%
Above \$10,000,000	0.00% (nil fee)	0.00% (nil fee)

* The Futurity Investment Bond – First Sentier Institutional Cash Fund (IB28) Investment Option is excluded from the reduced management fee scale.

How the reduced management fee scale works

The reduced Futurity management fees are calculated using the daily Investment Bond balance and are credited to the Investment Bond on a monthly basis.

The fee reduction is applied by sourcing a rebate amount from the Management Fund, which is credited to the relevant Investment Option holdings as a fee rebate. The fee rebate amount is credited by way of additional units to the Investment Bond. These additional units are usually allocated in the following month, utilising the buy unit price applicable on the day the transaction is processed.

If the Investment Bond has more than one Investment Option, the total rebate amount is allocated in the form of additional units applied proportionally across each Investment Option. If a Bond Owner holds multiple Investment Bonds, Futurity may agree to aggregate the respective Investment Bond balances.

If a full withdrawal is made, the withdrawal will only include a rebate calculated up to the end of the month prior to that withdrawal. No reduced management fee scale applies if a full withdrawal is made within the cooling-off period.

Futurity reserves the right to determine eligibility for the reduced management fee scale, alongside their calculation and final acceptance.

Reduced management fee scale example

An Investment Bond has a balance of \$800,000 allocated to the Futurity Investment Bond – Vanguard High Growth Index Fund (IB04).

The progressive application of the reduced management fee scale is calculated as follows:

Investment Bond balance	Application of reduced management fee scale	
\$0 to \$250,000 (Standard fee)	0.35% p.a.	\$875 (\$250,000 @ 0.35%)
\$250,001 to \$500,000	0.35% p.a.	\$875 (\$250,000 @ 0.35%)
\$500,001 to \$800,000	0.30% p.a.	\$900 (\$300,000 @ 0.30%)
Total Futurity management fees		\$2,650

With the reduced management fee scale applied, the standard annual Futurity management fees are lowered by \$150, resulting in a total annual fee of \$2,650.

Other fees and costs

Transactional and operational costs

A range of costs can be charged directly to the Investment Options or reimbursed if the Management Fund has paid or incurred them on behalf of an Investment Option.

These are not charged to the Bond Owner separately but are reflected in each Investment Option's unit price. Depending on the type and level of investment assets held, these costs will vary between the Investment Options.

These costs can include acquisition, disposal, valuation and transaction costs, such as brokerage, state duty, insurance, custody, and valuation expenses. They may also include auditor, actuary and legal fees incurred in respect of the operation of the Investment Options.

These costs are capped at a maximum per Investment Option of 0.10% p.a. Any costs exceeding the cap will be absorbed and met by Futurity from the Management Fund.

If Futurity seeks to change the capping arrangement, at least three months' prior written notice will be provided to Bond Owners.

Buy/sell costs

For all Investment Options, the respective buy unit prices and sell unit prices incorporate a small percentage cost to cover transaction costs.

Given that all Investment Options on the investment menu are typically fully invested into UMFs (apart from small operating cash holdings), these transaction costs are limited to the underlying buy/sell costs of the UMFs. Futurity incurs these transaction costs when buying or selling units in the UMFs.

In order that each Bond Owner equitably bears the transaction costs applicable to their own Investment Bond, when making contributions, switches, claims and withdrawals, Futurity seeks to align the buy unit price or sell unit price with the corresponding buy/sell costs as set by the UMF investment managers from time to time.

Buy/sell costs applicable to each Investment Option are shown in the table on pages 30-31.

Dishonour fee

If a fee is incurred because a direct debit or cheque for the Investment Bond is dishonoured or cancelled by the relevant financial institution, a corresponding amount may be charged against the Investment Bond.

Increases or alterations to Futurity fees or costs

In certain circumstances, Futurity can vary the fees within limits prescribed in the Product Rules. If an increase to fees is proposed, at least three months' prior written notice will be provided to Bond Owners.

GST

Unless otherwise indicated, all fees and charges disclosed in this PDS and any Financial Adviser remuneration (if agreed by the Bond Owners) are inclusive of GST, where applicable. Where reduced input tax credits are available, the GST payable can be lessened.

Contributions, switches and withdrawals do not create a GST liability for the Bond Owner.

State duty

When establishing an Investment Bond, certain Australian States may levy a duty on the initial contribution. For example, New South Wales duty on a \$50,000 initial contribution is \$49.

For the currency of this PDS and in respect of all Investment Bonds issued under it, Futurity will meet and pay any duty for initial contributions up to \$50,000.

For initial contributions above \$50,000, the duty is met by the Bond Owner and will be deducted from the initial contribution amount. The confirmation certificate will detail any duty that has been deducted.

Regular Savings Plan and additional contributions do not attract duty.

Fee arrangements with a Financial Adviser

If the services of a Financial Adviser are retained, an agreement can be negotiated regarding their remuneration for the provision of advice and services. These advice fees are additional to the fees shown in the *Total management fees* table on pages 30-31 and are paid directly to the Financial Adviser rather than to Futurity.

For example, a set amount or percentage may be agreed upon as an Initial Advice Fee, alongside potential ongoing Adviser Service Fees in respect of the Investment Bond.

Futurity's role in relation to adviser fees is limited to facilitating payment by deducting agreed amounts from the Investment Bond balance and remitting them to the Financial Adviser at the Bond Owner's direction. Futurity does not recommend, endorse or monitor the advice or services provided by the Financial Adviser, and is not a party to any advice agreement between the Bond Owner and the Financial Adviser.

Initial Advice Fee

Bond Owners can negotiate and agree to remunerate Financial Advisers via an Initial Advice Fee for the advice and services involved in establishing the Investment Bond.

Any Initial Advice Fee agreed between the Bond Owner and the Financial Adviser can be instructed via the Application Form and can be charged as:

- a percentage of the initial contribution amount; or
- a set dollar amount.

Initial Advice Fees are deducted from the initial contribution before being invested and are typically paid to the Financial Adviser around the 10th day of the month following the Investment Bond's Commencement Date.

The Initial Advice Fee reduces the total amount invested on the Commencement Date. Bond Owners should confirm the amount of any agreed Initial Advice Fee with the Financial Adviser, alongside the impact of that fee on the initial contribution amount, prior to submitting the Application Form.

One-Off Adviser Fee

Bond Owners can agree to pay a One-Off Adviser Fee to Financial Advisers. One-Off Adviser Fees are typically paid around the 10th day of the following month. If the Investment Bond has more than one Investment Option, the fee will be deducted proportionately across the Investment Options based on the percentage of the Investment Bond balance held in each Investment Option on the day the fees are processed.

A new instruction must be completed and provided to Futurity each time this fee is to be applied.

One-Off Adviser Fees are not subject to the ongoing fee consent requirements under the *Corporations Act 2001* (Corporations Act). However, Bond Owners should ensure that any One-Off Adviser Fee is connected to a specific and identifiable service provided by the Financial Adviser.

Ongoing Adviser Service Fee

Bond Owners can also agree to remunerate Financial Advisers via an ongoing Adviser Service Fee arrangement. The ongoing Adviser Service Fee constitutes an ongoing fee arrangement for purposes of the Corporations Act. Ongoing fee arrangements are subject to specific legal requirements which are detailed in the online Application Form and the Adviser Fee Instruction and Consent Form.

These fees may cover ongoing advice and services, such as monitoring the Investment Bond, providing regular reporting, offering advice about switching between Investment Options, and delivering other financial planning, estate planning and taxation advice as circumstances change.

The Financial Adviser is required by law to provide a description of the services to be provided under any ongoing Adviser Service Fee arrangement before charging the fee.

Ongoing Adviser Service Fees can be instructed by completing the online Application Form or Adviser Fee Instruction and Consent Form and can be charged against the Investment Bond balance as:

- a percentage of the Investment Bond balance; or
- a set dollar amount.

If instructions have been provided to pay an ongoing Adviser Service Fee to the Financial Adviser, where required by law, the consent to paying an ongoing Adviser Service Fee should be reviewed and obtained annually by the Financial Adviser. If Futurity does not receive the required renewal consent by the specified expiry or end date, the ongoing Adviser Service Fee will cease.

Ongoing Adviser Service Fees are typically paid in arrears around the 10th day of each month. If the Investment Bond has more than one Investment Option, the fee will be deducted proportionately across the Investment Options based on the percentage of the Investment Bond balance held in each Investment Option on the day the fees are processed.

Monitoring and checking your Financial Adviser arrangements

Futurity does not monitor the type or level of services provided by a Financial Adviser, nor does Futurity verify whether the Financial Adviser has complied with their obligations under the Corporations Act in relation to ongoing Adviser Service Fee arrangements or annual renewal consent. Bond Owners are encouraged to:

- check that the agreed services are being received, especially if paying ongoing Adviser Service Fees; and
- regularly review the services provided and consider whether the fees remain appropriate.

Ongoing Adviser Service Fee instructions

If ongoing Adviser Service Fees have been agreed between the Bond Owner and the Financial Adviser, these cannot be increased or changed by Futurity or the Financial Adviser unless written instructions are provided to Futurity by the Bond Owner.

If a Bond Owner is dissatisfied with the level of service being provided, the matter should be discussed with the Financial Adviser. Futurity can be instructed in writing to terminate or vary the ongoing Adviser Service Fee at any time. Any written instruction to terminate the ongoing Adviser Service Fee will take effect from the next scheduled payment date following Futurity's receipt of the instruction.

Futurity may, at its discretion, refuse to deduct an ongoing Adviser Service Fee where there are reasonable grounds to suspect that the deduction would not be authorised by the Bond Owner or would otherwise fail to comply with applicable law.

Differential fee arrangements

Futurity may, at its discretion, individually negotiate and enter into alternative fee arrangements with certain Bond Owners, including:

- wholesale investors (within the meaning of the Corporations Act);
- employees of Futurity; or
- large investors or other investors as permitted by law.

Where alternative fee arrangements are agreed upon, lesser fees can be charged, or fees can be rebated or waived for these Bond Owners.



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How the tax framework operates

Investment bond tax

Investment bonds are tax-paid investments. Tax is paid on the investment earnings by Futurity at the current ordinary class life insurance tax rate of 30%. The effective tax rate used in the unit pricing process, and impacting the Investment Bond, may be lower due to the benefit of tax offsets.

Effective tax rate

Each Investment Option is credited with the benefit of tax offsets realised by Futurity.

Tax offsets reduce the total income tax payable. Consequently, these offsets favourably impact the Investment Options by lowering the effective tax rate below 30%. Claimable tax offsets include franking tax offsets relating to franked dividend income, as well as foreign tax offsets linked to specific classes of foreign income.

Each Investment Option has its own distinct effective tax rate, which is assessed and applied during the calculation of the unit price. While the tax rate is nominally prescribed as 30%, the effective tax rate can be lower depending on the asset classes held within each Investment Option, tax provisioning and the level of franking and foreign tax offsets passed forward from the UMFs.

The table below illustrates the estimated long-term effective tax rate ranges applicable to the asset classes across the various Investment Options:

Asset class	Estimated effective tax rate ranges
Australian equities	18% – 28%
International equities	19% – 28%
International emerging markets	19% – 28%
Australian fixed interest	28% – 30%
International fixed interest	28% – 30%
Property and infrastructure	22% – 28%
Cash	30%
Diversified options	18% – 30%

Tax when accessing investment bonds

The tax treatment associated with making withdrawals from investment bonds depends on the specific circumstances and the timing of the withdrawal. Withdrawals made after the 10-Year Rule has been met do not incur any personal tax liability. If a withdrawal is made before the 10-Year Rule is met, a portion of the investment earnings may be assessable, depending on the investment year in which the withdrawal occurs.

General information regarding tax on withdrawals can be found in the *The 10-Year Rule* section on page 10 and *The 125% Rule* section on page 11. There are also specific circumstances where different taxation rules may apply.

Excepted income for non-excepted person (minor)

When funds used to invest in an investment bond are sourced from the death benefit of a life insurance policy (including another investment bond), a superannuation account or the estate of a deceased person (such as a will estate or testamentary trust), a minor who is a ‘non-excepted person’ may be treated as being in receipt of ‘excepted income’.

In these circumstances, ‘excepted income’ is subject to standard individual tax rates with a tax-free threshold of \$18,200 (as at 1 July 2026)¹¹, rather than the standard minor tax rates where the tax-free threshold is restricted to \$416 (as at 1 July 2026)¹².

In the case of a minor who is an ‘excepted person’¹³, their total income is subject to standard individual tax rates in any event.

It is recommended that independent professional advice be sought regarding specific personal circumstances relating to a minor’s tax status and ‘excepted income’.

Death, accident, serious illness or other disability

If a withdrawal is made due to the death, accident, serious illness or other disability of the last surviving life insured, no part of the withdrawal or death benefit proceeds is assessable, regardless of whether the 10-Year Rule has been met.

Futurity does not assess, verify or determine the existence or level of severity of any accident, serious illness or other disability. It is recommended that the Bond Owner or their LPR retains appropriate medical records and documentation to substantiate this position.

Financial hardship

In the event of unforeseen, serious financial hardship experienced by the Bond Owner prior to meeting the 10-Year Rule, no part of the withdrawal is assessable in the hands of the Bond Owner.

Futurity does not assess, verify or determine whether serious financial hardship has been experienced. It is recommended that the Bond Owner retains comprehensive financial records and documentation to substantiate this position.

Ownership transfer

Investment bond transfers generally entail no personal tax liability or CGT liabilities, while fully preserving the 10-Year Rule status of the Investment Bond, where no financial consideration is involved. If a transfer does involve financial consideration, it is recommended that independent professional advice be sought regarding the specific personal circumstances.

Bond Owners in receipt of a government income support payment, such as the age pension, should seek independent professional advice regarding the potential implications of the transfer, including whether the transaction will be treated as a gift under relevant social security rules.

Simple tax management with no TFN requirement

Unlike many other investments, earnings within an investment bond do not need to be declared on personal tax returns while funds remain invested within the investment bond, and there is no requirement to provide a TFN for an investment bond.

Switching Investment Options

Bond Owners can switch between Investment Options without triggering personal tax or CGT liabilities.

This capacity to adjust the Investment Bond’s investment strategy without incurring CGT provides a distinct advantage over alternative structures, such as standard managed funds or unit trusts, which typically incur tax liabilities and subsequent tax reporting obligations when changing the underlying asset mix.

Social security and pension impacts

Investment bond ownership can impact an individual’s eligibility for government means-tested pensions or other benefits administered by Services Australia (Centrelink) or the Department of Veterans’ Affairs (DVA).

For social security purposes, investment bonds are generally classified as financial assets under the assets test and are subject to the deeming rules under the income test.

Changes in residency

If a Bond Owner’s residency status changes, Futurity must be notified immediately to ensure details are updated and compliant with regulatory requirements.

Taxation Law

Investment bonds operate under Australian Taxation Law and a long-established taxation framework designed for life insurance-based investments. The tax information contained within this PDS is current as at the date of this PDS and is based on Futurity’s general understanding of relevant and current Taxation Law (which is subject to change over time) and must not be taken as advice.

It is strongly recommended that Bond Owners seek independent professional advice regarding their specific personal circumstances.



As the legislation governing social security and pensions is complex and subject to change, individuals receiving or intending to apply for a government pension or benefit are strongly recommended to contact Services Australia or the Department of Veterans’ Affairs, or seek independent professional advice before investing.

Foreign tax reporting obligations

Futurity is required under Australian and international laws to identify Bond Owners who are tax residents of countries other than Australia to meet mandatory account information reporting standards. This includes compliance with the Common Reporting Standard (CRS) and the Foreign Account Tax Compliance Act (FATCA).

If, at any time during the term of the Investment Bond, information held by Futurity indicates that a Bond Owner, including an investing entity’s controlling person or a beneficial owner, may be a foreign tax resident, contact will be made to request further documentation regarding that foreign tax status. A failure to respond or provide the requested information may result in reporting obligations being applied to the Investment Bond and details being disclosed to the ATO and exchanged with relevant overseas tax authorities and may affect Futurity’s ability to process certain requests.

For these purposes, a controlling person or beneficial owner is defined as any individual who directly or indirectly holds a legal interest in the investing entity of 25% or more or who exercises actual effective control over the entity, whether through voting rights, economic influence or other means. In the case of a trust, a controlling person or beneficial owner includes the appointor, settlor, trustee or beneficiary (including classes of beneficiaries). For non-trust entities, this includes individuals in equivalent or similar roles.

By applying for a Futurity Investment Bond, the Bond Owner certifies that they will notify Futurity within 30 days of any changes to the foreign tax status details of the Bond Owner, including any changes to the controlling persons or beneficial owners of an investing entity.

¹¹ Sections 102AE and 102AG of the *Income Tax Assessment Act 1936*.

¹² Section 13 of the *Income Tax Assessment Act 1936*.

¹³ Section 102AC of the *Income Tax Assessment Act 1936*.

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Communicating with Bond Owners

Online portal

Futurity provides an online portal allowing Bond Owners and Appointed Associates (as applicable) access to Investment Bond information and statements at any time.

The online portal allows authorised users to view account information, including the Investment Bond balance, selected Investment Options and historical transactions. It also provides access to various forms to manage the Investment Bond.

Futurity reserves the right to request proof of identity for any individual authorised to use the online portal and may, at its sole discretion, cancel or suspend online portal access for any user without prior notice.

Confirmation certificate

Following the formal acceptance of an application to invest, Futurity issues a confirmation certificate. This document confirms the ownership details, the lives insured, Investment Bond term and the Default Investment Allocation.

Where nominated, the confirmation certificate also details the Bond Estate Nomination, Bond Representative and Bond Guardian appointments. Whenever updates are processed that alter the primary information detailed on the original certificate, an updated or replacement confirmation certificate will be issued.

Annual statement

Futurity provides annual statements to Bond Owners and Appointed Associates (as applicable). The statement outlines the Investment Bond balance and unit holding, alongside a comprehensive breakdown of contributions, withdrawals and any other account transactions processed during the period.

Annual tax statement

If assessable withdrawals occurred during the year, annual tax statements are provided for the relevant financial year to the Bond Owner and Appointed Associates (as applicable).

Transaction confirmations

Following the processing of any transaction, a confirmation is sent to the Bond Owner and Appointed Associates (as applicable). This validates transactions such as contributions, withdrawals and switches.

Regardless of the instruction authority established for joint Bond Guardians or joint Bond Representatives, correspondence issued to the primary named Bond Guardian or Bond Representative is deemed delivered to all joint parties.



Additional information

Transaction information

All transactions, including initial and additional contributions, switches and withdrawals, are processed using daily unit prices.

Transaction requests received and verified prior to 1:00pm on a Melbourne business day will generally be processed using the unit prices determined for that day. Requests received and verified after this time will normally be processed using the unit prices for the next Melbourne business day. Futurity aims to process all verified transaction requests within seven Melbourne business days of receipt.

Applications

Application monies are held in a trust clearing account. Once cleared, Futurity aims to process completed applications within seven Melbourne business days of receipt. The Commencement Date of the Investment Bond is the day the application is formally accepted and the initial net contributions are allocated to the selected Investment Options.

If Futurity is unable to accept an application for whatever reason, the applicant will receive a refund from this clearing account within 30 days from the date the monies were received or such other period as reasonable in the circumstances. For administrative and taxation simplicity, Futurity retains any interest on the clearing account to meet operational expenses and other related processing costs.

Pending acceptance and processing of the application, and Investment Option allocation, Futurity is not responsible for movements in the unit prices of the selected Investment Options. To prevent processing delays, the Application Form must be completed accurately and accompanied by all required documents including identity verification documentation. Futurity reserves the right to decline or defer any application at its discretion without disclosing reasons.

Contributions

When processing contributions, the net contribution amount is divided by the buy unit price of each selected Investment Option, in accordance with the specified allocation, to determine the number of units allocated to each Investment Option.

The number of units issued is dependent on the amount invested and the applicable buy unit price for the selected Investment Option at the time of processing. Contributions are not treated as received and processed by Futurity until the funds have fully cleared.

Unless Futurity is notified otherwise, contributions will be allocated across the selected Investment Options based on the Default Investment Allocation specified in the Application Form. Bond Owners can update the Default Investment Allocation in writing at any time.

Switches

When processing switches, the sell unit price is applied for the Investment Option being switched from. For the Investment Option being switched into, the buy unit price calculated at the same time is applied. The number of units issued in the Investment Option being switched into is determined by dividing the value of the Investment Option being switched from by the buy unit price of the Investment Option being switched into.

Futurity reserves the discretion to restrict, limit or impose additional conditions on switching where it determines it is in the best interests of Bond Owners.

