



PERPETUAL WEALTHFOCUS WHOLESALE INVESTMENT ADVANTAGE

PDS UPDATE 1 DECEMBER 2018

This document should be read in conjunction with Product Disclosure Statement issue number 5 dated 1 May 2017, including the separate Features Book, for Perpetual WealthFocus Wholesale Investment Advantage (PDS). This document:

- updates the PDS in relation to the disclosures detailed below
- replaces the PDS update dated 1 November 2017.

Section 6 on page 7 of the PDS is replaced with the following updated information.

6. FEES AND 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 account 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 member services justify higher fees and costs.

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

TO FIND OUT MORE

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

The following information can be used to compare costs between different managed investment products.

Unless otherwise stated, all fees and costs disclosed in this PDS are inclusive of the net effect of goods and services tax (GST).

Fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole.

The fees and costs that are charged for an investment in the Perpetual Balanced Growth investment option are shown below. Management costs vary between investment options (refer to the Features Book for details).

FEES AND OTHER COSTS

TYPE OF FEE OR COST	AMOUNT
Fees when your money moves in or out of the managed investment product	
Establishment fee	Nil
Contribution fee	Nil ¹
Withdrawal fee	Nil ¹
Exit fee	Nil
Management costs²	
The fees and estimated costs for managing your investment	Perpetual Balanced Growth investment option: 1.29% pa³

1 A buy/sell spread will generally apply.

2 We may negotiate the management fee with wholesale clients (as defined by the Corporations Act) and employees of the Perpetual Group.

3 This is the effective net management cost charged after the 0.75% pa management fee rebate paid to investor accounts for eligible investors using this PDS.

We may change our fees without your consent. However, we won't increase our fees, or introduce new fees, without giving you at least 30-days' written notice.

OTHER FEES AND COSTS

Additional costs apply, including transaction costs. Abnormal operating expenses may also apply.

Additional fees may be paid to a financial adviser if a financial adviser is consulted, including a member advice fee (referred to in the separate Features Book). The fee details should be set out in the Statement of Advice provided by your financial adviser.

EXAMPLE OF ANNUAL FEES AND COSTS FOR A BALANCED INVESTMENT OPTION

This table gives an example of how the fees and costs in the Perpetual Balanced Growth investment option can affect your investment over a one-year period. You should use this table to compare this investment option with other managed investment products.

EXAMPLE – PERPETUAL BALANCED GROWTH INVESTMENT OPTION		BALANCE OF \$50,000 ¹ WITH A CONTRIBUTION OF \$5,000 DURING YEAR
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.00. ²
PLUS Management costs	1.29% ³	And , for every \$50,000 you have in the investment option, you will be charged \$645.00 each year.
EQUALS Cost of balanced investment option		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of \$645.00 . ^{1,2} What it costs you will depend on the investment option(s) you choose, its actual indirect costs and, if applicable, the fees you negotiate with us or your intermediary.

- 1 We have assumed a constant value of \$50,000 for the whole year.
- 2 A buy spread of 0.34% (as at the issue date of this PDS update and which may have since changed), equal to \$17.00 on a \$5,000 contribution, will also apply.
- 3 This example assumes you are eligible to receive the management fee rebate.

FURTHER INFORMATION

Further details about fees and costs are available in the separate Features Book, which forms part of the PDS. The latest transaction costs and current buy/sell spread details for each investment option, which also form part of the PDS, are publicly available at our website.

You should read the important information about fees and costs before making a decision. Go to www.perpetual.com.au/wealthfocus-wholesale-investment-advantage-updates.aspx.

The material relating to fees and costs may change between the time when you read the PDS and the day when you acquire the product.

ADDITIONAL EXPLANATION OF FEES AND COSTS

The following 'Estimated management costs' table updates the PDS by replacing the corresponding table on pages 15-16 of the Features Book.

You should read this updated management costs information with the Features Book, which contains additional important information about fees and costs, including more details about the estimated management costs.

None of our management fees have increased.

As an eligible investor, we will pay you a rebate of part of the management fee so that the effective net management fee that you pay is as shown in the following table.

The amounts shown in the following table include all management fees and estimated indirect costs as at the date of this PDS update. The indirect costs information is based on information available and (if applicable) estimates as at the date of this PDS update. Any updates from time to time, which are not materially adverse, will be available at our website.

Management costs may vary in future years. Updated details will also be available at our website each year.

UPDATED MANAGEMENT COSTS

The total management cost for each investment option comprises:

- our management fee
- its indirect costs.

