



Perpetual Protected Investments – Series 3

Product facts

An investment that can be geared for growth, with in-built safety features and no margin calls.

About Perpetual Protected Investments – Series 3

Perpetual Protected Investments – Series 3 enables investors to build an investment portfolio that's geared for growth, with in-built capital protection and no margin calls. It may be suitable to investors who are looking to:

- choose from 20 managed funds from a range of fund managers covering Australian and global equities, China and Asia equities, global resources, global property and infrastructure
- borrow up to 100% of their initial investment amount plus the interest, with no margin calls
- safeguard their investment through capital protection to take advantage of potential market highs while being protected from the lows
- access a tax-effective investment strategy by having absolute entitlement to their portfolio.

Key benefits

Borrow up to 100% of the investment amount

Investors have the opportunity to borrow 100% Investment Loan with fixed and variable interest rate options, plus an optional Annual Interest Loan to borrow and prepay the interest on your 100% Investment Loan each year (fixed rate investment loans only).

Safeguard capital

This product provides you with access to a dynamic management strategy that aims to ensure that the value of your portfolio will at least equal your investment amount at the protection end date (31 May 2015). You must remain invested till this date to receive the benefit of capital protection.

No margin calls

You don't pay any margin calls along the way.

Diversification

You can build a growth-oriented portfolio by choosing from a range of 20 investment strategies. Because we know choice and diversification are important to you, there is a selection of asset classes and investment managers available to you.

Australian equity funds

- Ausbil Australian Active Equity Fund
- Ausbil Australian Emerging Leaders Fund
- NEW** – Challenger Wholesale Australian Share Fund
- Perpetual's Wholesale Australian Fund
- Schroder Wholesale Australian Equity Fund
- NEW** – Vanguard Australian Shares Index Fund

Global equity funds

- AXA Wholesale Global Equity Value Fund
- NEW** – DWS Global Equity Thematic Fund
- GVI Global Industrial Share Fund
- Perpetual's Wholesale International Share Fund
- T. Rowe Price Global Equity Fund
- NEW** – Vanguard International Shares Index Fund (Hedged)

Specialist funds

- Aberdeen Asian Opportunities Fund
- Colonial First State Wholesale Global Resources Fund
- IOOF/Perennial Global Property Trust
- Macquarie International Infrastructure Securities Fund
- NEW** – Merrill Lynch Global Allocation Fund Class D Units
- NEW** – Perpetual's Wholesale Ethical SRI Fund
- NEW** – Platinum Asian Fund
- NEW** – Premium China Fund

Mercer operates an investment consulting business and is one of the world's leading asset consultants. Mercer has helped us select the investment managers, with all funds chosen on the basis they are well-regarded funds in their own right and collectively form a comprehensive investment menu.

Mercer's view of an investment fund reflects its opinions on the investment manager's skill, investment process and business management. Mercer assesses an investment manager's competitive advantage relative to its peers and the likelihood of its fund achieving stated return objectives.

Manage cash flow

All fees are deducted out of the product so you do not have to pay these fees from other sources.

If you borrow to invest using a 100% Investment Loan you can lock in fixed interest payments, allowing you to better plan your cash flows each year.

Tax-effective structure

With Perpetual Protected Investments – Series 3 you have absolute entitlement to the units in the funds you select. This means any capital gains and/or losses arising during the protection period in relation to those fund units are directly attributed to you.

Capital losses (if any) can be used to offset capital gains, including those from your other investments.

In addition, if you borrow to invest, you will have the potential to claim a tax deduction for fees and interest on the loan as well as the fees for the product.

Capital gains lock-in

During the protection period, some of the unrealised gains within your portfolio may be 'locked in', increasing your protected amount.

Flexibility at the protection end date

At the end of the protection period (subject to repaying any outstanding loan amounts) you can:

- continue holding the fund units (with no capital protection),
- redeem them for cash, or
- potentially roll them over into another series of Perpetual Protected Investments (if one is available).

Borrowing to invest

Minimum amounts

For the 100% Investment Loan, the minimum amount you can borrow is \$50,000.

Interest rate options

For the 100% Investment Loan, you can choose from one of the following three interest rate options:

1. Variable
2. Fixed annually
3. Fixed for the term

The indicative interest rate you will pay will be made available on our website www.perpetual.com.au/structuredproducts/ppi3.

The final interest rates will be set on or around 20 June 2008 and will be published at www.perpetual.com.au/structuredproducts/ppi3 or you can phone us on 1800 002 513.

Fees

Fees and charges include:

Fee Type	How much?
Establishment fee	2.20%
Administration fee	0.75% pa
Dynamic management fee	0.70% pa of your protected amount (reduced to nil if no fund units are held)
Underlying management costs applicable to the funds offered in PPI – Series 3	Management fees 0.34 – 1.88% pa Cost recoveries nil – 0.30% Performance fees nil – 0.30% (estimated)
Payment of fees	The administration fee and dynamic management fee will be deducted quarterly in arrears from your cash account (established as part of your portfolio). If there is insufficient balance in your cash account, units in the funds may be sold to generate cash for the payment of these fees

Please refer to the current PDS for further details on all the fees and other costs applicable to Perpetual Protected Investments – Series 3.

Important information

Before you invest in Perpetual Protected Investments – Series 3 it is important that you read and understand the terms set out in the PDS, in particular the risks of investing as set out in the Risks section.

Offer opens	26 May 2008
Offer closes	27 June 2008

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Further information

Perpetual Protected Investments Services Centre 1800 002 513
Email ppi@perpetual.com.au
www.perpetual.com.au/structuredproducts/ppi3