Transaction suspension, delay or deferral

Circumstances and events beyond Futurity's control can arise and may cause a delay or deferral in processing transactions. These situations may impact Futurity's operations as well as those of the UMFs into which the Investment Options invest.

- These circumstances and events include the following:
- Emergencies such as technology failures or government moratoriums rendering it impracticable to process transactions.
 - Unscheduled or unexpected closures, restrictions, or suspensions applying to equity markets, exchanges and trading platforms.
 - Repayment suspensions, delays, or deferrals affecting the assets or UMFs in which the Investment Options invest.
 - Conditions or restrictions impacting Futurity's dealings with a UMF that alters repayment terms, access or the provision of financial information.

Unit price procedures

The current unit price for each Investment Option is determined by dividing the net asset value of the Investment Option by the number of units on issue.

Depending on the nature of the transaction being undertaken, the unit price applied will be either a buy unit price (an issue or acquisition price) or a sell unit price (a redemption or disposal price). The difference between these unit prices represents the transaction costs incurred by Futurity when buying or selling units in the UMFs to execute the transaction. These buy/sell costs are detailed in the *Total management fees* table on pages 30-31 of this PDS.

For more information on how the unit prices applicable to transactions or other investment dealings are determined, refer to the *Transaction information* section on page 44.

Valuation and unit prices

Investment Options typically invest in a single UMF. For valuation purposes, the calculation of each Investment Option's unit price incorporates the UMF's own unit price, after making allowances for expenses and tax paid by Futurity (including tax provisions).

Futurity values the investment assets of each Investment Option in accordance with established accounting and actuarial valuation standards. A range of factors can impact unit prices, asset values, and performance measurements, including:

- the frequency and reliability of unit price information provided by the UMF, and the timing of UMF distributions made to the Investment Options;
- actuarial and tax accounting treatment conventions for tax-provisioning and accruals, alongside the timing of receiving and processing tax credits and paying Investment Option level tax; and
- the application of Futurity's taxation policy, together with relevant advice from the appointed actuary, to ensure the fair and consistent calculation of unit prices and valuation of Investment Options over time.

Daily and historical unit price data is available at futurityinvest.com.au.

Futurity’s appointed actuary

Under the Life Act, Futurity is required to have an appointed actuary who plays a key role in advising Futurity on unit pricing.

The appointed actuary’s advice may include assumptions and estimates used to establish unit prices, such as estimated long-term effective tax rates and the valuation of deferred tax assets and liabilities.

The appointed actuary is:

Briallen Cummings
(Partner, Actuarial Advisory Services)
KPMG Financial Services Consulting Pty Ltd
International Towers 3 Sydney
300 Barangaroo Avenue
Sydney NSW 2000

How Futurity is regulated

APRA and ASIC

Futurity is subject to both APRA and ASIC regulation and oversight.

Under the Life Act, APRA is Futurity’s primary regulator and prudential supervisor, with responsibility to oversee Futurity’s corporate governance, risk management framework, capital adequacy and financial soundness. APRA also approves the Product Rules.

ASIC is Futurity’s other regulator, providing oversight under the Corporations Act. This covers Futurity’s disclosure practices, consumer protection measures, and compliance with its Australian Financial Services Licence (AFSL).

Security and protections

Futurity Investment Bonds are established and must be maintained under a secure framework with legal protections governed by the Life Act.

Futurity must maintain and invest each Investment Option on the investment menu as a distinct and separate fund. Contractual liabilities to meet Investment Bond balance of Bond Owners are supported by matched assets held in these legally separated (but contractually linked) Investment Options.

As legally separated funds, each Investment Option is protected from adverse financial events or circumstances that might impact other Investment Options or that Futurity as a corporate entity might experience.

Corporate governance, risk management and compliance

Futurity is an APRA licensed entity required to meet ongoing risk and compliance requirements.

Board of Directors

The Futurity Board is comprised of independent non-executive directors who are appointed in accordance with Futurity’s Corporate Governance Rules (Constitution). More information on the Futurity Board is available on the Futurity website.

The Futurity Board has authorised the issue of this PDS.

More information on Futurity’s corporate governance arrangements can be found in its annual reports. The Futurity Board maintains a corporate financial lines insurance program.

Legal nature and how the Futurity Investment Bond is governed

Futurity Investment Bonds are investment-linked life insurance contracts with Futurity. These contracts are issued and operated under, and subject to, the Life Act.

The terms and conditions of the Investment Bond are principally governed by APRA approved Product Rules, which constitute the primary basis of the contract with Futurity. The completed Application Form also forms part of the contract, incorporating various disclosures, representations, and certain acknowledgments, declarations, and additional terms and conditions contained in the PDS that are accepted by signing the Application Form.

Additionally, other terms and conditions accepted by a Bond Owner will apply when completing various transaction forms from time to time.

Important additional PDS information

Updating the PDS

Futurity will update this PDS by issuing a replacement PDS or a supplementary PDS if there are materially adverse changes to information in it or materially adverse omissions.

Provided the information to be updated is not materially adverse information, updates may be made in various ways, including:

- sending notices by post or Electronic Means to impacted Bond Owners and including updated information with annual statements or other Futurity communications; or
- Bond Owners obtaining updated information by telephone.

A paper copy of updated information can be requested from Futurity at any time without charge.

Interested parties

Apart from professional fees paid to experts associated with the preparation of this PDS, no Futurity director or expert has any interest in the assets of the Investment Options or benefits referred to in this PDS, other than entitlements available through Investment Bond ownership on the same terms and conditions applicable to all Bond Owners.

Auditor

Deloitte Touche Tohmatsu is the auditor for Futurity Investment Group Limited.

Annual report

In accordance with the Corporations Act, Futurity provides its financial statements as part of its annual report free of charge to Members of Futurity upon request. The election to receive the annual report can be made within the Application Form by Electronic Means or otherwise by contacting Futurity by email, phone or mail. Delivery preferences may be updated at any time. A copy of the current annual report is also available on the Futurity website at futurityinvest.com.au.

Consents

Various consents from independent experts have been obtained in respect of the preparation of this PDS, and to being named in the form and context in which they have been presented. None of these consents have been withdrawn prior to the date of this PDS.

About the Product Rules

In summary, the Investment Bond’s APRA approved Product Rules cover the following:

- The class of business and types of bonds that Futurity can issue.
- Procedures and conditions for making applications, contributions and the operation of Regular Savings Plans.
- Procedures and conditions for making withdrawals.
- How Investment Options are established, added or closed, how they are unitised and valued, and the Authorised Investments and Investment Policies established for each Investment Option (see PDS Part B).
- How a life insured is selected and their role and function.
- Bond Death Maturity and Bond Estate Completion procedures, including procedures for paying death benefit proceeds in the event of a Bond Death Maturity.
- Futurity’s procedures for processing transactions, including the circumstances or events that may lead to any suspension, delay or deferral.
- The issuance of confirmation certificates and annual statements, alongside reporting obligations to Bond Owners.
- How the Investment Bond can be transferred and Bond Estate Nomination procedures.
- Fees and other costs that can be charged, including maximum limits, and how and when they can be paid or varied.
- The taxation arrangements for the Investment Options.
- Various other matters, including unclaimed monies, cooling-off rights, and general discretions and determination powers under the Product Rules.

A full version of the Product Rules can be inspected by Bond Owners upon request.

Product Rules changes

Product Rules changes must be approved by APRA.

Independent tax consultant

Expert consent has been obtained from an independent tax consultant regarding the tax information contained in this PDS. The consultant is:

Tony C Jacob
B Com (Melb), Registered Tax Practitioner

Managers of UMFs

The UMF managers have consented to being named in the PDS and have reviewed and approved the information about them and their respective managed funds invested into by Futurity's Investment Options.

The UMF managers are not responsible for the contents and accept no liability in respect of this PDS, nor have they authorised or caused the issue of this PDS.

Bond Guardian and Bond Representative terms and conditions

Up to three Bond Guardians and up to three Bond Representatives may be appointed to exercise Authorised Functions.

Bond Guardians are appointed to act in the capacity of the Bond Owner in the event of the death or legal, physical or mental incapacity of the last surviving Bond Owner. The authority of Bond Guardians becomes effective once Futurity is reasonably satisfied that the last surviving Bond Owner has died or no longer has capacity to act.

Bond Representatives are appointed to act for the Bond Owner while the Bond Owner is alive and has legal capacity in respect of the Investment Bond.

When Bond Guardians and Bond Representatives are appointed, these terms and conditions will apply to the Bond Owner, Bond Guardians and Bond Representatives, subject to the Product Rules and applicable legal requirements and law.

Bond Guardians and Bond Representatives must be at least 18 years of age. Futurity recommends appointing someone who is trustworthy and competent to fulfil this role.

Basic Authorised Functions

Bond Guardians and Bond Representatives have basic Authorised Functions that Futurity will act upon as being authorised by the Bond Owner in respect of the Investment Bond. Upon appointment, Bond Guardians and Bond Representatives are granted authority to:

- access the online portal, Investment Bond details, personal details of the Bond Owner, and receive reports and statements; and
- exercise any other basic Authorised Functions that Futurity may approve from time to time.

Additional Authorised Functions

In the Application Form, or by later written instructions to Futurity, the Bond Owner can authorise Bond Guardians and Bond Representatives to perform certain additional Authorised Functions on their behalf, including:

- switching Investment Options; and
- making withdrawals, including making full withdrawals (with Futurity's approval).

Unauthorised functions

Bond Guardians and Bond Representatives are strictly limited to the above Authorised Functions and cannot:

- change the Investment Bond term (unless authorised by Futurity);
- change or add a life insured, Bond Estate Nominee or Future Activated Transfer arrangement;
- transfer the Investment Bond; or
- remove or appoint a replacement Bond Guardian or Bond Representative.

General Bond Guardian and Bond Representative matters

Futurity will treat Bond Guardians and Bond Representatives as having full legal capacity to carry out the Authorised Functions granted to them by the Bond Owner, and Futurity will not accept or be on notice of any restriction on such powers except as required by law.

A person reasonably believed to be acting as a Bond Guardian or Bond Representative exercising Authorised Functions will be treated by Futurity as if the Bond Owner had personally exercised those powers.

AML/CTF Laws verification of Bond Guardians is not necessary until their power to undertake Authorised Functions becomes effective. Online portal access and correspondence will also be granted at this time.

Bond Representatives are subject to AML/CTF Laws verification at the time of appointment. Bond Representatives will be granted access to the online portal and will be copied on all correspondence received by the Bond Owner.

Bond Guardian and Bond Representative appointments can only be terminated by written notification to Futurity by the Bond Owner, and Futurity is not responsible for subsequent claims that a Bond Guardian or Bond Representative was not acting on behalf of the Bond Owner.

Futurity may cancel a Bond Guardian or Bond Representative arrangement or vary these terms and conditions after giving 14 Melbourne business days' notice to the Bond Owner.

The Bond Owner agrees to release, discharge and indemnify Futurity, to the extent permitted by law, from and against all actions, proceedings, accounts, claims, demands, charges, expenses, losses and liabilities, however arising, out of the use of the Bond Guardian and Bond Representative facilities, including its cancellation or the variation of its terms and conditions.

Acknowledgments if a Bond Owner has a Financial Adviser

If a Financial Adviser is appointed to assist with managing the Investment Bond, the Financial Adviser will be appointed as the Adviser Representative (unless Futurity is instructed otherwise). A Bond Owner can appoint or remove a Financial Adviser as an Adviser Representative by providing written instructions to Futurity at any time.

An Adviser Representative has certain Authorised Functions that Futurity will act upon as being authorised by the Bond Owner in respect of the Investment Bond. Officers or staff of the appointed Financial Adviser are also authorised to give instructions in relation to the Investment Bond where they are bound by the same terms and conditions as the Adviser Representative.

As an Adviser Representative can access information and will have authority to act on behalf of the Bond Owner on certain Authorised Functions concerning the Investment Bond, it is important that the Bond Owner is comfortable with their appointed Financial Adviser managing the Investment Bond. If there are any doubts regarding this, the opt-out option should

be selected in the Adviser Representative appointment section of the Application Form. Even if the opt-out option is selected, the Financial Adviser will still have access to the Investment Bond details, personal details of the Bond Owner, reports and statements via the online portal.

The Bond Owner is responsible for Authorised Functions performed by the Adviser Representative on their behalf. If a person reasonably believed to be either the Adviser Representative or their officers or staff acts on behalf of the Bond Owner, Futurity will treat the request as if the Bond Owner had personally acted.

Futurity has the discretion to terminate the Adviser Representative facility or not act on an instruction or request received from an Adviser Representative where Futurity suspects the Adviser Representative is acting illegally or without authorisation. Futurity is not responsible for the actions of an Adviser Representative or for the actions of their officers or staff.

The registration of an appointed Financial Adviser to act as an Adviser Representative is not to be taken as an endorsement of them by Futurity.

If a Bond Owner does not opt out from appointing a Financial Adviser as an Adviser Representative, the Bond Owner releases and discharges Futurity from any claims and indemnifies Futurity (to the extent permitted by law) against all losses and liabilities arising from any action taken based on Authorised Function instructions received from the Adviser Representative, or their officers or staff, that Futurity reasonably believes are genuine. The Bond Owner also agrees that neither they, nor anyone claiming through them, has any claim against Futurity in relation to these payments or actions.

If a Bond Owner holds more than one Investment Bond, any instruction provided regarding the appointment of an Adviser Representative applies only to the specific Investment Bond held.

If a Bond Owner chooses not to appoint a Financial Adviser, an Adviser Representative cannot be appointed.

Adviser Representative Authorised Functions

By appointing a Financial Adviser as an Adviser Representative, the Bond Owner grants that person authority to:

- switch Investment Options; and
- exercise any other basic Authorised Functions that Futurity may approve from time to time.

Unauthorised Adviser Representative functions

An Adviser Representative is strictly limited to the Adviser Representative Authorised Functions and cannot:

- make withdrawals;
- change or add a life insured, Bond Estate Nominee or Future Activated Transfer arrangement;
- transfer the Investment Bond;
- change contact details of the Bond Owner; or
- appoint any Appointed Associates.

Membership rights

Futurity is constituted as a friendly society-based life insurance company. Being mutually structured means Futurity has Members, not shareholders.

A Bond Owner automatically becomes a Member of Futurity upon acquiring a Futurity Investment Bond. Members are the only persons entitled to vote at Futurity's annual general meeting on matters such as the election of Futurity's directors and approving changes to Futurity's Constitution.

Additionally, each joint Bond Owner is also considered a joint Member of Futurity.

The person whose name appears first in the Member register (generally the first-mentioned person on the Application Form) is deemed under the Constitution to be the primary joint Member.

The primary joint Member is entitled to receive notices and other documents, and to vote on behalf of joint Members.

Privacy Policy

This statement is a summary of Futurity's Privacy Policy, which can be accessed in full at futurityinvest.com.au, or a copy may be obtained free of charge by contacting Futurity. Further detail on Futurity's privacy processes can be found in the Privacy Policy.

Personal information is collected from a Bond Owner in the Application Form and any other forms used to process transactions, administer the Investment Bond, establish and verify identity, manage risks, assist in identifying and investigating illegal activity (such as fraud), develop products and services, market products (subject to opt-out rights) and comply with relevant laws.

If necessary, there are circumstances where personal information may be disclosed to Futurity's related entities or service providers that perform a range of services (some of which may be located overseas, such as technology platforms or hosting services), or otherwise to third parties as required by law.

A Bond Owner may access personal information held by Futurity and seek correction of such information. Futurity should be notified immediately if any details are inaccurate or incomplete.

If personal information is provided about third parties, such as Bond Guardians, Bond Representatives, Bond Estate Nominees and Future Activated Transfer recipients, the Bond Owner is responsible for confirming that those individuals consent to the disclosure and understand the terms of Futurity's Privacy Policy.

If a Bond Owner has a Financial Adviser acting on their behalf, the Bond Owner acknowledges that the Financial Adviser is acting as their agent and consents to the disclosure of personal information by Futurity.

Information may also be shared with joint Bond Owners, Bond Guardians and Bond Representatives as required for the administration of the Investment Bond.

Futurity will collect, use and disclose personal information in accordance with its Privacy Policy and applicable privacy laws. The Privacy Policy may be updated from time to time.

Bond Owners who do not wish to receive direct marketing or who want to amend their details should contact the Futurity privacy officer.

Privacy queries

Queries regarding privacy should be directed in the first instance to the Futurity privacy officer:

Privacy Officer, Futurity
Level 15, 333 Collins Street
Melbourne VIC 3000
Telephone: 1300 345 456
Email: privacyofficer@futurityinvest.com.au

Making complaints

Futurity will endeavour to respond to and resolve Bond Owner concerns and complaints as quickly and efficiently as possible. Concerns or complaints should be directed to the Client Services Team on 1300 345 456. If Bond Owner is not satisfied with the response received, a written complaint may be submitted to:

Investor Care, Futurity
Level 15, 333 Collins Street
Melbourne VIC 3000
Email: investorcare@futurityinvest.com.au

Futurity will acknowledge receipt of the complaint and aim to resolve the matter within 30 calendar days. If the matter is not resolved to the Bond Owner's satisfaction, they may contact the Australian Financial Complaints Authority (AFCA). AFCA provides a free and independent service.

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001
Telephone: 1800 931 678 (free call)
Email: info@afca.org.au
Website: afca.org.au

Cooling-off rights

A Bond Owner has 14 days in which to change their mind about investing in a Futurity Investment Bond.

An application can be cancelled within 14 days of the earlier of:

- receipt of the confirmation certificate from Futurity; or
- five days after the Commencement Date.

A written request to cancel must be received by Futurity within the 14-day period.

Cooling-off rights will lapse if any transactions are undertaken within the 14-day period. These rights are not available to wholesale investors (within the meaning of the Corporations Act).

The amount refunded will be adjusted, in accordance with the requirements of the Corporations Act, for unit price changes of the selected Investment Options and deductions for reasonable transaction costs or taxes or duties that are not recoverable by Futurity.

As such, the amount refunded may be less than the initial contribution.

The refund will be calculated using the sell unit price calculated as at the close of business on the Melbourne business day Futurity receives and processes the refund request.

Bond Owner liability

Bond Owners are not under any personal obligation to indemnify Futurity (or its creditors) in respect of Futurity's liabilities in relation to the Futurity Investment Bond, the Investment Options or the UMFs.

Anti-Money Laundering and Counter-Terrorism Financing Laws

Futurity is required to comply with AML/CTF Laws, including the requirement to establish the identity of a Bond Owner and, if relevant, the identity of associated parties (including the parties referred to in the next paragraph).

This requirement applies to all individual applicants, company directors, beneficial owners, trust beneficiaries, trustees (including directors and beneficial owners of a company trustee), beneficial owners of a trust and Appointed Associates (where required). Therefore, Futurity may request information reasonably required to verify the identity of the Bond Owner or any underlying beneficial owner. Updated or additional information may also be requested from time to time.

Futurity utilises a third-party service provider to undertake identity verification. Additional information may be required to assist with this process from time to time. While every effort is made to complete the identification process as quickly as possible, in certain circumstances verification may take longer.

Futurity may not be able to process transactions or deal with a Bond Owner or other persons if identity cannot be established or if there are reasonable grounds to suspect that a transaction could breach an obligation under or cause Futurity to commit or participate in an offence under any AML/CTF Laws. This may result in delaying, blocking, freezing or refusing to process a transaction or ceasing to provide a product or service, which may impact the Investment Bond and could result in a loss of investment earnings. Futurity is not liable for any loss suffered as a result of compliance with AML/CTF Laws.

Futurity may require a Bond Owner to identify the source of investable assets/wealth and the source of funds for the Futurity Investment Bond.

Politically Exposed Person

To comply with AML/CTF Laws, Futurity requires a Bond Owner to disclose whether they are, or has an association with, a Politically Exposed Person.

Where a Bond Owner identifies as a Politically Exposed Person or has an association with a Politically Exposed Person, Futurity may request additional information, which may cause a delay in processing the application.

A Politically Exposed Person is an individual who:

- holds or has held within the last 12 months a prominent public position or function in a government body or an international organisation (such as a government minister or senior government official, a high-ranking member of the armed forces or a chairman, chief executive officer or chief financial officer of an international organisation); or
- is an immediate family member or close associate of such a person.

Your acknowledgements, declarations and additional terms and conditions

By completing and signing the Application Form, you give various acknowledgments and confirmations, make certain declarations, and agree to additional terms and conditions relating to the Futurity Investment Bond. These are set out below.

General matters

You acknowledge and agree:

- to have read and understood this PDS and the Futurity Financial Services Guide;
- to be bound by the Product Rules, which primarily govern the terms and conditions of the Futurity Investment Bond and prevail over this PDS in the event of any inconsistency or conflict;
- to be bound by the PDS and that its terms and conditions are subject to changes in accordance with the law;
- to the terms of Futurity’s Privacy Policy;
- to release, discharge and indemnify Futurity (to the extent permitted by law) from and against all actions, proceedings, accounts, claims, costs, demands, charges, expenses, losses and liabilities, however arising, that may be suffered by you or brought against Futurity in respect of carrying out instructions received from you or via your Appointed Associates;

- to confirm any transactions that Futurity may in good faith enter into with any party on the instruction of any person believed to be validly appointed as an Appointed Associate;
- to the terms and conditions of the Direct Debit Request Service Agreement if investing using this facility; and
- to Futurity recovering against the Investment Bond any dishonour or other fees that a financial institution may charge if there are insufficient cleared funds when a transaction is processed.

Declarations and confirmations for specific types of Bond Owners and transactions

You agree that if you have applied for a Futurity Investment Bond and are undertaking transactions, in the capacity of:

- **Trust or deceased estate:** You confirm your relevant capacity and that you have the power and authority under the relevant trust or deceased estate in respect of any transactions undertaken on its behalf;
- **Companies and incorporated association:** Confirm that you are a director or officer of the company or other type of legal entity or body with the power and authority to bind the company, legal entity or body in respect of any transactions undertaken on its behalf. If a sole signatory is signing on behalf of the company, legal entity or body, the sole signatory confirms signing as a sole officer, director, secretary or other authorised person.

Attorneys

You, as the attorney, confirm and agree that:

- at the relevant time, action will only be taken under the Power of Attorney provided it is then current and valid and no action will be taken if notice of revocation has been received;
- a certified copy of the Power of Attorney will be provided if requested by Futurity;
- instructions given to Futurity will not be inconsistent with the powers granted under the Power of Attorney;
- the Power of Attorney will not be used directly or indirectly to negate or be used in a manner contrary to the interests of the donor, Bond Estate Nominees or Future Activated Transfer recipients; and
- unless specifically authorised in the Power of Attorney, instructions will not be issued to Futurity to revoke any nomination on the Investment Bond.

Instructing by Electronic Means

If you provide instructions to undertake transactions by Electronic Means you acknowledge and agree that:

- Futurity has discretion to accept instructions by Electronic Means and can request them in another form;
- Futurity may cancel its Electronic Means arrangements or vary these conditions after giving 14 Melbourne business days’ notice;
- you bear the risk that an unauthorised person who knows about the Investment Bond and your personal details may send instructions by Electronic Means and any action taken by that person will be deemed to be taken by you;
- you release, discharge and agree to indemnify Futurity from and against all actions, proceedings, accounts, claims, costs, demands, charges, expenses, losses and liabilities, however arising, that may be suffered by you or brought against Futurity in respect of carrying out your instructions (including deemed instructions) received via Electronic Means; and
- telephone conversations with Futurity may be recorded and listened to for training and quality control purposes.

Bond Guardian and Bond Representative confirmations

Upon the appointment of a Bond Guardian or Bond Representative, you confirm that they understand, accept and agree to:

- Futurity’s identity verification requirements under AML/CTF Laws, including that identification verification may apply to them;
- their role as a Bond Guardian or Bond Representative, particularly the responsibility to act in the best interests of the Bond Owner, Bond Estate Nominees and Future Activated Transfer recipients (where relevant); and
- that they are bound by the Product Rules, the PDS and any related instructions provided by you as Bond Owner.

Instruction authorities – Bond Owners, Bond Guardians and Bond Representatives

In the Application Form (or subsequently in writing), you can instruct Futurity regarding who has authority to give binding instructions (and sign) when the Investment Bond is jointly owned and where joint Bond Guardians or joint Bond Representatives have been appointed.

The options are as follows:

- All joint incumbents must instruct and sign, which is the default position.
- A specific incumbent, or combination of joint incumbents, can instruct and sign.
- Any one joint incumbent can instruct and sign.

Given that future circumstances between joint incumbents can unpredictably and unexpectedly change (such as litigation, divorce, separation or family disputes), you acknowledge and agree that Futurity, in its sole discretion, can determine which joint incumbent’s instructions it will rely upon, including requiring the default position to apply with or without giving prior notice to all affected appointed incumbents.

You also agree to release, discharge and indemnify Futurity, to the extent permitted by law, from and against all actions, proceedings, accounts, claims, demands, charges, expenses, losses, and liabilities arising from any such actions.



Direct Debit Request Service Agreement

This is your Direct Debit Request Service Agreement with Futurity Investment Group Limited, user ID 609767 and ABN 21 087 648 879 (the Debit User). It explains what your obligations are when undertaking a Direct Debit arrangement with us. It also details what our obligations are to you as your Direct Debit provider.

Please keep this agreement for future reference. It forms part of the terms and conditions of your Direct Debit Request.

Definitions

account means the account held at your financial institution from which we are authorised to arrange for funds to be debited.

agreement means this Direct Debit Request Service Agreement between you and us.

banking day means a day (other than a Saturday, Sunday or Public Holiday) when banks are open for business in Melbourne.

debit day means the day that payment by you to us is due.

debit payment means a particular transaction where a debit is made.

Direct Debit Request means the written, verbal or online request between you and us to debit funds from your account, including any regular increases agreed between you and us.

us or **we** means Futurity Investment Group Limited, the Debit User you have authorised by requesting a Direct Debit Request.

you means the customer who has authorised the Direct Debit Request.

your financial institution means the financial institution at which you hold the account you have authorised us to debit.

Debiting your account

By submitting a Direct Debit Request, you have authorised us to arrange for funds to be debited from your account. The Direct Debit Request and this agreement set out the arrangement between us and you.

We will only arrange for funds to be debited from your account as authorised in the Direct Debit Request.

If the debit day falls on a day that is not a banking day, we may direct your financial institution to debit your account on the following banking day. If you are unsure about which day your account has or will be debited, you should ask your financial institution.

Amendments by us

We may vary any details of this agreement or a Direct Debit Request at any time by giving you at least 14 days’ written notice sent to the preferred email or address you have given us in the Direct Debit Request.

How to cancel or change direct debits

You can:

- a) cancel or suspend the Direct Debit Request; or
- b) change, stop or defer an individual payment at any time, by giving us at least **five banking days’** notice.

To do so, contact us via the online portal, email us at **investorcare@futuraityinvest.com.au** or call us on **1300 345 456** during business hours.

You can also contact your own financial institution, which is required to act promptly on your instructions.

Your obligations

It is your responsibility to ensure that there are sufficient clear funds available in your account to allow a debit payment to be made in accordance with the Direct Debit Request.

If there are insufficient clear funds in your account to meet a debit payment:

- a) you may be charged a fee and/or interest by your financial institution;
- b) we may charge you reasonable costs incurred by us on account of there being insufficient funds; and
- c) you must arrange for the debit payment to be made by another method or arrange for sufficient clear funds to be in your account by an agreed time so that we can process the debit payment.

You should check your account statement to verify that the amounts debited from your account are correct.

Dispute

If you believe there has been an error in debiting your account, you should notify us directly on 1300 345 456 or at investorcare@futuraityinvest.com.au and confirm that notice in writing with us as soon as possible so that we can resolve your query more quickly. Alternatively, you can contact your financial institution for assistance.

If we conclude as a result of our investigations that your account has been incorrectly debited, we will respond to your query by arranging within a reasonable period for your financial institution to adjust your account (including interest and charges) accordingly. We will also notify you in writing of the amount by which your account has been adjusted.

If we conclude as a result of our investigations that your account has not been incorrectly debited, we will respond to your query by providing you with reasons and any evidence for this finding in writing.

Accounts

You should check:

- a) with your financial institution whether direct debiting is available from your account, as direct debiting is not available through the Bulk Electronic Clearing System (BECS) on all accounts offered by financial institutions;
- b) your account details which you have provided to us are correct by checking them against a recent account statement;
- c) with your financial institution before completing the Direct Debit Request if you have any queries about how to complete the Direct Debit Request; and
- d) if your account is held in both names, that the Direct Debit Request is signed by both account holders or otherwise as held by your financial institution for your account.

Confidentiality

We will keep any information (including your account details) in your Direct Debit Request confidential. We will make reasonable efforts to keep any such information that we have about you secure and to ensure that any of our employees or agents who have access to information about you do not make any unauthorised use, modification, reproduction or disclosure of that information.

We will collect, retain and use your personal information in accordance with our Privacy Policy. We will only disclose information to the extent specifically required by law or for the purposes of this agreement (including disclosing information in connection with any query or claim).

Contacting each other

If you wish to notify us in writing about anything relating to this agreement, you should write to:

Futuraity Investment Group Limited
Level 15, 333 Collins Street
Melbourne VIC 3000
Email: investorcare@futuraityinvest.com.au

We will notify you by sending a notice to the preferred email or address you have given us in the Direct Debit Request. Any notice will be deemed to have been received on the second banking day after sending.

Financial Services Guide

This Financial Services Guide (FSG) dated 5 October 2026 is issued by Futurity Investment Group Limited (Futurity), the provider of the financial services referred to in this FSG. This FSG is combined with and forms part of the PDS.

What is the purpose of this Financial Services Guide?

This FSG is to assist you in making an informed decision about whether to acquire financial services from us. This FSG is an important document that provides you with information about financial services offered by Futurity Investment Group Limited to assist you in deciding whether to use these services. If you are considering acquiring one of Futurity’s investment products, you will be provided a PDS for the relevant product(s). This PDS will provide you with details of the financial product issued by Futurity, including features, benefits and risks – and is intended to assist you in making an informed decision about the product.

Who are we and what are the financial services we offer?

Futurity is licensed by ASIC to deal in and provide general financial product advice on the following:

- Investment life insurance products.
- Life risk insurance products.

As Futurity is only licensed to provide general financial product advice, any information provided by us cannot and will not take into account your personal objectives, financial situation or needs. Because of this, you should consider your own relevant circumstances (personal objectives, financial circumstances and particular needs) when making a decision about our products or you should seek advice from a licensed Financial Adviser.

Communicating with us

You can communicate with us and give us instructions by various methods including in person or by Electronic Means. Depending on what you need, different methods are available to you. Details are provided in the PDS. Our main contact details are provided in the *Enquiries and contact* section on this page.

Your privacy

Futurity’s Privacy Policy is summarised on page 50 of this PDS.

The full version of Futurity’s Privacy Policy is available to you at futurityinvest.com.au

Complaints

Futurity’s processes for responding to and resolving concerns and complaints are summarised on page 51 of this PDS.

Associations and relationships

Our general financial product advice is provided only through our authorised employees who operate under our AFSL.

Remuneration

Futurity receives fees as detailed in the *Fees and other costs* section on page 28 of this PDS.

Futurity employees do not receive specific payments or remuneration for the provision of general financial product advice. These employees receive salaries and may receive bonuses from us based on their satisfying, throughout the year, different performance-based criteria set from time to time by Futurity. All employee remuneration is borne by and paid from Futurity’s Management Fund.

No benefits are paid to third parties for referrals or introductions in relation to products or services issued under Futurity’s AFSL.

Enquiries and contact

You can contact us using the following contact details.

Futurity Investment Group Limited

Address:

Level 15, 333 Collins Street
Melbourne VIC 3000

Phone: 1300 345 456
Email: investorcare@futurityinvest.com.au
Website: futurityinvest.com.au

Business hours: 9am-5:00pm (AEST) Monday to Friday
(National and Victorian public holidays excepted)

ACN 087 648 879

AFSL 236665

Glossary

These words or expressions when used in this PDS have these defined meanings:

‘10-Year Rule’ means the benefits of accessing the Investment Bond after 10 years from its Commencement Date without incurring any personal tax liability.

‘125% Rule’ means contributions in any investment year following the initial investment year must not exceed 125% of the previous investment year’s total contributions. A breach of the 125% Rule resets the Commencement Date of the 10-Year Rule to the beginning of the investment year in which the excess contribution occurred.

‘Adviser Representative’ means the Financial Adviser, including their officers or staff, authorised by the Bond Owner to give instructions and receive information in relation to the Investment Bond.

‘AFSL’ means an Australian Financial Services Licence issued by ASIC.

‘AML/CTF Laws’ means Australia’s Anti-Money Laundering and Counter Terrorism Financing Laws that Futurity must follow to establish your identity and, if relevant, the identity of Appointed Associates and Bond Estate Nominees and other required persons.

‘Application Form’ means the Application Form booklet accompanying this PDS. Application Form may also mean electronic application – refer to ‘Electronic Means’.

‘Appointed Associate’ means your Bond Guardian(s), your Bond Representative(s), your Financial Adviser or your Attorney as applicable as the context requires when used.

‘APRA’ means the Australian Prudential Regulation Authority.

‘ASIC’ means the Australian Securities and Investments Commission.

‘ATO’ means the Australian Taxation Office.

‘Attorney’ means your legally appointed person acting under a valid and non-revoked Power of Attorney.

‘Authorised Functions’ means the functions that Futurity will act upon as being authorised by you and exercised by your Financial Adviser, Bond Representatives or Bond Guardians in respect of the Investment Bond.

‘Authorised Investment’ means the investment categories that Investment Options can be invested into as authorised by the Product Rules (PDS Part B page 43).

‘Bond Death Maturity’ is when the Investment Bond matures and becomes due for payment to the Bond Owner, the LPR of the Bond Owner’s estate and/or Bond Estate Nominee(s) due to the death of the last surviving life insured and following Bond Estate Completion.

‘Bond Estate Completion’ means the completion by Futurity of applicable legal procedures and internal processes to finalise a Bond Death Maturity claim.

‘Bond Estate Nominee’ is the one (or more) person(s) (including legal entities) nominated as a beneficiary(s) entitled to the Investment Bond proceeds to be paid if it matures due to a Bond Death Maturity.

‘Bond Owner’ means you and can also include other persons as joint owners. Companies, trusts or deceased estates or other legal entities can also be a Bond Owner.

‘CGT’ means capital gains tax imposed in Australia.

‘Commencement Date’ means the date upon which Futurity accepts the Application Form by disbursing the initial contribution into the Investment Option(s) as selected by the Bond Owner.

‘Corporations Act’ means the *Corporations Act 2001*.

‘Electronic Means’ means the various ways for a Bond Owner to communicate with Futurity (including giving instructions) and for Futurity to make information available to the Bond Owner and others associated with the Investment Bond, including by online means over the internet, via digital, facsimile, text or email.

‘Financial Adviser’ means the financial adviser, accountant and/or other professional adviser holding an AFSL or other authorisation to conduct a financial services business.

‘GST’ means Goods and Services Tax imposed in Australia.

‘Investment Option’ means the options as outlined in the investment menu that are distinct and separate funds of investment assets maintained by Futurity that comprise and support the Investment Bond. (Also referred to as benefit funds under the Life Act.)

‘Life Act’ means the *Life Insurance Act 1995*.

‘LPR’ means a Bond Owner’s Legal Personal Representative, being the executor, trustee or administrator of their estate, or such other person duly acting for a deceased Bond Owner (other than a Bond Guardian). Typically, if a will becomes operative, the executor, and sometimes the estate’s trustee(s), will look after the estate’s affairs. When a Bond Owner does not have a valid will, a person is appointed as the estate’s administrator.

‘Management Fund’ means the fund that comprises all of Futurity’s assets and liabilities, other than the Investment Options and other benefit funds relating to our other financial products.

‘Product Rules’ means ‘Master Product Rules – Futurity Multi-Bonds’ approved by APRA on 16 December 2019 and such further approved amendments from time to time and which are the primary documentation governing the terms and conditions of the Futurity Investment Bond.

‘Responsible Investment Option’ means an Investment Option with a UMF that is managed in accordance with Environmental, Social and Governance factors and follow sustainable investment principles.

‘Taxation Law’ means the *Income Tax Assessment Act 1936*, the *Income Tax Assessment Act 1997* and any other related income tax legislation in Australia.

‘UMF’ means the underlying managed fund(s) into which Futurity invests when implementing each Investment Option’s investment strategy.





Futurity Investment Group Limited

Level 15, 333 Collins Street
Melbourne VIC 3000

Phone: 1300 345 456

Email: investorcare@futurityinvest.com.au

Website: futurityinvest.com.au

ACN 087 648 879 | AFSL 236665



FUTURITY

Investment Bond

Futurity Investment Group Limited

Product Disclosure Statement | Part B: Investment Menu Booklet

Futurity Investment Bond

5 October 2026



About using this Product Disclosure Statement

Futurity Investment Bond is issued and managed by Futurity Investment Group Limited ('Futurity', 'we', 'our' or 'us') ACN 087 648 879 and AFSL 236665, a mutually structured, friendly society-based life insurance company.

This document serves as a combined Product Disclosure Statement (PDS) for Futurity Investment Bond or Investment Bond. PDS Part A, including the Financial Services Guide (FSG), should be read in conjunction with PDS Part B: Investment Menu Booklet. Any reference to the PDS includes a reference to both PDS Part A and PDS Part B. Neither part alone constitutes a complete PDS. If any part of the PDS is invalid or unenforceable under the law, it is excluded so that it does not in any way affect the validity or enforceability of the remaining parts.

A Target Market Determination (TMD) has been issued by us which considers the design of this product, including its key attributes, and describes the target market for this product. A copy of the TMD for this product is available on our website, futurityinvest.com.au.

For information regarding fees and costs, minimum contribution and withdrawal requirements, Investment Option switching and unit pricing calculations, please refer to the relevant part of the PDS Part A. Some words or expressions in this PDS that commence with capital letters have defined meanings in the *Glossary* section of PDS Part A.

The information contained in this PDS is general information only and does not constitute personal financial product advice. It has been prepared without taking into account your personal objectives, financial situation, or needs.

Before acting on any information in this document, you should consider the appropriateness of the information in light of your own objectives, financial situation, and needs. We recommend that you seek independent professional advice for your specific personal circumstances before making any investment decision.

Information about the investment menu, the Investment Options, the Underlying Managed Funds (UMFs) and their managers is current as stated as at the date of this PDS. We update information on our website and managers of the UMFs usually update information on their own website as detailed in each Investment Option overview. None of Futurity or the investment managers of the UMFs guarantee (whether expressly or impliedly) the return of your invested capital or that the Investment Options will achieve any particular rate or level of returns or meet their investment objectives or performance benchmark targets. Past performance is not indicative of future performance.

Logos and trademarks are used in this PDS with the consent of their owners.

Contents

PDS Part A

(See separate accompanying PDS Part A)

PDS Part B: Investment Menu Booklet

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Introduction to the investment menu

Futurity Investment Bonds’ investment menu is structured with two categories and offers access to 40 Investment Options. Within these categories, Bond Owners have a further choice of indexed (or passively managed) and actively managed investment styles.

These categories are:

- 1) Diversified
- 2) Sector-specific

This investment menu provides wide choice and flexibility to tailor an investment strategy to suit the objectives and timeframe for the Futurity Investment Bond.

The Investment Bond’s portfolio mix can be flexibly managed and modified at any time to adapt to changing market conditions, individual circumstances and attitude to risk.

With this investment menu Bond Owners can:

- **Tax-effectively select across 40 Investment Options** – invested into UMFs of leading Australian and international investment managers;
- **Take a ‘set-and-go’ approach by using ready-made and diversified Investment Options** – choices can be made from within the diversified range; and
- **Construct an investment portfolio across different asset classes** – this is done by selecting a mix of Investment Options.

Investment menu structure and composition

Two investment categories

- 1) Diversified
- 2) Sector-specific

This category has 15 Investment Options comprising multi-sector diversified Investment Options.

These are ‘ready-made’ diversified Investment Options for those who want the convenience of long-term ‘set-and-go’ investing and do not want to be overly involved with the ongoing management of the Investment Bond’s portfolio mix. These Investment Options may also suit those who choose not to engage a Financial Adviser.

The diversified options cover different investment management styles via indexed and active management styles.

Under this category, Bond Owners can choose from 25 Investment Options that invest into sector-specific asset class UMFs. A sector-specific approach may be taken (directly or via a Financial Adviser) to construct and manage the Investment Bond’s portfolio mix.

This category has UMFs with specialist investment managers who concentrate on a single asset class, such as Australian or international equities, global listed infrastructure, emerging market equities, Australian or international fixed income and Australian and global listed property investments.

Choosing investment manager styles

Indexed (passively managed) style

Bond Owners can select from 17 Investment Options that invest into UMFs with a specialist index styled investment manager. These options:

- are simply managed to track (or to passively replicate) the performance of a specific market index, such as the S&P/ASX 300 Accumulation Index for Australian equities; and
- feature a passive investment management style that tends to be more cost-effective in terms of lower ongoing investment management fees.

Actively managed style

There are 23 actively managed Investment Options in total. Specialist active style investment managers ‘actively’ try to outperform their fund’s underlying performance benchmark by selecting assets and securities that:

- they believe will combine to produce excess returns over their benchmark; and
- through their research, analysis and judgement are expected to combine to provide a risk-adjusted return outcome above the performance benchmark.

For the sector-specific Investment Options, the most appropriate specific performance benchmark is displayed.

Performance benchmarks are widely adopted industry measurements or standards, such as a recognised market index including the S&P/ASX 300 Accumulation Index or the Bloomberg AusBond Bank Bill Index.

How Futurity selects managers and UMFs

Futurity generally invests the 40 Investment Options into UMFs that are managed by leading Australian and international investment managers.

Futurity is independent from these UMFs, and is objective in the evaluation when selecting or replacing UMFs without being locked into a particular investment manager or fund.

The UMFs invested into are selected in accordance with Futurity’s core investment principles, governance structure and ten selection factors (pages 38-39).

For the indexed (passively managed) style, UMF appointments rely on these selection factors with the aim of selecting UMFs that are expected to:

- track the performance benchmark set for each UMF; and
- perform to a level assessed as consistent with the risk, expected performance characteristics and fees charged by the UMF.

For the actively managed style, the UMF appointments rely on these selection factors with the aim of selecting UMFs that are expected to:

- outperform the performance benchmark set for each UMF; and
- outperform to a level assessed as consistent with the risk, expected performance characteristics and fees charged by the UMF.

Each UMF will generally have a stated performance benchmark. The Investment Option overviews set out the current performance benchmarks of each Investment Option.

Investment menu at a glance

Guide to the Investment Options

The investment menu is organised into two Investment Option categories. This is designed to suit different investor types, risk profiles, timeframes and preferred levels of involvement in managing the Futurity Investment Bond’s portfolio mix.

Across each category, Bond Owners have a choice of actively managed and indexed (passively managed) investment styles.

Set-and-go investing

Category 1 – Diversified

Indexed style

Access a range of low-cost diversified (conservative, balanced, growth, high growth and all growth) index funds invested across multiple asset classes that aim to track a performance benchmark.

Diversified indexed options

Futurity code	Investment Option	UMF APIR code or ASX ETF code
IB01	Futurity Investment Bond – Vanguard Conservative Index Fund	VAN0109AU
IB02	Futurity Investment Bond – Vanguard Balanced Index Fund	VAN0108AU
IB03	Futurity Investment Bond – Vanguard Growth Index Fund	VAN0110AU
IB04	Futurity Investment Bond – Vanguard High Growth Index Fund	VAN0111AU
IB05	Futurity Investment Bond – Vanguard Diversified All Growth Index ETF	VDAL

Actively managed style

Access a range of diversified (conservative, balanced, growth, high growth and all growth) multi-asset portfolios that take a multi-manager approach that aim to outperform a performance benchmark.

Diversified actively managed options

Futurity code	Investment Option	UMF APIR code or ASX ETF code
IB06	Futurity Investment Bond – Dimensional World Allocation 30/70 Trust	DFA8313AU
IB07	Futurity Investment Bond – Dimensional World Allocation 50/50 Trust	DFA0033AU
IB08	Futurity Investment Bond – Dimensional World Allocation 70/30 Trust	DFA0029AU
IB09	Futurity Investment Bond – Dimensional Sustainability World Allocation 70/30 Trust	DFA7518AU
IB10	Futurity Investment Bond – Dimensional World Equity Trust	DFA0035AU
IB11	Futurity Investment Bond – Betashares Diversified All Growth ETF	DHHF
IB12	Futurity Investment Bond – MLC Wholesale Horizon 5 – Growth Portfolio	MLC0265AU
IB13	Futurity Investment Bond – Australian Ethical Balanced Fund	AUG0017AU
IB14	Futurity Investment Bond – Allan Gray Australian Balanced Fund	ETL4654AU
IB15	Futurity Investment Bond – Morningstar Growth Real Return Fund – Class A	INT0038AU

Sectoral menu – constructing the Investment Bond’s own portfolio mix

(using the sectoral menu of different asset classes)

Category 2 – Sector-specific

Indexed style

Access a range of low-cost sector-specific index funds (Australian fixed income, Australian equities, international equities, global listed infrastructure, emerging market equities, Australian and global property) for long-term growth that aim to track the performance benchmark of specific asset classes.

Sector-specific indexed options

Futurity code	Investment Option	UMF APIR code or ASX ETF code
IB16	Futurity Investment Bond – Vanguard Australian Fixed Interest Index Fund	VAN0001AU
IB17	Futurity Investment Bond – Vanguard Global Aggregate Bond Index Fund (Hedged)	VAN9309AU
IB18	Futurity Investment Bond – Vanguard Australian Shares Index Fund	VAN0002AU
IB19	Futurity Investment Bond – Vanguard International Shares Index Fund (Hedged)	VAN0105AU
IB20	Futurity Investment Bond – Vanguard International Shares Index Fund	VAN0003AU
IB21	Futurity Investment Bond – Vanguard Emerging Markets Shares Index Fund	VAN0005AU
IB22	Futurity Investment Bond – Vanguard Australian Property Securities Index Fund	VAN0004AU
IB23	Futurity Investment Bond – Vanguard International Property Securities Index Fund (Hedged)	VAN0019AU
IB24	Futurity Investment Bond – Vanguard Global Infrastructure Index Fund (Hedged)	VAN0024AU
IB25	Futurity Investment Bond – iShares S&P 500 ETF	IVV
IB26	Futurity Investment Bond – Betashares NASDAQ 100 ETF	NDQ
IB27	Futurity Investment Bond – VanEck MSCI International Quality ETF	QUAL

Actively managed style

Access a range of actively managed sector-specific (cash, Australian fixed income, Australian equities, international equities, Australian and global fixed income, global property, global listed infrastructure and emerging market equities), high-quality portfolios that aim to outperform the performance benchmark of specific asset classes.

Sector-specific actively managed options

Futurity code	Investment Option	UMF APIR code or ASX ETF code
IB28	Futurity Investment Bond – First Sentier Institutional Cash Fund	FSF1809AU
IB29	Futurity Investment Bond – PIMCO Australian Bond Fund	ETL0015AU
IB30	Futurity Investment Bond – PIMCO Global Bond Fund	ETL0018AU
IB31	Futurity Investment Bond – RQI Australian Value – Class A	FSF0976AU
IB32	Futurity Investment Bond – Perpetual ESG Australian Share Fund	PER0116AU
IB33	Futurity Investment Bond – First Sentier Concentrated Australian Share Fund	FSF0016AU
IB34	Futurity Investment Bond – Australian Ethical Australian Shares Fund	AUG0018AU
IB35	Futurity Investment Bond – Betashares Geared Australian Equities Complex ETF	GEAR
IB36	Futurity Investment Bond – Arrowstreet Global Equity Fund (Hedged)	MAQ0079AU
IB37	Futurity Investment Bond – GQG Partners Global Equity Fund (Hedged)	ETL0666AU
IB38	Futurity Investment Bond – GQG Partners Emerging Markets Equity Fund – Class A	ETL4207AU
IB39	Futurity Investment Bond – Resolution Capital Global Property Securities Fund (Managed Fund)	WHT0024AU
IB40	Futurity Investment Bond – Lazard Global Listed Infrastructure Active ETF	LAZ0014AU

Investment strategy factors

Setting an investment strategy

Futurity Investment Bond is designed for you to tax-effectively save and invest to accumulate long-term wealth.

Importantly, investment strategies chosen to achieve the investment objectives will vary according to a myriad of circumstances and factors. These include personal, family, life stage, financial position, tolerance to risk, and environmental, social and governance (ESG) sustainability factors.

While an investment strategy should be sound in terms of the selected investments and tolerance to risk, it should not be overlooked that by investing tax-effectively overall investment returns may be improved. Tax-effective products, such as investment bonds, can assist you on both counts.

What level of investment return is required to finance investment objectives?

Bond Owners should consider the level of investment returns needed to meet their investment objectives.

The primary factors driving an investment's returns are the type and mix of Investment Options selected and how, over its set timeframe, these options are managed by the Bond Owner or an appointed Financial Adviser.

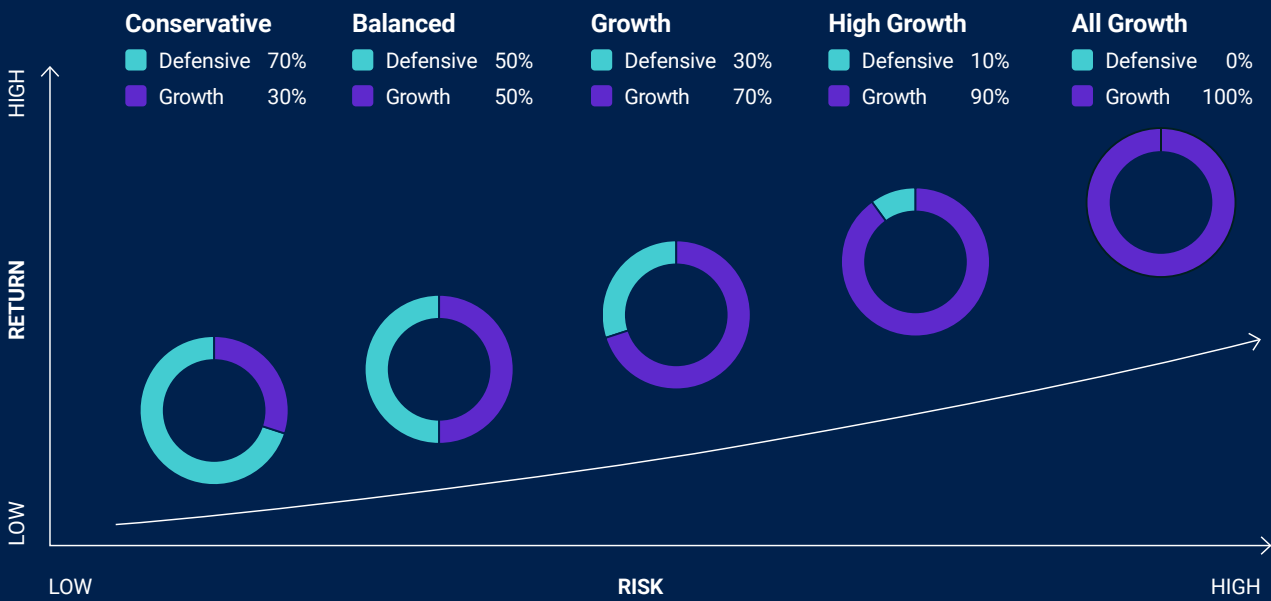
Generally, growth investments, such as Australian and international equities, have produced higher returns over the long term than defensive investments, such as fixed income and cash.



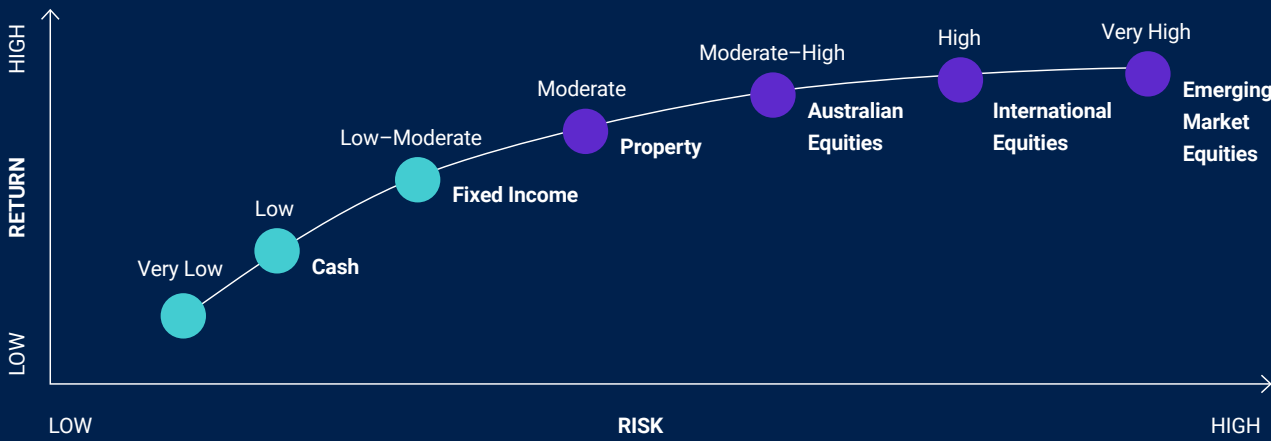
What is the risk tolerance to achieve return objectives?

Bond Owners need to consider the risk tolerance or level of risk they feel comfortable with to achieve their investment goals. If risk is underestimated, unexpected losses may result, or if risk is overestimated (and the approach is too cautious), lower returns may be experienced. In both cases, investment goals may not be attained. Investing involves a trade-off between risk and return.

Risk vs Return – Diversified Investment Options



Risk vs Return – Sector-Specific Investment Options



* Any projections or forward-looking statements are predictive in nature and involve known and unknown risks and uncertainties. Actual results may differ materially from those expressed or implied in such statements.

While growth investments generally produce higher returns over the longer term, they require a greater tolerance to risk. Risk tolerance must also take into account an investment’s volatility, which is a prime measure of risk. Growth investments have higher volatility as their value tends to fluctuate more in the short term, and in some years may even be negative.

Returns from defensive assets have historically been lower than those from growth investments over the long term. Generally, they have lower risk and lower volatility.

Standard Risk Measure

Each Investment Option on the investment menu is allocated a risk level represented by its Standard Risk Measure (SRM). Its SRM enables you to compare investments that are expected to deliver a similar number of negative annual returns over any 20-year period¹.

Bond Owners should ensure they are comfortable with the risks and potential losses associated with their chosen Investment Option(s).

Risk band	SRM risk label	Estimated number of negative annual returns over any 20-year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

¹ The SRM is not a complete assessment of all types of investment risk and does not take into account the impact of fees on the likelihood of a negative return.

Over what timeframe to invest?

The investment timeframe commences when an Investment Bond is set up and extends over the period that Bond Owners plan to access their Investment Bond to build wealth.

In setting timeframes, Bond Owners whose investment funding plans do not require accessing their Investment Bond for a longer period may be willing to ride market ‘ups and downs’. In aiming to achieve higher investment growth, Bond Owners might choose growth-orientated investment strategies.

As the timeframe becomes shorter, Bond Owners may wish to adopt a more conservative strategy. For instance, Bond Owners might use growth style Investment Options over the medium term to accumulate, but then move to more defensive investments later to give more security.

For younger Bond Owners, buying a home, paying off the mortgage and starting a family are common goals and investment wealth creation may not be front of mind.

What role does investment compounding play?

Investment compounding involves generating investment returns, not only on your initial and ongoing capital contributions, but also generating investment returns on the ongoing accumulation of investment earnings produced over time.

Longer investment timeframes may maximise the benefits of investment compounding under the investment’s tax-paid investment structure.

Futurity Investment Bond benefits from inherent investment compounding because earnings are not distributed while funds stay invested. Instead, all earnings generated within the Investment Options are automatically reinvested. This enhances the compounding effect within the Investment Bond’s tax-paid environment.



About the investment managers



Allan Gray

When you choose Allan Gray, you are not just buying an investment, you are buying into a distinctive investment philosophy. That philosophy is simple – to take a contrarian approach, apply it consistently and invest for the long term. This is how they have been investing in Australia since 2006 and how their broader group has been investing globally since 1973. As contrarians, Allan Gray resists trends as they seek out investments that are out of favour and wait for an opportunity to buy below Allan Gray’s view of the investments assessed fair value. Allan Gray studies a company’s fundamentals to calculate what they believe to be its true value and is willing to be patient to allow the investment to realise its full potential. For more information, please go to allangray.com.au

Issued by: The Responsible Entity, Equity Trustees Limited, ABN 46 004 031 298, AFSL 240975.

Investment Manager: Allan Gray Australia Pty Limited, ABN 48 112 316 168, AFSL No. 298487.



Australian Ethical

Australian Ethical is one of Australia’s leading ethical fund managers. By investing responsibly, Australian Ethical delivers competitive financial performance to their clients and influences positive change to society and the environment.

Since inception in 1986, the Ethical Charter has guided all investment decisions and underpinned their business practices. Every year, 10 per cent of Australian Ethical profits (after tax and before bonuses) are distributed to charitable organisations and social impact initiatives through The Australian Ethical Foundation.



Betashares

Betashares Capital Limited (Betashares) is an Australian fund manager that specialises in Exchange Traded Funds (ETFs). Established in 2009, Betashares has grown to become one of the market leaders in ETFs and has a wide range of exchange traded products on the ASX. Betashares’ philosophy is to create intelligent investment solutions that broaden the investment possibilities for Australian investors. Betashares’ products provide access to a wide range of market indices, asset classes and investment strategies, all of which can be bought or sold like any share on the ASX.

Issued by: Betashares Capital Ltd, ABN 78 139 566 868, AFSL 341181.



BlackRock

BlackRock’s purpose is to help more and more people experience financial wellbeing. As a fiduciary to investors and a leading provider of financial technology, we help millions of people build savings that serve them throughout their lives by making investing easier and more affordable.

About iShares

iShares unlocks opportunity across markets to meet the evolving needs of investors. With more than twenty years of experience, a global line-up of over 1,700 exchange traded funds (ETFs) and approximately US\$5.5 trillion in assets under management as of 31 March 2026, iShares continues to drive progress for the financial industry. iShares funds are powered by the expert portfolio and risk management of BlackRock



Dimensional

Dimensional Fund Advisors is a leading global investment firm that has been translating academic research into practical investment solutions since 1981. Guided by a strong belief in markets, we work to implement the great ideas of finance for the benefit of clients. Dimensional seeks to deliver investment solutions that add value through careful design, implementation and execution. An enduring philosophy, strong client commitment and a strong connection with the academic community underpin our approach. Dimensional has fourteen offices in ten countries and established its first Australian office in 1994.



First Sentier Investors

First Sentier Investors is an active, specialist manager investing in Australian equities, global listed infrastructure, listed property securities, and regional fixed income and cash. It has been managing assets on behalf of clients for more than 30 years and is part of the First Sentier Group.

First Sentier Group is a global asset management organisation that brings together affiliate investment teams to deliver meaningful investment outcomes for clients. It is home to distinct affiliate investment teams including Albacore Capital Group, First Sentier Investors, FSSA Investment Managers, Igneo Infrastructure Partners and RQI Investors. First Sentier Group is ultimately owned by Mitsubishi UFJ Financial Group, Inc.



GQG Partners

GQG is a boutique investment management firm that manages global and emerging market equity portfolios for institutions, advisors and individuals worldwide. GQG is a wholly owned subsidiary of GQG Partners Inc., a majority employee-owned company that is listed on the Australian Securities Exchange (ASX:GQG). Headquartered in Fort Lauderdale, Florida, with offices around the world, the firm strives for excellence at all levels within the organisation through a commitment to independent thinking, continual growth, cultural integrity, and a deep knowledge of the markets.



Lazard Asset Management

Lazard Asset Management Pacific Co. (“LAMP”) is a subsidiary of Lazard Asset Management LLC (“LAM”) which managed approximately A\$338 billion in assets worldwide as at 30 June 2026. LAM has research analysts in the major regions across the world including North America, Europe, Middle East and Asia Pacific. LAMP is responsible for the management of assets for clients across domestic equities, global equities, fixed income, and alternative assets.



Macquarie

Macquarie Investment Management Global Limited, part of Macquarie Asset Management, is the investment manager of the Underlying Managed Fund and whose role includes implementing the currency hedging.

The Underlying Managed Fund invests indirectly in the Arrowstreet Global Equity Fund, managed by Arrowstreet Capital, Limited Partnership (Arrowstreet). Arrowstreet is an independent private partnership that serves as a discretionary institutional global equity manager. It is wholly owned and controlled by members of the firm’s senior management and non-executive directors. It was founded in June 1999 and its principal place of business is located in Boston, Massachusetts.



Morningstar

Morningstar Investment Management Australia Limited (ABN 54 071 808 501; AFSL 228986) (‘Morningstar’) is a provider of investment management, asset allocation, portfolio construction and investment research services with over 40 years’ experience in the United States, Australia and other international markets.

Morningstar advises on and manages funds for superannuation funds, institutions, platform distributors, financial advisers and individuals. Morningstar’s disciplined investment approach delivers objective, cost-effective and holistic solutions for our clients – helping them reach their financial goals. This long-term, valuation-driven approach is underpinned by fundamental analysis of global asset classes and securities.



MLC

MLC has been looking after the investment needs for generations of Australians. MLC believes the best way to manage portfolios is to employ the skills of multiple specialist investment managers.

MLC’s investment experts research hundreds of investment managers from around the world and select the managers they believe are the best for their portfolios.

MLC’s investment experts have extensive knowledge and experience at designing and managing portfolios using a multi-manager investment approach.

MLC’s investment experts do this by:

- Adjusting the allocations to the asset classes away from the benchmark asset allocation, while aiming to remain within the defined ranges.
- Researching and selecting a broad range of mainstream asset classes, and including some exposure to alternative assets and strategies.
- Researching hundreds of investment managers from around the world and selecting the managers they believe are the best for the portfolio. These investment managers, who are mainly active managers, choose many companies and securities in Australia and overseas for investment.

MLC makes sophisticated investing straightforward.



Perpetual Investments

Perpetual Investment Management Limited (Perpetual Asset Management Australia) is a dynamic, active manager, offering an extensive range of specialist investment capabilities including Australian and global equities, credit, fixed income, multi-asset as well as environmental, social and governance (ESG), designed to help meet the needs of clients across Australia and New Zealand. Perpetual Asset Management Australia is part of the Perpetual Group, which has been in operation for over 140 years. As one of Australia’s longest-serving and most trusted investment managers, our longstanding commitment is to deliver superior outcomes over the long term for our clients.

Perpetual has a long standing commitment to responsible investment. In 2009, we became a signatory to the United Nations supported Principles for Responsible Investment. This commits us to incorporate environmental, social and governance factors into our core investment processes.



PIMCO

PIMCO is a member of the PIMCO Group, one of the largest investment managers in the world. As the Investment Manager, PIMCO will make investment decisions in relation to the Fund. PIMCO Group’s history dates back to 1971 when it was established as a specialist fixed interest manager. The PIMCO Group has its head office in Newport Beach, California, USA with offices located in Hong Kong, New York, Austin, Toronto, Munich, Sydney, Singapore, Tokyo, London, Milan, Rio de Janeiro, Taipei and Zurich.

For Australian clients, the PIMCO Group has been managing fixed interest assets since 1997 and alternative assets since 2006. Through various holding company structures, the PIMCO Group is majority owned by Allianz SE. Allianz SE is a European-based multinational insurance and financial services holding company and a publicly traded German company. The PIMCO Group, as at March 2026, managed over US\$2 trillion (including non-third party assets) for investors around the world and employs over 740 investment professionals across all its offices.



RQI Investors

RQI Investors (RQI) is an active quantitative equities investment manager within the First Sentier Group, and manages the Fund. Established in 2008, RQI offers innovative quantitative investment strategies that span a broad range of markets, including developed and emerging market equities, global small companies, and Australian large and small companies.

Backed by a unique blend of research, portfolio construction and risk management, the investment team is focused on uncovering original insights and translating them into investment signals aiming to generate returns for their strategies and outperform their benchmarks.



Resolution Capital

Established in 2004, Resolution Capital Limited is a specialist global real assets securities manager with a successful long-term investment track record dating back to 1995 and an ardent culture of fiduciary responsibility. Resolution Capital is headquartered in Sydney, Australia and maintains an office in New York, U.S. Resolution Capital believes that listed real assets is an excellent means of gaining exposure to the underlying returns of some of the world’s highest-quality real estate assets in a simple, transparent, liquid and tax efficient form.

Resolution Capital is a fundamental investment manager with the objective of delivering superior risk-adjusted long-term returns, compared with recognised industry benchmarks. The firm achieves this by investing in a concentrated portfolio of carefully selected listed real estate securities, with an emphasis on avoiding fundamental flaws that could reasonably result in permanent impairment of the underlying investments. This aligns the firm’s investment process and security selection with clients’ objectives of long-term real wealth creation and avoids a culture of index hugging.



VanEck

For more than 70 years, VanEck has delivered strategies for investors that provide unequalled access to markets, sectors and investment ideas. VanEck is one of the world’s largest issuers of exchange traded funds, managing in excess of US\$237 billion globally for individual and institutional investors. In Australia, VanEck is a pioneer of smart beta strategies and has more than 50 funds listed on the Australian Stock Exchange (ASX).



Vanguard

Vanguard Investments Australia Ltd (‘Vanguard’) is a wholly owned subsidiary of The Vanguard Group, Inc. With over AUD \$18.99 trillion in assets under management globally as of 31 July 2026, including AUD \$6.97 trillion in ETFs. Vanguard is one of the world’s largest global investment management companies. In Australia, Vanguard has been serving financial advisers, retail clients and institutional investors for more than 30 years.

The menu of Investment Options

Template guide to Investment Option overviews

This is a guide to help Bond Owner's navigate the information contained in each of the Investment Option overviews.

Information about each Investment Option and the UMFs is current as at the date of this PDS. Please refer to our website for current information.

Futurity Investment Option information

Underlying Managed Fund (UMF) information

Example

1

Futurity Investment Bond – IB03
Vanguard Growth Index Fund

2

Investment objective, strategy and benchmark
To track (before fees and tax) the Investment Option's performance benchmark – a weighted average mix of market indices relevant to the Option's long-term strategic asset allocation. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have an indexed growth portfolio.

INVESTS INTO

3

Vanguard
Underlying Managed Fund (UMF)
Vanguard Growth Index Fund

4

Investment strategy
The Fund provides low-cost access to a range of sector funds, offering broad diversification across multiple asset classes. The Growth Fund targets a 30% allocation to income asset classes and a 70% allocation to growth asset classes, and is for investors seeking capital growth.

5

Asset allocation

Australian Shares

International Shares

Emerging Markets Shares

Australian Fixed Interest

International Fixed Interest (Hedged)

International Shares (Hedged)

International Small Companies

28.0%

20.5%

4.0%

9.0%

21.0%

12.5%

5.0%

6

Performance objective
This UMF seeks to track the weighted average return of the various indices of the underlying funds in which it invests, in proportion to the strategic asset allocation.

7

Performance benchmark
Growth composite index based upon the long-term strategic asset allocation of the Fund.

8

Investment risk profile
5 – Medium to high.

9

Suggested minimum investment time
Seven years.

10

UMF PDS available at vanguard.com.au

Legend

- 1

Investment Option name and code
Each Investment Option has its own name and specific code. The name is generally descriptive of the type of UMF (or investment) that is held in the Investment Option.
- 2

Investment Option objective, strategy and benchmark
This is the Investment Option level objective, strategy and performance benchmark. These have been determined to reflect the underlying characteristics of the Investment Option and its overall investment strategy and objectives.
- 3

Underlying Managed Fund (UMF)
The name of the UMF into which the Investment Option is invested. Normally only one UMF will be used per Investment Option.
- 4

Investment strategy
This is the investment strategy of the appointed UMF. It describes the broad investment strategy of the UMF.
- 5

Asset allocation
This section sets out the types of investments (by asset class) comprising the UMF. It displays the targeted allocation of each asset class. At any given time, the actual asset allocation within a UMF may differ to the targeted allocation. All funds have an asset class range for which they must always operate within.
- 6

Performance objective
This sets the broad objectives for the UMF, which for actively managed is to outperform its performance benchmark, and for indexed is to track its performance benchmark.
- 7

Performance benchmark
This is the performance benchmark of the appointed UMF.
- 8

Investment risk profile
The investment risk profile of the UMF is based upon the Standard Risk Measure.
- 9

Suggested minimum investment time
This is the minimum suggested timeframe recommended by the manager of the UMF as being appropriately aligned to meeting the UMF's investment objectives.
- 10

UMF PDS available at
Website location of the UMF PDS.

Category 1 – Diversified indexed options

Futurity Investment Bond – IB01
Vanguard Conservative Index Fund

Investment objective, strategy and benchmark

To track (before fees and tax) the Investment Option's performance benchmark – a weighted average mix of market indices relevant to the Option's long-term strategic asset allocation. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have an indexed conservative portfolio.

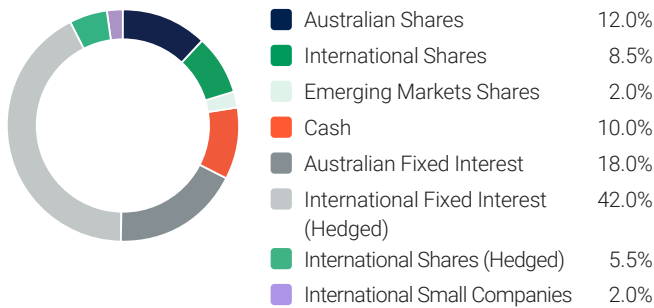
INVESTS INTO

Vanguard Underlying Managed Fund (UMF)
Vanguard Conservative Index Fund

Investment strategy

The Fund provides low-cost access to a range of sector funds, offering broad diversification across multiple asset classes. The Conservative Fund targets a 70% allocation to income asset classes and a 30% allocation to growth asset classes, and is for investors with a low tolerance for risk.

Asset allocation



Performance objective

This UMF seeks to track the weighted average return of the various indices of the underlying funds in which it invests, in proportion to the strategic asset allocation.

Performance benchmark

Conservative composite index based upon the long-term strategic asset allocation of the Fund.

Investment risk profile

3 – Low to medium.

Suggested minimum investment time

Three years.

UMF PDS available at vanguard.com.au

Futurity Investment Bond – IB02
Vanguard Balanced Index Fund

Investment objective, strategy and benchmark

To track (before fees and tax) the Investment Option's performance benchmark – a weighted average mix of market indices relevant to the Option's long-term strategic asset allocation. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have an indexed balanced portfolio.

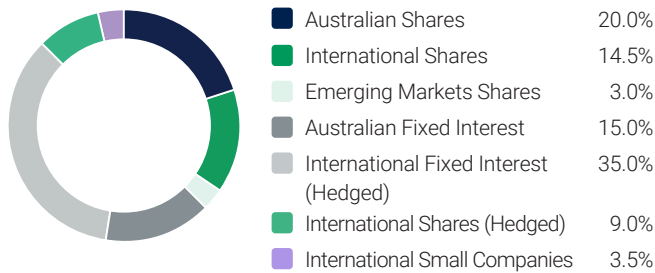
INVESTS INTO

Vanguard Underlying Managed Fund (UMF)
Vanguard Balanced Index Fund

Investment strategy

The Fund provides low-cost access to a range of sector funds, offering broad diversification across multiple asset classes. The Balanced Fund targets a 50% allocation to income asset classes and a 50% allocation to growth asset classes, and is for investors with a balanced tolerance for risk.

Asset allocation



Performance objective

This UMF seeks to track the weighted average return of the various indices of the underlying funds in which it invests, in proportion to the strategic asset allocation.

Performance benchmark

Balanced composite index based upon the long-term strategic asset allocation of the Fund.

Investment risk profile

4 – Medium.

Suggested minimum investment time

Five years.

UMF PDS available at vanguard.com.au

Category 1 – Diversified indexed options

Futurity Investment Bond – IB03
Vanguard Growth Index Fund

Investment objective, strategy and benchmark

To track (before fees and tax) the Investment Option's performance benchmark – a weighted average mix of market indices relevant to the Option's long-term strategic asset allocation. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have an indexed growth portfolio.

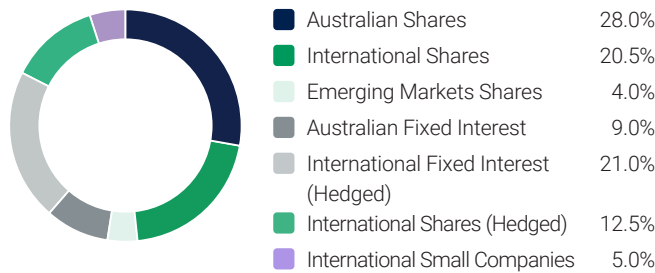
INVESTS INTO

Vanguard Underlying Managed Fund (UMF)
Vanguard Growth Index Fund

Investment strategy

The Fund provides low-cost access to a range of sector funds, offering broad diversification across multiple asset classes. The Growth Fund targets a 30% allocation to income asset classes and a 70% allocation to growth asset classes, and is for investors seeking capital growth.

Asset allocation



Performance objective

This UMF seeks to track the weighted average return of the various indices of the underlying funds in which it invests, in proportion to the strategic asset allocation.

Performance benchmark

Growth composite index based upon the long-term strategic asset allocation of the Fund.

Investment risk profile

5 – Medium to high.

Suggested minimum investment time

Seven years.

UMF PDS available at vanguard.com.au

Futurity Investment Bond – IB04
Vanguard High Growth Index Fund

Investment objective, strategy and benchmark

To track (before fees and tax) the Investment Option's performance benchmark – a weighted average mix of market indices relevant to the Option's long-term strategic asset allocation. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have an indexed high-growth portfolio.

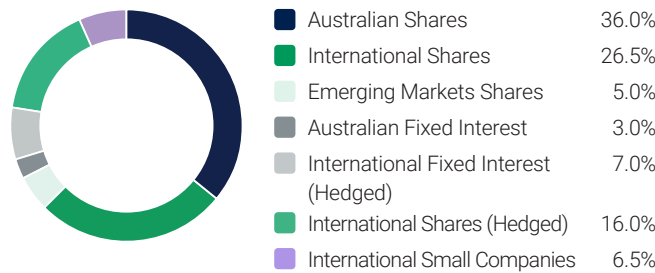
INVESTS INTO

Vanguard Underlying Managed Fund (UMF)
Vanguard High Growth Index Fund

Investment strategy

The Fund provides low-cost access to a range of sector funds, offering broad diversification across multiple asset classes. The High Growth Fund targets a 10% allocation to income asset classes and a 90% allocation to growth asset classes, and is for investors with a high tolerance for risk.

Asset allocation



Performance objective

This UMF seeks to track the weighted average return of the various indices of the underlying funds in which it invests, in proportion to the strategic asset allocation.

Performance benchmark

High Growth composite index based upon the long-term strategic asset allocation of the Fund.

Investment risk profile

6 – High.

Suggested minimum investment time

Seven years.

UMF PDS available at vanguard.com.au

Category 1 – Diversified indexed options

Futurity Investment Bond – IB05
Vanguard Diversified All Growth Index ETF

Investment objective, strategy and benchmark
To track (before fees and tax) the Investment Option's performance benchmark – a weighted average mix of market indices relevant to the Option's long-term strategic asset allocation. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have an indexed high-growth portfolio.

INVESTS INTO

Vanguard Underlying Managed Fund (UMF)
Vanguard Diversified All Growth Index ETF

Investment strategy
The Fund provides low-cost access to a range of sector funds, offering broad diversification across multiple asset classes. The All Growth Fund targets a 40% allocation to Australian equities asset classes and a 60% allocation to international equities asset classes, and is for investors with a high tolerance for risk.



Performance objective
This UMF seeks to track the weighted average return of the various indices of the underlying funds in which it invests, in proportion to the strategic asset allocation.

Performance benchmark
All Growth composite index based upon the long-term strategic asset allocation of the Fund.

Investment risk profile
6 – High.

Suggested minimum investment time
Seven years.

UMF PDS available at vanguard.com.au

Category 1 – Diversified actively managed options

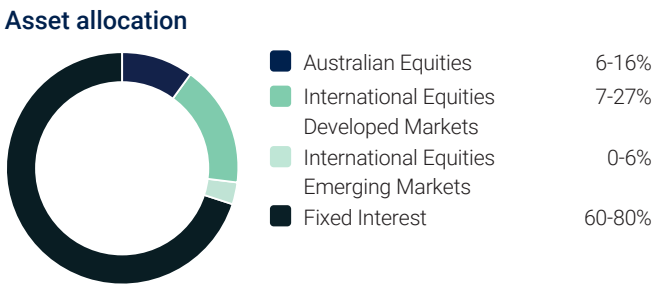
Futurity Investment Bond – IB06
Dimensional World Allocation 30/70 Trust

Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – a weighted average mix of market indices relevant to the Option's long-term strategic asset allocation. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have an actively managed conservative portfolio.

INVESTS INTO

Dimensional Underlying Managed Fund (UMF)
Dimensional World Allocation 30/70 Trust

Investment strategy
The Fund aims to provide a total return, consisting of capital appreciation and income, by gaining exposure to a diversified portfolio of domestic and global fixed interest securities and equity securities listed on approved developed and emerging markets. The Fund will seek to target approximately 30% exposure to equities and 70% exposure to fixed interest assets.



Performance objective
The Fund is not managed with the objective of achieving a particular return relative to a benchmark index. However, to compare the performance of the Fund with a broad measure of market performance, reference may be made to a combination of market indices based on the strategic asset allocation of the Fund.

Performance benchmark
A combination of market indices based on the strategic asset allocation of the Fund.

Investment risk profile
4 – Medium.

Suggested minimum investment time
Three years plus.

UMF PDS available at au.dimensional.com

Category 1 – Diversified actively managed options

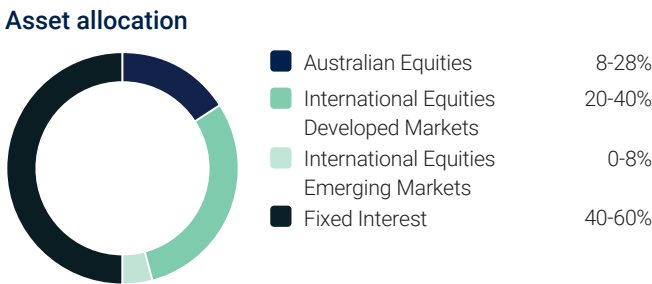
Futurity Investment Bond – IB07
Dimensional World Allocation 50/50 Trust

Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – a weighted average mix of market indices relevant to the Option's long-term strategic asset allocation. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have an actively managed balanced portfolio.

INVESTS INTO

Dimensional Underlying Managed Fund (UMF)
Dimensional World Allocation 50/50 Trust

Investment strategy
The Fund aims to provide a total return, consisting of capital appreciation and income, by gaining exposure to a diversified portfolio equity securities listed on developed and emerging markets, and domestic and international fixed interest securities. The Fund will seek to target approximately 50% exposure to equities and 50% exposure to fixed interest assets.



Performance objective
The Fund is not managed with the objective of achieving a particular return relative to a benchmark index. However, to compare the performance of the Fund with a broad measure of market performance, reference may be made to a combination of market indices based on the strategic asset allocation of the Fund.

Performance benchmark
A combination of market indices based on the strategic asset allocation of the Fund.

Investment risk profile
5 – Medium to high.

Suggested minimum investment time
Four years plus.

UMF PDS available at au.dimensional.com

Futurity Investment Bond – IB08
Dimensional World Allocation 70/30 Trust

Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – a weighted average mix of market indices relevant to the Option's long-term strategic asset allocation. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have an actively managed growth portfolio.

INVESTS INTO

Dimensional Underlying Managed Fund (UMF)
Dimensional World Allocation 70/30 Trust

Investment strategy
The Fund aims to provide a total return, consisting of capital appreciation and income, by gaining exposure to a diversified portfolio of equity securities listed on developed and emerging markets, and domestic and international fixed interest securities. The Fund will seek to target approximately 70% exposure to equities and 30% exposure to fixed interest assets.



Performance objective
The Fund is not managed with the objective of achieving a particular return relative to a benchmark index. However, to compare the performance of the Fund with a broad measure of market performance, reference may be made to a combination of market indices based on the strategic asset allocation of the Fund.

Performance benchmark
A combination of market indices based on the strategic asset allocation of the Fund.

Investment risk profile
6 – High.

Suggested minimum investment time
Five years plus.

UMF PDS available at au.dimensional.com

Category 1 – Diversified actively managed options

Futurity Investment Bond – IB09
Dimensional Sustainability World Allocation 70/30 Trust

Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – a weighted average mix of market indices relevant to the Option's long-term strategic asset allocation. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have an actively managed growth portfolio while adopting a lens based on social, environmental, ethical and responsible investing and financial credentials.

INVESTS INTO

Futurity Investment Bond – IB10
Dimensional World Equity Trust

Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – a weighted average mix of market indices relevant to the Option's long-term strategic asset allocation. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have an actively managed growth portfolio.

INVESTS INTO

 Underlying Managed Fund (UMF)
Dimensional Sustainability World Allocation 70/30 Trust

Investment strategy
The Fund aims to provide a total return, consisting of capital appreciation and income, by gaining exposure to a diversified portfolio of equity securities listed on developed and emerging markets. The Fund will seek to target approximately 100% exposure to equities.



Performance objective
The Fund is not managed with the objective of achieving a particular return relative to a benchmark index. However, to compare the performance of the Fund with a broad measure of market performance, reference may be made to a combination of market indices based on the strategic asset allocation of the Fund.

Performance benchmark
A combination of market indices based on the strategic asset allocation of the Fund.

Investment risk profile
6 – High.

Suggested minimum investment time
Seven years plus.

UMF PDS available at au.dimensional.com

Category 1 – Diversified actively managed options

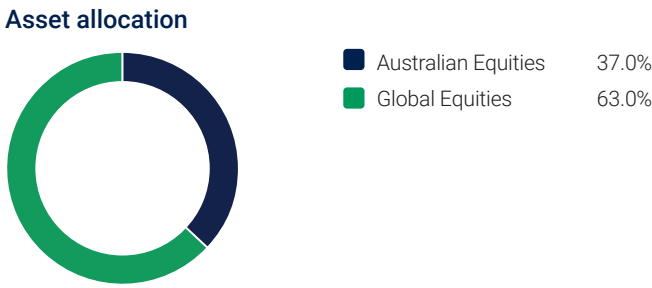
Futurity Investment Bond – IB11
Betashares Diversified All Growth ETF

Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – a weighted average mix of market indices relevant to the Option's long-term strategic asset allocation. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have an actively managed all growth portfolio.

INVESTS INTO

 Underlying Managed Fund (UMF)
Betashares Diversified All Growth ETF

Investment strategy
The Fund provides low-cost access to a range of securities, offering broad diversification across multiple asset classes. The Diversified All Growth ETF targets a 37% allocation to Australian equities asset classes and a 63% allocation to international equities asset classes and is for investors with a high tolerance for risk.



Performance objective
The Fund is not managed with the objective of achieving a particular return relative to a benchmark index. However, to compare the performance of the Fund with a broad measure of market performance, reference may be made to a combination of market indices based on the strategic asset allocation of the Fund.

Performance benchmark
A combination of market indices based on the strategic asset allocation of the Fund.

Investment risk profile
7 – Very high.

Suggested minimum investment time
Five years.

UMF PDS available at betashares.com.au

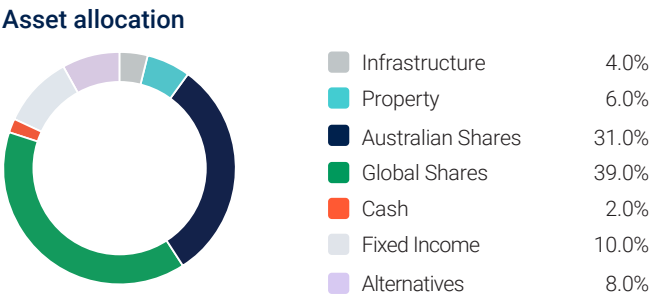
Futurity Investment Bond – IB12
MLC Wholesale Horizon 5 – Growth Portfolio

Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – a weighted average mix of market indices relevant to the Option's long-term strategic asset allocation. It may invest into one or multiple UMFs and/or directly invest in Authorised Investments to create and maintain an actively managed high-growth portfolio.

INVESTS INTO

 Underlying Managed Fund (UMF)
MLC Wholesale Horizon 5 – Growth Portfolio

Investment strategy
Investment markets are the main driver of the portfolio's investment returns. Its benchmark asset allocation (see below) invests predominantly in growth assets with a small exposure to defensive assets. MLC's investment experts actively look for opportunities for better returns with less risk than the portfolio's benchmark.



Performance objective
To outperform the portfolio's benchmark, after fees, over seven-year periods.

Performance benchmark
A combination of market indices, weighted according to the benchmark asset allocation.

Investment risk profile
6 – High.

Suggested minimum investment time
Seven years.

UMF PDS available at mlcam.com.au/MLCWholesale/pds

Category 1 – Diversified actively managed options

Futurity Investment Bond – IB13
Australian Ethical Balanced Fund

Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – a weighted average mix of market indices relevant to the Option's long-term strategic asset allocation. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have an actively managed balanced portfolio.

INVESTS INTO

Australian Ethical

AE

Underlying Managed Fund (UMF)
Australian Ethical Balanced Fund

Investment strategy
The opportunity to invest in a diversified portfolio of asset types and markets to reduce the volatility of returns. Asset classes include, but are not limited to, Australian and international shares, property and fixed income securities.

Asset allocation

Australian and New Zealand Shares

International Shares

Fixed Interest

Property and Infrastructure

Alternatives

Cash

25.0%

26.0%

14.0%

15.0%

10.0%

10.0%

Performance objective
The Fund aims to achieve returns 3.50% above inflation after management costs over a 10-year period.

Performance benchmark
The Fund aims to provide a return (before fees, costs and taxes) that exceeds the Fund's benchmark over the medium to long term.

Investment risk profile
4 – Medium.

Suggested minimum investment time
Eight years.

UMF PDS available at australianethical.com.au

Futurity Investment Bond – IB14
Allan Gray Australian Balanced Fund

Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – a weighted average mix of market indices relevant to the Option's long-term strategic asset allocation. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have an actively managed balanced portfolio.

INVESTS INTO

ALLAN GRAY

Underlying Managed Fund (UMF)
Allan Gray Australian Balanced Fund

Investment strategy
The Fund employs the Allan Gray contrarian investment philosophy to search for investments, having regard to defined investment restrictions. The Fund has the ability to take advantage of market movements with wide ranges for investments. When there are fewer opportunities in Australia or global markets become more attractive, the Fund may become more heavily weighted towards global assets and vice versa.

Asset allocation

Fixed Income

Equities

Commodity-linked investments

10-50%

40-90%

0-10%

Performance objective
To seek long-term returns that are higher than the custom benchmark (after fees and expenses). In doing so, the Fund aims to balance capital growth, income generation and risk of loss using a diversified portfolio.

Performance benchmark
Custom benchmark: 36% S&P/ASX 300 Accumulation Index; 24% S&P/ASX iBoxx Australian Government Index; 24% MSCI World Index (net dividends reinvested) expressed in AUD; and 16% JPMorgan Global Government Bond Index expressed in AUD.

Investment risk profile
5 – Medium to high.

Suggested minimum investment time
More than three years.

UMF PDS available at allangray.com.au

Investment Options

Category 1 – Diversified actively managed options

Futurity Investment Bond – IB15
Morningstar Growth Real Return Fund – Class A

Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark - CPI + 3.5% over rolling 7-year periods. It may invest into one or multiple UMFs and/or directly invest in Authorised Investments to create and maintain an actively managed growth portfolio.

INVESTS INTO

MORNINGSTAR

Underlying Managed Fund (UMF)
Morningstar Growth Real Return Fund – Class A

Investment strategy
The Fund is an actively managed multi-asset fund with a long-term average exposure of around 70% growth assets such as shares, property and infrastructure, and around 30% defensive assets such as cash and fixed interest. The Fund will be invested dynamically across managed funds, direct securities, exchange traded funds, foreign exchange contracts and/or derivatives. The Fund aims to deliver real returns while focusing on risk management over the targeted investment horizon.

Asset allocation

Cash

Australian Bonds

International Bonds (Hedged)

Property and Infrastructure

Australian Shares

International Shares

Alternatives

0%–45%

0%–30%

0%–30%

0%–40%

0%–60%

0%–60%

0%–25%

Performance objective
To earn a rate of return that exceeds inflation by at least 3.5% p.a. over rolling 7-year periods.

Performance benchmark
CPI + 3.5% p.a.

Investment risk profile
6 – High.

Suggested minimum investment time
Seven years.

UMF PDS available at morningstarinvestments.com.au

Category 2 – Sector-specific indexed options

Futurity Investment Bond – IB16
Vanguard Australian Fixed Interest Index Fund

Investment objective, strategy and benchmark
To track (before fees and tax) the Investment Option's performance benchmark – Bloomberg AusBond Composite 0+ Yr Index. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse indexed portfolio of predominantly Australian fixed interest investments.

INVESTS INTO

Vanguard

Underlying Managed Fund (UMF)
Vanguard Australian Fixed Interest Index Fund

Investment strategy
The Fund invests in high-quality, income-generating securities issued by the Commonwealth Government of Australia, Australian State Government authorities and treasury corporations, as well as investment-grade corporate issuers.

Asset allocation

Australian Fixed Interest

100%

Performance objective
To track the return of the Bloomberg AusBond Composite 0+ Yr Index before taking into account fees, expenses and tax.

Performance benchmark
Bloomberg AusBond Composite 0+ Yr Index.

Investment risk profile
2 – Low.

Suggested minimum investment time
Three years.

UMF PDS available at vanguard.com.au

24 PDS Part B

25

Category 2 – Sector-specific indexed options

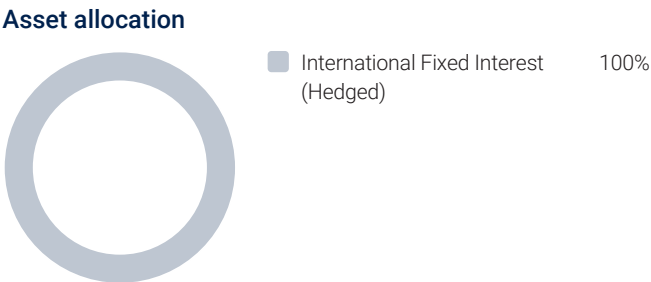
Futurity Investment Bond – IB17
Vanguard Global Aggregate Bond Index Fund (Hedged)

Investment objective, strategy and benchmark
To track (before fees and tax) the Investment Option's performance benchmark – Bloomberg Global Aggregate Index (AUD hedged). It may invest into one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse indexed portfolio of predominately international fixed interest investments.

INVESTS INTO

Underlying Managed Fund (UMF)
Vanguard Vanguard Global Aggregate Bond Index Fund (Hedged)

Investment strategy
The Fund invests in high-quality, income-generating securities issued by governments, government-owned entities, government-guaranteed entities, investment-grade corporate issues and securitised assets from around the world. The Fund is hedged to Australian dollars.



Performance objective
To track the return of the Bloomberg Global Aggregate Index (AUD hedged) before taking into account fees, expenses and tax.

Performance benchmark
Bloomberg Global Aggregate Float-Adjusted and Scaled Index hedged into Australian dollars.

Investment risk profile
4 – Medium.

Suggested minimum investment time
Three years.

UMF PDS available at vanguard.com.au

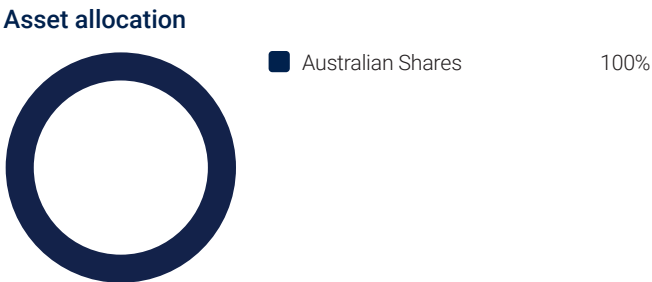
Futurity Investment Bond – IB18
Vanguard Australian Shares Index Fund

Investment objective, strategy and benchmark
To track (before fees and tax) the Investment Option's performance benchmark – S&P/ASX 300 Accumulation Index. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse indexed portfolio of predominantly Australian equity investments.

INVESTS INTO

Underlying Managed Fund (UMF)
Vanguard Vanguard Australian Shares Index Fund

Investment strategy
The Fund provides low-cost, broadly diversified exposure to Australian companies and property trusts listed on the Australian Securities Exchange. It also offers potential long-term capital growth along with dividend income and franking credits.



Performance objective
To track the return of the S&P/ASX 300 Accumulation Index before taking into account fees, expenses and tax.

Performance benchmark
S&P/ASX 300 Accumulation Index.

Investment risk profile
6 – High.

Suggested minimum investment time
Seven years.

UMF PDS available at vanguard.com.au

Category 2 – Sector-specific indexed options

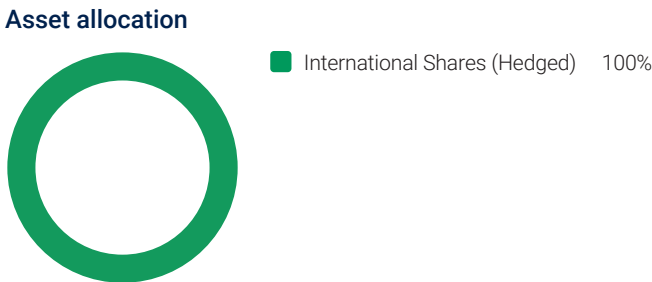
Futurity Investment Bond – IB19
Vanguard International Shares Index Fund (Hedged)

Investment objective, strategy and benchmark
To track (before fees and tax) the Investment Option's performance benchmark – MSCI World Index fully hedged in Australian dollars (AUD). It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse indexed portfolio of predominantly international equity investments hedged back to the AUD.

INVESTS INTO

Underlying Managed Fund (UMF)
Vanguard Vanguard International Shares Index Fund – Hedged

Investment strategy
The Fund provides exposure to many of the world's largest companies listed in major developed countries. It offers low-cost access to a broadly diversified range of securities that allows investors to participate in the long-term growth potential of international economies outside Australia. The Fund is hedged to Australian dollars so the value of the Fund is relatively unaffected by currency fluctuations.



Performance objective
To track (before fees, expenses and tax) the return of the MSCI World ex-Australia (with net dividends reinvested) hedged into Australian dollars.

Performance benchmark
MSCI World ex-Australia (with net dividends reinvested) hedged into Australian dollars Index.

Investment risk profile
6 – High.

Suggested minimum investment time
Seven years.

UMF PDS available at vanguard.com.au

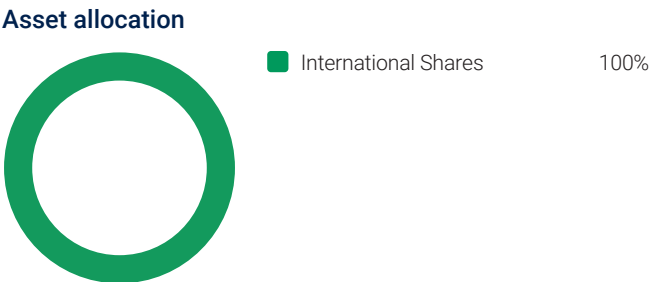
Futurity Investment Bond – IB20
Vanguard International Shares Index Fund

Investment objective, strategy and benchmark
To track (before fees and tax) the Investment Option's performance benchmark – MSCI World Index. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse indexed portfolio of predominantly International Equity Investments in AUD.

INVESTS INTO

Underlying Managed Fund (UMF)
Vanguard Vanguard International Shares Index Fund

Investment strategy
The Fund will hold or be exposed to most of the securities in the index by investing in the Vanguard International Shares Index Fund, foreign exchange forwards and other derivative financial instruments, or may invest directly in the securities of the index, allowing for individual security weightings to vary from the index from time to time. The Fund may invest in, or be exposed to, securities that have been removed from or are expected to be included in the index.



Performance objective
To track the return of the MSCI World ex-Australia Index (with net dividends reinvested) into AUD Index before taking into account fees, expenses and tax.

Performance benchmark
MSCI World ex-Australia (with net dividends reinvested) into Australian dollars Index.

Investment risk profile
6 – High.

Suggested minimum investment time
Seven years.

UMF PDS available at vanguard.com.au

Category 2 – Sector-specific indexed options

Futurity Investment Bond – IB21
Vanguard Emerging Markets Shares Index Fund

Investment objective, strategy and benchmark
To track (before fees and tax) the Investment Option's performance benchmark – MSCI Emerging Market Index. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse indexed portfolio of predominantly International equity investments and emerging market equity securities with the Fund.

INVESTS INTO

Underlying Managed Fund (UMF)
Vanguard Vanguard Emerging Markets Shares Index Fund

Investment strategy
The Fund provides low-cost exposure to companies listed in emerging markets, allowing investors to participate in the long-term growth potential. It is exposed to the fluctuating values of foreign currencies, as there is no hedging to the Australian dollar.



Performance objective
To track (before fees, expenses and tax) the return of the MSCI Emerging Markets Index (with net dividends reinvested) in Australian dollars.

Performance benchmark
MSCI Emerging Markets Index (with net dividends reinvested) in AUD.

Investment risk profile
6 – High.

Suggested minimum investment time
Seven years.

UMF PDS available at vanguard.com.au

Futurity Investment Bond – IB22
Vanguard Australian Property Securities Index Fund

Investment objective, strategy and benchmark
To track (before fees and tax) the Investment Option's performance benchmark – S&P/ASX 300 A-REIT Index. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse indexed portfolio of predominantly Australian REIT Investments in AUD.

INVESTS INTO

Underlying Managed Fund (UMF)
Vanguard Vanguard Australian Property Securities Index Fund

Investment strategy
The Fund provides a low-cost way to invest in property securities listed on the Australian Securities Exchange. The property sectors in which the Fund invests include retail, office, industrial and diversified.



Performance objective
To track the return of the S&P/ASX 300 A-REIT Index before taking into account fees, expenses and tax.

Performance benchmark
S&P/ASX 300 A-REIT Index.

Investment risk profile
6 – High.

Suggested minimum investment time
Seven years.

UMF PDS available at vanguard.com.au

Category 2 – Sector-specific indexed options

Futurity Investment Bond – IB23
Vanguard International Property Securities Index Fund (Hedged)

Investment objective, strategy and benchmark
To track (before fees and tax) the Investment Option's performance benchmark – FTSE EPRA/NAREIT Developed ex Australia Rental Index (with net dividends reinvested), Australian Dollar Hedged. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse indexed portfolio of predominantly Global REIT Investments in AUD.

INVESTS INTO

Underlying Managed Fund (UMF)
Vanguard Vanguard International Property Securities Index Fund (Hedged)

Investment strategy
The Fund provides low-cost exposure to international property securities listed in developed countries. It invests in a broad range of securities that include real estate investment trusts as well as companies that own real estate assets, and derive a significant proportion of their revenue from rental income. The Fund is hedged to Australian dollars so the value of the Fund is relatively unaffected by currency fluctuations.



Performance objective
Vanguard International Property Securities Index Fund (Hedged) seeks to track the return of the FTSE EPRA/NAREIT Developed ex Australia Rental Index, Australian Dollar Hedged (with net dividends reinvested) before taking into account fees, expenses and tax.

Performance benchmark
FTSE EPRA/NAREIT Developed ex Australia Rental Index (with net dividends reinvested), Australian Dollar Hedged.

Investment risk profile
6 – High.

Suggested minimum investment time
Seven years.

UMF PDS available at vanguard.com.au

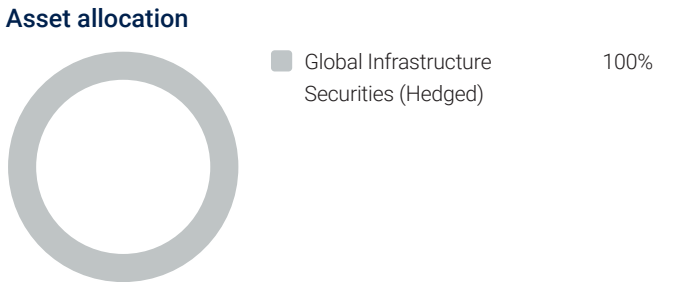
Futurity Investment Bond – IB24
Vanguard Global Infrastructure Index Fund (Hedged)

Investment objective, strategy and benchmark
To track (before fees and tax) the Investment Option's performance benchmark – FTSE Developed Core Infrastructure Hedged into Australian Dollars Index (with net dividends reinvested). It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse indexed portfolio of predominantly global listed infrastructure Investments in AUD.

INVESTS INTO

Underlying Managed Fund (UMF)
Vanguard Vanguard Global Infrastructure Index Fund (Hedged)

Investment strategy
The FTSE Developed Core Infrastructure Hedged into AUD Index comprises securities in developed countries, which provide exposure to transportation, energy and telecommunications infrastructure.



Performance objective
The Fund seeks to track the return of the FTSE Developed Core Infrastructure Hedged into AUD Index (with net dividends reinvested) in Australian dollars before taking into account fees, expenses and tax. FTSE International Limited (FTSE) is the index provider of the FTSE Developed Core Infrastructure Hedged into AUD Index.

Performance benchmark
FTSE Developed Core Infrastructure Hedged into Australian Dollars Index (with net dividends reinvested).

Investment risk profile
6 – High.

Suggested minimum investment time
Seven years.

UMF PDS available at vanguard.com.au

Category 2 – Sector-specific indexed options

Futurity Investment Bond – IB25
iShares S&P 500 ETF

Investment objective, strategy and benchmark

To track (before fees and tax) the Investment Option's performance benchmark – S&P 500 Index. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse indexed portfolio of predominantly International Equity Investments.

INVESTS INTO

BlackRock Underlying Managed Fund (UMF)
iShares S&P 500 ETF

Investment strategy

The Fund aims to provide investors with the performance of the S&P500® Net TR Index (AUD), before fees and expenses. The index is designed to measure the performance of large-capitalisation US equities.

Asset allocation



Performance objective

The Fund aims to provide investors with the performance of the S&P 500 Index, before fees and expenses.

Performance benchmark

S&P 500 Index.

Investment risk profile

6 – High.

Suggested minimum investment time

Seven years.

UMF PDS available at blackrock.com/au

Futurity Investment Bond – IB26
Betashares NASDAQ 100 ETF

Investment objective, strategy and benchmark

To track (before fees and tax) the Investment Option's performance benchmark – NASDAQ 100 Index. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse indexed portfolio of predominantly International Equity Investments.

INVESTS INTO

betashares Underlying Managed Fund (UMF)
Betashares NASDAQ 100 ETF

Investment strategy

The Fund seeks to provide an investment return, before fees and expenses, that aims to track the performance of the relevant Index.

Asset allocation



Performance objective

The Fund seeks to provide an investment return that aims to track the performance of the NASDAQ 100 Index (the "Index"), before taking into account fees and expenses.

Performance benchmark

NASDAQ 100 Index.

Investment risk profile

7 – Very high.

Suggested minimum investment time

Five years.

UMF PDS available at betashares.com.au

Category 2 – Sector-specific indexed options

Futurity Investment Bond – IB27
VanEck MSCI International Quality ETF

Investment objective, strategy and benchmark

To track (before fees and tax) the Investment Option's performance benchmark – MSCI World ex Australia Quality Index. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse indexed portfolio of predominantly international equity investments.

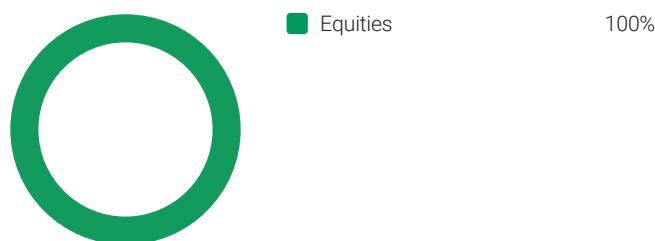
INVESTS INTO

VanEck Underlying Managed Fund (UMF)
VanEck MSCI International Quality ETF

Investment strategy

The Fund employs a passive management strategy of physically replicating the Reference Index by investing in the securities that comprise the Reference Index, in proportion to the security's relative weighting in the Reference Index.

Asset allocation



Performance objective

The Fund aims to provide investment returns before fees and other costs which track the performance of its Reference Index in Australian dollars.

Performance benchmark

MSCI World ex Australia Quality Index.

Investment risk profile

6 – High.

Suggested minimum investment time

Five years.

UMF PDS available at vaneck.com.au

Category 2 – Sector-specific actively managed options

Futurity Investment Bond – IB28
First Sentier Institutional Cash Fund

Investment objective, strategy and benchmark

To outperform (before fees and tax) the Investment Option's performance benchmark – Bloomberg AusBond Bank Bill Index. It may invest into one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse actively managed portfolio of predominately Australian Cash Investments and short- to medium-term fixed interest investments.

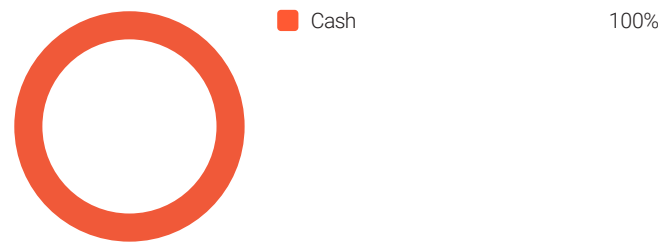
INVESTS INTO

First Sentier Investors Underlying Managed Fund (UMF)
First Sentier Institutional Cash Fund

Investment strategy

The Fund invests in high-quality money market securities with short maturities, and aims to deliver a stable income stream. The fund invests in assets that the investment manager believes offer value-for-risk by taking into account economic analysis and market trends. Responsible investment considerations form an important component of the credit research process, and can affect issuer selection and portfolio positioning. At least 50% of the fund is invested in highly liquid assets at any time. Derivatives may be used for risk management.

Asset allocation



Performance objective

To outperform the returns of Australian money markets over rolling two-year periods as measured by the Reserve Bank of Australia Cash Rate Total Return Index (before fees and taxes and assuming income is reinvested).

Performance benchmark

Reserve Bank of Australia Cash Rate Total Return Index.

Investment risk profile

1 – Very low.

Suggested minimum investment time

No minimum.

UMF PDS available on request

Category 2 – Sector-specific actively managed options

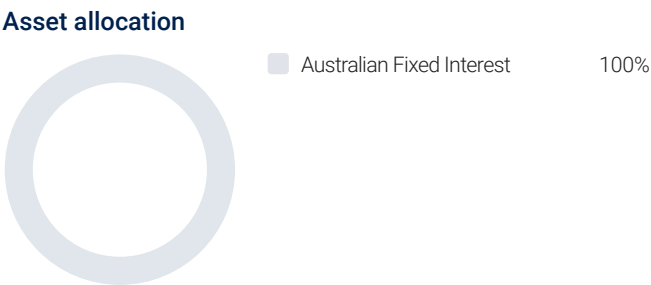
Futurity Investment Bond – IB29
PIMCO Australian Bond Fund

Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – Bloomberg AusBond Composite 0+ Yr Index. It may invest into one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse actively managed portfolio of predominately Australian fixed interest investments.

INVESTS INTO

Underlying Managed Fund (UMF)
PIMCO Australian Bond Fund

Investment strategy
The Fund emphasises active decision making with a long-term focus and seeks to avoid extreme swings in duration or maturity with a view to creating a steady stream of returns.



Performance objective
To achieve maximum total return by investing in fixed interest securities predominantly denominated in Australian or New Zealand currencies.

Performance benchmark
Bloomberg AusBond Composite 0+ Yr Index.

Investment risk profile
4 – Medium.

Suggested minimum investment time
Three years.

UMF PDS available at pimco.com/au/

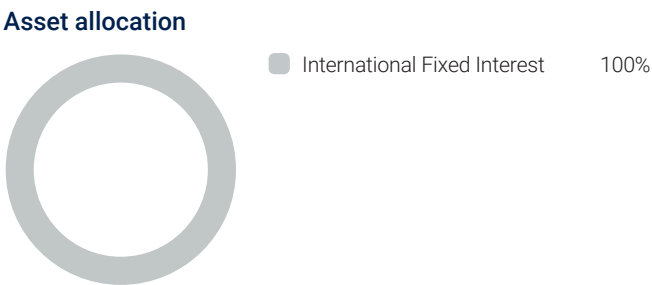
Futurity Investment Bond – IB30
PIMCO Global Bond Fund

Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – Bloomberg Global Aggregate Index (AUD hedged). It may invest into one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse actively managed portfolio of predominately international fixed interest investments.

INVESTS INTO

Underlying Managed Fund (UMF)
PIMCO Global Bond Fund

Investment strategy
The Fund emphasises active decision making with a long-term focus and seeks to avoid extreme swings in duration or maturity with a view to creating a steady stream of returns.



Performance objective
To achieve maximum total return by investing in fixed interest securities predominantly denominated in global currencies and hedged in Australian dollars.

Performance benchmark
Bloomberg Global Aggregate Index (AUD hedged).

Investment risk profile
4 – Medium.

Suggested minimum investment time
Three years.

UMF PDS available at pimco.com/au/

Category 2 – Sector-specific actively managed options

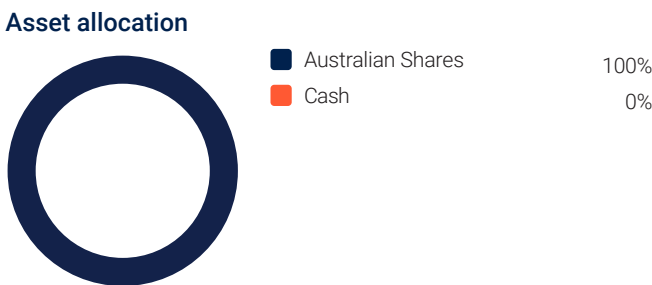
Futurity Investment Bond – IB31
RQI Australian Value – Class A

Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – S&P/ASX 200 Accumulation Index. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse indexed portfolio of predominantly Australian Equity Investments.

INVESTS INTO

Underlying Managed Fund (UMF)
RQI Australian Value – Class A

Investment strategy
The strategy forms a universe of Australian companies based on accounting measures, which gives the portfolio a value tilt. Factors such as quality, relative valuation, fundamental momentum and market sentiment are applied to reduce value traps and improve the risk and return characteristics of the portfolio. RQI aims to generate higher returns versus the benchmark over the long term.



Performance objective
To provide capital and income growth by investing in Australian shares and outperforming the S&P/ASX 200 Total Return Index over rolling five-year periods before fees and taxes.

Performance benchmark
S&P/ASX 200 Accumulation Index.

Investment risk profile
7 – Very high.

Suggested minimum investment time
Seven years.

UMF PDS available at firstsentierinvestors.com.au

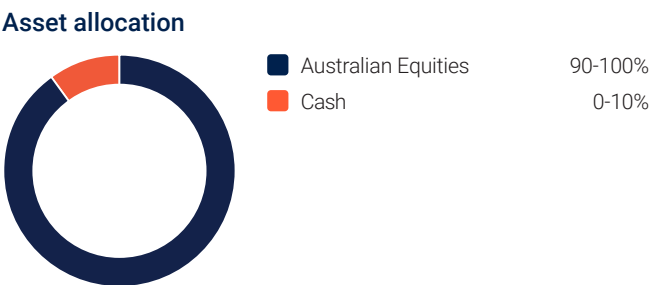
Futurity Investment Bond – IB32
Perpetual ESG Australian Share Fund

Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – S&P/ASX 300 Accumulation Index. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse actively managed portfolio of predominately Australian equity investments while adopting a lens based on social, environmental, ethical and responsible investing and financial credentials.

INVESTS INTO

Underlying Managed Fund (UMF)
Perpetual ESG Australian Share Fund

Investment strategy
The Fund aims to provide long-term capital growth and regular income through investment in quality Australian shares that meet Perpetual's ESG and values-based criteria*.



Performance objective
To outperform the benchmark (before fees and taxes) over rolling three-year periods.

Performance benchmark
S&P/ASX 300 Accumulation Index.

Investment risk profile
6 – High.

Suggested minimum investment time
Five years or longer.

UMF PDS available at perpetual.com.au

* Perpetual's ESG and values-based criteria is outlined in the Perpetual Investment Funds PDS for the UMF available at perpetual.com.au.

Category 2 – Sector-specific actively managed options

Futurity Investment Bond – IB33
First Sentier Concentrated Australian Share Fund

Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – S&P/ASX 300 Total Return Index. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse actively managed portfolio of predominately Australian equity investments.

INVESTS INTO



Underlying Managed Fund (UMF)
First Sentier Concentrated Australian Share Fund

Investment strategy
The Fund's investment strategy is based on the belief that, over the medium-to-long term, stock prices are driven by the ability of management to generate excess returns over their cost of capital in their chosen industry. The Fund generally invests in a concentrated selection of high quality entities with strong balance sheets and earnings in the S&P/ASX 300 Total Return Index. The Fund invests in Australian equities and therefore does not hedge currency risk. The Fund may use derivatives for efficient portfolio management as well as risk management purposes.

Asset allocation

Australian Equities90-100%

Cash0-10%

Performance objective
To provide long-term capital growth by investing in a concentrated portfolio of 15-30 stocks. The Fund aims to outperform the S&P/ASX 300 Total Return Index (before fees and taxes) over rolling three-year periods.

Performance benchmark
S&P/ASX 300 Total Return Index.

Investment risk profile
6 – High.

Suggested minimum investment time
Seven years.

UMF PDS available at firstsentierinvestors.com.au

Futurity Investment Bond – IB34
Australian Ethical Australian Shares Fund

Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – S&P/ASX 300 Accumulation Index. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse actively managed portfolio of predominately Australian equity investments while adopting a lens based on social, environmental, ethical and responsible investing and financial credentials.

INVESTS INTO



Underlying Managed Fund (UMF)
Australian Ethical Australian Shares Fund

Investment strategy
The Fund provides the opportunity to invest in a diversified share portfolio of companies predominately listed on the ASX and selected on the basis of their social, environmental and financial credentials. The Fund utilises an active stock-picking management style with stocks generally selected for growth rather than income, with a bias towards smaller capitalisation stocks listed on the ASX. All stocks are chosen on the basis of relative value where we deem the risks are being adequately priced.

Asset allocation

Australian and New Zealand Shares100%

Performance objective
To provide long-term growth focusing on Australian companies that meet the Australian Ethical Charter.

Performance benchmark
S&P/ASX 300 Accumulation Index.

Investment risk profile
6 – High.

Suggested minimum investment time
Seven years.

UMF PDS available at australianethical.com.au

Category 2 – Sector-specific actively managed options

Futurity Investment Bond – IB35
Betashares Geared Australian Equities Complex ETF

Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – S&P/ASX 300 Accumulation Index. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse actively managed portfolio of predominately Australian Equity Investments.

INVESTS INTO



Underlying Managed Fund (UMF)
Betashares Geared Australian Equities Complex ETF

Investment strategy
The Fund intends to combine application money from investors with borrowed funds and invest the proceeds in a broadly diversified share portfolio, generally consisting of approximately 200 of the largest equity securities listed on the ASX, weighted by their market capitalisation and rebalanced quarterly.

Asset allocation

Australian Listed Equities (Gearing Level 50-65%)100%

Performance objective
The investment objective of the Fund is to provide geared exposure to the returns of the Australian share market.

Performance benchmark
S&P/ASX 300 Accumulation Index.

Investment risk profile
7 – Very high.

Suggested minimum investment time
Seven years.

UMF PDS available at betashares.com.au

Futurity Investment Bond – IB36
Arrowstreet Global Equity Fund (Hedged)

Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – MSCI All Country World ex Australia Index, in \$A hedged with net dividends reinvested. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse portfolio of predominantly international equity investments.

INVESTS INTO



Underlying Managed Fund (UMF)
Arrowstreet Global Equity Fund (Hedged)

Investment strategy
The Fund provides exposure to a diversified portfolio of global equities which may include securities listed in emerging and frontier markets as well as securities of small and micro capitalisation companies by investing indirectly in the Arrowstreet Global Equity Fund.

Asset allocation

Global Equities95–100%

Cash0–5%

Performance objective
The Fund aims to achieve a long-term total return (before fees and expenses) that exceeds the MSCI All Country World ex Australia Index, in \$A hedged with net dividends reinvested.

Performance benchmark
MSCI All Country World ex Australia Index, in \$A hedged with net dividends reinvested.

Investment risk profile
6 – High.

Suggested minimum investment time
Seven years.

UMF PDS available at macquarie.com/mam/pds

Category 2 – Sector-specific actively managed options

Futurity Investment Bond – IB37
GQG Partners Global Equity Fund (Hedged)

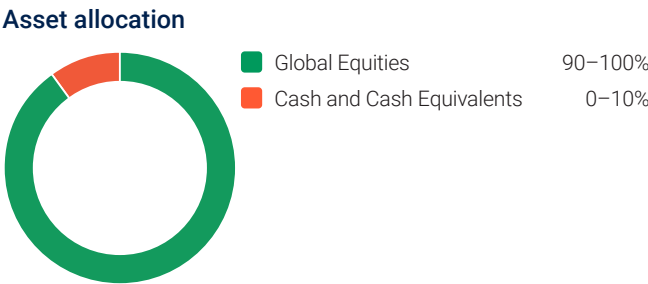
Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – MSCI World Index (AUD Hedged). It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse portfolio of predominantly International Equity Investments.

INVESTS INTO



Underlying Managed Fund (UMF)
GQG Partners Global Equity Fund – AUD Hedged Class

Investment strategy
The Fund seeks to invest in quality companies with attractively priced future growth prospects in both developed and emerging markets. GQG Partners' fundamental investment process evaluates each business based on financial strength, sustainability of earnings growth, and quality of management. The Fund seek to limit downside risk while providing attractive returns to long-term investors over a full market cycle.



Performance objective
The objective for the class is to provide a rate of return (after fees and expenses and before taxes) which exceeds the return of the MSCI ACWI Ex-Tobacco 100% Hedged to AUD Index.

Performance benchmark
MSCI World Index (AUD Hedged).

Investment risk profile
6 – High.

Suggested minimum investment time
Five years.

UMF PDS available at gqg.com

Futurity Investment Bond – IB38
GQG Partners Emerging Markets Equity Fund – Class A

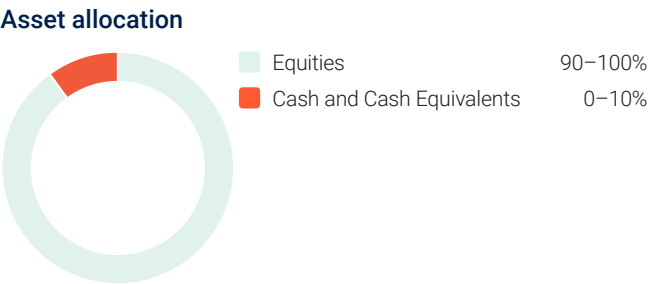
Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – MSCI Emerging Market Index. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse portfolio of predominantly International Equity Investments.

INVESTS INTO



Underlying Managed Fund (UMF)
GQG Partners Emerging Markets Equity Fund – Class A

Investment strategy
The GQG Partners Emerging Markets Equity Fund seeks long-term capital appreciation. The Fund seeks to invest in high-quality companies with attractively priced future growth prospects in emerging markets. GQG Partners' fundamental investment process evaluates each business based on financial strength, sustainability of earnings growth, and quality of management. The Fund seeks to limit downside risk whilst providing attractive returns to long-term investors over a full market cycle.



Performance objective
The objective of the Fund is to provide a rate of return (after fees and expenses and before taxes) which exceeds the return of the MSCI Emerging Markets ex Tobacco Index (AUD).

Performance benchmark
MSCI Emerging Markets Index.

Investment risk profile
6 – High.

Suggested minimum investment time
Five years.

UMF PDS available at gqg.com

Category 2 – Sector-specific actively managed options

Futurity Investment Bond – IB39
Resolution Capital Global Property Securities Fund (Managed Fund)

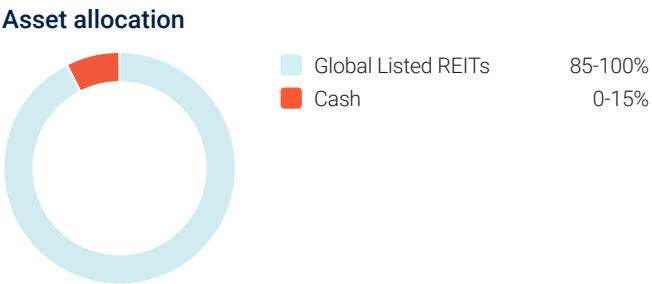
Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – FTSE EPRA/NAREIT Developed Index (AUD Hedged). It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse portfolio of predominantly Global REIT Investments in AUD.

INVESTS INTO



Underlying Managed Fund (UMF)
Resolution Capital Global Property Securities Fund (Managed Fund)

Investment strategy
The Fund primarily invests in global listed REITs and real estate securities that derive most of their returns from rental income. The Fund's investments provide exposure to a range of underlying real estate from around the world including office buildings, shopping centres, industrial warehouses, residential communities, hotels and healthcare facilities. The Fund may also have exposure to companies which undertake activities such as real estate development, real estate construction contracting and real estate funds management activities.



Performance objective
The Fund aims to achieve an annual total return that exceeds the total return of the benchmark after fees on a rolling 3-year basis.

Performance benchmark
FTSE EPRA/NAREIT Developed Index (AUD Hedged) Net TRI.

Investment risk profile
6 – High.

Suggested minimum investment time
Five years.

UMF PDS available on request

Futurity Investment Bond – IB40
Lazard Global Listed Infrastructure Active ETF

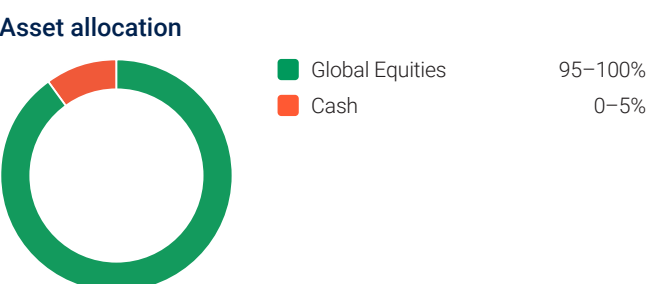
Investment objective, strategy and benchmark
To outperform (before fees and tax) the Investment Option's performance benchmark – MSCI World Core Infrastructure Index 100% Hedged to AUD. It may invest in one or multiple UMFs and/or directly invest in Authorised Investments to have a diverse portfolio of predominantly global listed infrastructure Investments in AUD.

INVESTS INTO



Underlying Managed Fund (UMF)
Lazard Global Listed Infrastructure Active ETF

Investment strategy
The Fund will invest in listed companies that own physical infrastructure (including concessions or long-term contracts to this effect); have assets predominantly invested in member countries of the Organisation for Economic Cooperation and Development and meet a minimum market capitalisation hurdle at the time of initial purchase. The number of securities will generally range from 25 to 50 which means Lazard makes active investment decisions as to which securities the Fund holds.



Performance objective
The Fund seeks to achieve total returns (including income and capital appreciation and before the deduction of fees and taxes) that outperform inflation, as measured by the Australian Consumer Price Index, by 5% per annum over rolling five-year periods.

Performance benchmark
N/A – the Fund is benchmark unaware.

Investment risk profile
6 – High.

Suggested minimum investment time
Five years.

UMF PDS available at lazardassetmanagement.com

Our investment process

Selection and management of UMFs

Futurity’s investment process principally relies on ten selection factors when appointing and reviewing UMFs on the investment menu.

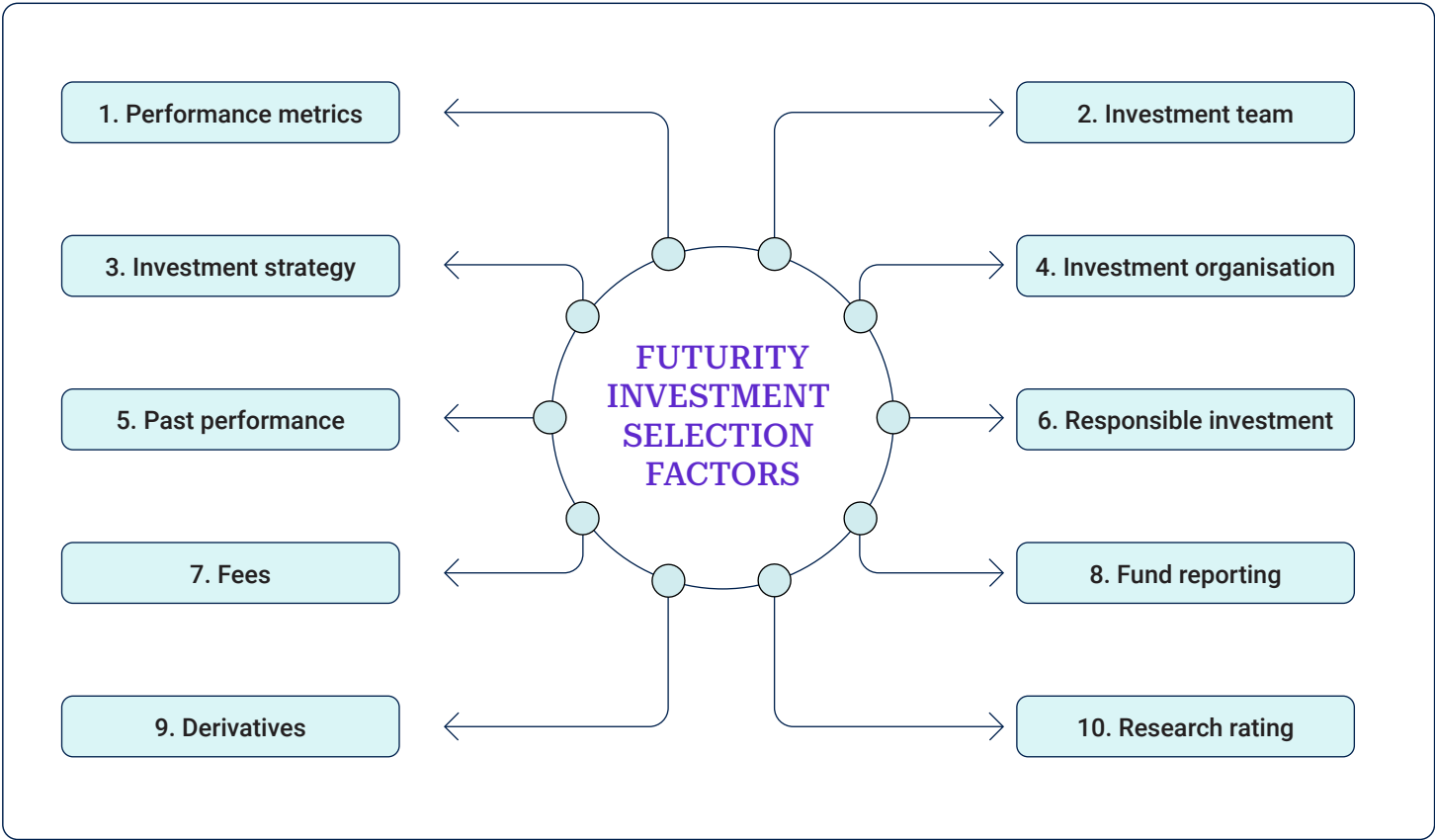
The Investment Committee (a Futurity Board Committee) regularly meets to oversee this process with assistance from the internal investment manager, who has day-to-day investment management monitoring and reporting functions. The Investment Committee also undertakes regular consultation with external asset consulting specialists and oversees the approved manager list.

Ten selection factors

Futurity undertakes research, due diligence and extensive screening when appointing and reviewing UMFs. Central to the comprehensive process are ten selection factors used to qualitatively and quantitatively evaluate UMFs. Futurity decides on those UMFs believed to achieve both performance and expected long-term risk adjusted outcomes.

1. Performance metrics – UMF performance is measured and monitored against its performance benchmark, and stated investment and risk objectives.

This is reported to the Investment Committee. Underperformance, either absolute or relative to benchmark, over any period is not the sole criteria for considering the replacement of a UMF.



2. Investment team – The UMF manager’s key person and leadership exposure, the ownership structure, team stability and capacity are important considerations to ensure that managers are experienced professionals with the skills and capacity to add value and outperform performance benchmarks.

3. Investment strategy – UMFs with clearly stated investment strategies and objectives are selected. Other factors considered relevant to understanding investment strategy include style, scale, approach, gearing (if any), investment beliefs and process, as well as the UMF’s risk management framework.

4. Investment organisation – The credentials of the organisation that the UMF’s manager is part of is considered. Emphasis is placed on a history of adding value, complaints handling operations, reputation for good corporate governance and sound financial standing.

5. Past performance – Of primary interest is a demonstrated history of sustained and consistent performance over various timeframes. This incorporates relative performance against the UMF’s performance benchmark, longevity of the fund, volatility of returns and peer group comparisons.

6. Responsible investment (RI) – This selection criteria assesses how the UMF is true to its RI label by adopting ESG factors and following sustainable practices in its process. Focus is placed on how this is actively demonstrated and the ESG organisations and charters that UMF managers are aligned with and are signatories to, e.g. United Nations Principles for Responsible Investment (UNPRI).

7. Fees – Fees charged by the UMF manager are assessed against expected performance from the UMFs. It includes the type of fees, quality of disclosures and peer review.

8. Fund reporting – Governance of the UMF is evaluated from the perspectives of legal documentation, custodian appointments, reporting frameworks and timeframes, portfolio holdings disclosures and quality of service delivery.

9. Derivatives – The UMF’s policy and practices in relation to the use of derivatives, such as for risk management and currency hedging, are evaluated. Consideration is also given to hedging expenses and the type of exposures involved.

10. Research rating – The UMF’s ranking in industry and investment ratings are also factors that are taken into consideration.

Changing investment strategies, UMFs and closing Investment Options

In managing each Investment Option and executing its investment strategy, Futurity may:

- change an Investment Option’s investment strategy within the bounds of its Investment Policy (page 43);
- add, delete or replace UMFs or change the level of an Investment Option’s exposure to a UMF; and
- close or cease accepting contributions or processing switching transactions in relation to certain Investment Options.

When changes that impact Bond Owners are made, they will be informed according to the *Updating the PDS* section (PDS Part A page 47) or the *Communicating with Bond Owners* section (PDS Part A page 43) in PDS Part A.

It is important for Bond Owners to understand that investment decisions and processes often need to be quickly implemented. Therefore, such changes to the investment menu and the UMFs may need to be made without prior notice to Bond Owners.

If an Investment Option is being closed, impacted Bond Owners will be given at least three months’ advance notice. This notice will include alternative arrangements, such as switching to other Investment Option(s) on the investment menu or interim switching arrangements, while a replacement option is being established.

Updated information on the investment menu and the appointed UMFs is available on Futurity’s website at futurityinvest.com.au.

Understanding risk

About different types of risk

All investments involve a level of risk, with some much riskier than others. Different types and degrees of risk apply to each Investment Option on the investment menu.

Investment risk

The risk of an investment’s overall value rising or falling will depend on the investment performance as measured over time by the value of units in the selected Investment Options.

Investment risks are ultimately borne by the Bond Owner. Changes in investment value can be significant and can happen quickly. Bond Owners play a key role in managing these investment risks, as their investment’s strategy, exposure to different asset classes and markets, and level of diversification significantly influence the overall risk profile.

Bond Owners have considerable scope to manage investment risks by diversifying across sector-specific Investment Options and/or using diversified Investment Options.

Market risk

Investment Options (and the UMFs into which they are invested) are exposed to the risk of declining values (or prices) of investment assets due to a myriad of factors that impact the different markets for different assets.

The share market (for equities), the bond market (for fixed income securities), money market (for cash and deposits) and the property market (for real estate) can react differently and often unpredictably to events and conditions affecting the particular market.

Market risk factors are usually linked to economic conditions (such as interest rate changes), government policy, taxation, legal and accounting changes, and technological changes. ESG factors can also come into play, as does investor sentiment.

Market risk extends beyond Australia to international markets and can be heightened in less developed economies and political systems.

Currency risk

This is the risk of adverse movements in exchange rates and foreign currencies potentially reducing the value of the Australian dollar and the value of investments made in overseas markets and countries.

Some of the UMFs will invest in overseas markets. Some will seek to manage this risk by ‘hedging’ their currency exposure by using derivatives.

Credit risk

This is the risk that issuers or others involved with debt-type investments default on obligations to repay capital, fail to make interest payments or meet other financial obligations in full and/or on time.

Interest rate risk

Changes in interest rates can impact the value of individual securities and asset classes. The effect of interest rate changes varies depending on the asset class and the specific securities held within that asset class. For example, the market value of bonds tends to fall when interest rates rise, negatively impacting investment returns.

Liquidity risk and redemption risk

This is the risk that an investment cannot be easily redeemed and readily converted into cash.

In normal operating circumstances, the UMFs in which the Investment Options invest will be liquid with assets that are readily realisable. There are circumstances or events beyond our control where a particular UMF’s redemption facilities could become subject to suspension, delays or deferrals due to illiquidity.

This could have flow on impacts in meeting withdrawal requests, switching requests or making Bond Death Maturity payments from the Investment Options.

ESG risk

Inadequate consideration of matters or issues relating to environmental, social, governance and ethical factors may mean that investment values could be negatively impacted.

Derivatives risk

Derivatives, such as futures, options, swaps and forward contracts, may be used in the Investment Options and UMFs as a risk management tool.

Where derivatives are used, there is a risk that the counterparty in the derivative transaction might default. This may call for a corresponding new derivative transaction at a time and cost that is less favourable than the original transaction.

Borrowing and gearing risk

While returns can be significantly increased from favourable borrowing and gearing strategies, correspondingly, these practices not only increase the risk of losses, but will amplify risks and potential losses with unfavourable investments and conditions.

Short selling risk

Certain UMF investment managers may engage in short selling as part of their investment strategy. Short selling involves borrowing a security and selling it on the market in the expectation that its price will decline, allowing it to be bought back at a lower price to realise a profit.

If the market value of the security rises rather than falls, the security must be repurchased at a higher price than it was sold for, resulting in a loss. Additionally, short selling may incur borrowing fees, interest and other transaction costs, which must be offset by a sufficient decline in the security’s price for the trade to be profitable.

Short selling strategies carry significantly higher risk than traditional long investment strategies. While potential losses on purchased securities are limited to the initial amount invested, potential losses on a short position are theoretically unlimited because there is no upper limit on how high a security’s price can rise.

Taxation risks

Although Taxation Law and tax rulings governing investment bonds are well settled, it is impossible to foresee changes that may impact the legal and taxation arrangements applying to investment bonds.

Legislative and compliance risks

There is also the risk that Futurity does not properly discharge its obligations to comply with the Life Act, the Corporations Act and Taxation Laws. Our compliance obligations also extend to the Product Rules, APRA Prudential Standards, Australian Securities and Investments Commission (ASIC) Regulatory Guides and our internal policies and procedures. Measures are in place to mitigate these risks.

Asset concentration risks

The Investment Options are investment-linked funds and from time to time the asset concentration of particular investment assets held in the UMFs that they invest into may rise above 5% of their total assets. This can occur when implementing investment strategies and in order to meet performance benchmarks. However, the UMFs that Futurity invests into generally have exposure limits to individual securities, as expected from prudently managed funds.

Other specific UMF risks and miscellaneous risks

- If UMFs do not achieve their investment objectives or underperform for periods;
- Futurity may fail to act, or act too slowly (or too fast), in replacing or reducing an Investment Option’s exposure to UMFs;
- The UMFs may experience defections, changes or instability in their investment management teams;
- Fees and costs applicable to the investment may increase over time. There are set procedures under the Product Rules to provide notice to Bond Owners before Futurity can increase fees (see PDS Part A page 35);
- Futurity may close a particular Investment Option, subject to providing Bond Owners with at least three month’s advance notice; and
- Futurity might limit, restrict or discontinue switching rights to and from certain Investment Options on the investment menu.

About different asset classes and risk

The various asset class categories within the investment menu carry different levels of potential risk.

Equities

Equities investments, including listed infrastructure, are exposed to the risk of falling value, of not achieving dividend yields or not delivering expected franking or imputation credits.

Factors such as economic conditions and growth, interest rates, inflation and employment levels can influence equity markets (or specific market segments.)

There is also the risk of individual companies not performing or failing due to competition, poor management, operational failures or adverse market sentiment.

International equity investments can also be subject to currency risk.

Property

Australian and international listed property investments can experience falling property values and declining rent, defaults and tenancy risk.

Economic factors, especially interest rates, impact property risks. Property investments sometimes carry construction and financing risk.

International listed property investments can also be subject to currency risk.

Fixed income

Fixed income investments are exposed to:

- credit risk – that issuers of debt or fixed income securities default on the repayment of principal and/or interest;
- interest rate risk – fixed income investments lose value when market interest rates rise; and
- currency risk – where there are international currency exposures.

Cash

Cash and short-term money market investments generally carry the least risk, with high certainty for repayment of capital and meeting interest payments. However, long-term returns have generally been lower than other asset classes.

Additional investment menu information

Authorised Investments and investment policies

Authorised Investments

Investment Options on the investment menu must be invested in Authorised Investments and in accordance with the Investment Policy. These details are contained in the Product Rules governing the Futurity Investment Bond and are also subject to overriding authorised investment provisions in the Life Act.

To find out more about the Product Rules – see page 47 of PDS Part A.

Under the Product Rules, the Authorised Investment categories are:

- Cash investments
- Infrastructure investments
- Deposit investments
- Equity investments
- Fixed income investments
- Investments in UMFs²
- Property investments

When an investment is made into a UMF, its constitution’s own underlying authorised investments and its own investment asset holdings from time to time must, on a ‘look-through’ basis, be consistent with the Futurity Investment Option’s own Authorised Investments and Investment Policy.

Investment Policies

The Product Rules contain an Investment Policy for each Investment Option, specifying:

- allowable investment ranges for each Authorised Investment category;
- investment strategy and objectives aligned to the Investment Option’s performance benchmark;
- policy on use of derivatives and international currency exposure; and
- specific policies, where UMFs are used, such as on liquidity, borrowings and derivatives.

The Investment Option overviews summarise the investment strategy and objectives of each Investment Option (pages 18-37).

Use of derivatives

It is common for professionally managed UMFs to use derivatives, such as futures, swaps, options and forward contracts.

Futurity’s Investment Policy is to only invest in UMFs where its investment manager uses derivatives in accordance with generally accepted market practices including:

- using derivatives as a risk management tool for hedging and protecting against changes in the market asset values and against currency risk;
- using derivatives to gain a position without buying or selling the underlying physical investments; and
- using derivatives to manage interest rate and credit risk for cash, deposit and fixed income investments.

Borrowing and gearing

While Futurity can borrow against the assets of the Investment Options, there are certain restrictions under the Life Act and the Product Rules.

Generally, borrowing can only occur for the advantage of an Investment Option, such as for improving investment performance, improving liquidity or for diversifying investments³.

The constitutions of the UMFs typically allow the funds to borrow and some can ‘gear’ their portfolios. Most of the UMFs on the investment menu reflect Futurity’s general investment policy of investing in UMFs that do not allow gearing, but may allow borrowing to assist in meeting redemptions or for short-term needs.

Futurity has no present intention to borrow, mortgage or charge against assets or gear any Investment Options. Furthermore, Futurity’s Investment Policy is to:

- avoid UMFs that undertake any level of portfolio gearing unless specifically determined to create a ‘geared’ UMF; and
- only invest in UMFs that have a current ‘stated position’ to not use borrowings except to assist in meeting redemptions or for short-term needs.

² The UMFs must be Managed Investment Trusts that are (a) Managed Investment Schemes; and/or (b) Managed Investment Schemes and/or Managed Investment Products that are a Responsible Entity and the holder of an AFSL.
³ Generally, up to 10% of an Investment Option can be mortgaged or charged to improve liquidity for short-term needs or meeting redemption requirements.

Responsible investing at Futurity

Futurity's stance on RI and our approach to our organisation embracing sustainability and ESG factors is detailed in our Responsible Investment Policy. It can be viewed from two perspectives:

Perspective one – Futurity as an organisation

Futurity believes that RI and corporate sustainability must be prominent and play a role in the governance of all forms of business enterprises.

For Futurity, our emphasis is not just about having good environmental and socially acceptable practices, but we seek to deliver long-term value to our Members and stakeholders without compromising people, the planet, our community and the economy. We have a commitment to positive social impact which is demonstrated through the Futurity Education Foundation and our impact initiatives, including the National Excellence in Teaching Awards. While education-purposed savings and investment products are Futurity's core business, it is also fundamental to our purpose that we exist to have a positive impact in these areas.

A cornerstone piece is Futurity being a signatory to the United Nations Global Compact (UNGC). This means that we operate in a manner that, at a minimum, meets fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. Additionally, Futurity has sought to incorporate the ten principles of the UNGC Global Compact into its business and organisational ethos⁴.

Perspective two – Futurity Investment Bond's investment menu

Futurity operates an investment model whereby we invest our Investment Options into UMFs that we select, appoint and can remove. With this approach, Futurity largely outsources the day-to-day investment management function for its Investment Options to leading professional external investment managers.

(a) UNPRI/UNGC signatories

Across the entire investment menu, Futurity aims to invest in excess of 90% of its total funds under management with investment managers that are signatories to either of the UNPRI⁵ and/or the UNGC. This aspect of our RI discipline is monitored and reviewed by the Investment Committee. Each investment manager of an UMF will have its own policy addressing RI, and the extent to which labour standards, environmental, social and/or ethical considerations are taken into account in making and implementing investment decisions. These policies will be explained and disclosed in each UMF's own Product Disclosure Statement. Details and links are in the Investment Option overviews for each Investment Option in this PDS Part B.

Other than our high-level RI discipline lens that applies across the entire investment menu, Futurity is not in a position and cannot directly influence RI policies and ESG considerations taken by UMFs appointed to the Investment Options or those on Futurity's approved manager list.

(b) RI on the investment menu

As part of our ten selection factors, we verify that each investment manager considers not only all significant risks to their portfolios in making investment decisions, but also has clearly defined RI practices and processes for their UMF into which Futurity invests.

Again, Futurity is not able to directly influence the investment manager's detailed RI policies for their UMF or investment decisions made on a day-to-day basis. It is the UMF investment managers that make the decisions regarding their fund's RI and ESG factors.

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⁴ Details available at unglobalcompact.org/what-is-gc/mission/principles.
⁵ Details available at unpri.org/about-us/what-are-the-principles-for-responsible-investment.

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