ESTIMATED MANAGEMENT COSTS

INVESTMENT OPTION	OUR MANAGEMENT FEE (% PA)			ESTIMATED INDIRECT COSTS (% PA)			ESTIMATED EFFECTIVE TOTAL NET MANAGEMENT COST (% PA) ⁶
	GROSS FEE ¹	FEE REBATE	NET FEE	OUR ESTIMATED EXPENSE RECOVERIES ^{1,2}	ESTIMATED PERFORMANCE-RELATED FEES ^{3,4}	ESTIMATED OTHER INDIRECT COSTS ^{3,5}	
CASH							
Perpetual Cash	0.57% ¹¹	0.15% ¹²	0.42% ¹²	0.03%	n/a	0.00%	0.45%
FIXED INCOME							
Bentham Global Income	1.65%	0.75%	0.90%	0.03%	n/a	0.05%	0.98%
Macquarie Income Opportunities	1.40%	0.75%	0.65%	0.03%	n/a	0.00%	0.68%
OnePath Diversified Fixed Interest	1.60%	0.75%	0.85%	0.03%	n/a	0.00%	0.88%
Perpetual Diversified Income	1.65%	0.75%	0.90%	0.03%	n/a	0.01%	0.94%
Perpetual Dynamic Fixed Income	1.50%	0.75%	0.75%	0.03%	n/a	0.01%	0.79%
Schroder Fixed Income	1.40%	0.75%	0.65%	0.03%	n/a	0.00%	0.68%
Vanguard [®] Australian Fixed Interest Index	1.30%	0.75%	0.55%	0.03%	n/a	0.00%	0.58%
PROPERTY AND INFRASTRUCTURE							
AMP Capital Global Property Securities	2.05%	0.90%	1.15%	0.03%	n/a	0.00%	1.18%
BT Property Securities	1.85%	0.90%	0.95%	0.03%	n/a	0.00%	0.98%
Lazard Global Listed Infrastructure	2.15%	0.90%	1.25%	0.03%	n/a	0.08%	1.36%
Vanguard [®] Australian Property Securities Index	1.45%	0.90%	0.55%	0.03%	n/a	0.00%	0.58%
AUSTRALIAN SHARES							
Ausbil Australian Active Equity	1.95%	0.90%	1.05%	0.03%	n/a	0.00%	1.08%
Ausbil Australian Emerging Leaders	2.10%	0.90%	1.20%	0.03%	0.00%	0.00%	1.23%
BT Australian Share	1.95%	0.90%	1.05%	0.03%	n/a	0.00%	1.08%
Fidelity Australian Equities	1.95%	0.90%	1.05%	0.03%	n/a	0.00%	1.08%
Investors Mutual Australian Share	2.15%	0.90%	1.25%	0.03%	n/a	0.00%	1.28%
Investors Mutual Future Leaders	2.15%	0.90%	1.25%	0.03%	0.00%	0.00%	1.28%
Perennial Value Shares	1.95%	0.90%	1.05%	0.03%	n/a	0.00%	1.08%
Perpetual Australian Share	1.95%	0.75%	1.20%	0.05%	n/a	0.00%	1.25%
Perpetual Concentrated Equity	1.95%	0.75%	1.20%	0.03%	n/a	0.01%	1.24%
Perpetual Ethical SRI	2.25%	0.75%	1.50%	0.03%	n/a	0.00%	1.53%
Perpetual Geared Australian	1.95% ⁷	0.75%	1.20%	0.03%	n/a	0.00%	1.23%
Perpetual Industrial Share	1.95%	0.75%	1.20%	0.04%	n/a	0.00%	1.24%
Perpetual SHARE-PLUS Long-Short	1.95% ⁸	0.75%	1.20%	0.03%	0.00%	0.00%	1.23%
Perpetual Smaller Companies	1.95%	0.70%	1.25%	0.03%	n/a	0.03%	1.31%
Schroder Australian Equity	1.95%	0.90%	1.05%	0.03%	n/a	0.00%	1.08%
Solaris Core Australian Equity	1.95%	0.90%	1.05%	0.03%	n/a	0.00%	1.08%
Vanguard [®] Australian Shares Index	1.40%	0.90%	0.50%	0.03%	n/a	0.00%	0.53%

ESTIMATED MANAGEMENT COSTS (CONTINUED)

INVESTMENT OPTION	OUR MANAGEMENT FEE (% PA)			ESTIMATED INDIRECT COSTS (% PA)			ESTIMATED EFFECTIVE TOTAL NET MANAGEMENT COST (% PA) ⁶
	GROSS FEE ¹	FEE REBATE	NET FEE	OUR ESTIMATED EXPENSE RECOVERIES ^{1,2}	ESTIMATED PERFORMANCE-RELATED FEES ^{3,4}	ESTIMATED OTHER INDIRECT COSTS ^{3,5}	
INTERNATIONAL SHARES							
Aberdeen Actively Hedged International Equities	2.15%	0.90%	1.25%	0.03%	n/a	0.00%	1.28%
AMP Capital Global Equity Value	2.15%	0.90%	1.25%	0.03%	n/a	0.00%	1.28%
BT International Share	2.15%	0.90%	1.25%	0.03%	n/a	0.00%	1.28%
Grant Samuel Epoch Global Equity Shareholder Yield (Unhedged)	2.12%	0.90%	1.22%	0.03%	n/a	0.00%	1.25%
Magellan Global	2.35%	0.90%	1.45%	0.03%	0.20%	0.00%	1.68%
MFS Global Equity	2.00%	0.90%	1.10%	0.03%	n/a	0.00%	1.13%
Perpetual Global Share	2.02%	0.80%	1.22%	0.03%	0.18%	0.01%	1.45%
Platinum Asia	2.56% ⁹	0.90%	1.66%	0.03%	n/a	0.00%	1.69%
Platinum International	2.56% ⁹	0.90%	1.66%	0.03%	n/a	0.00%	1.69%
T. Rowe Price Global Equity	2.15%	0.90%	1.25%	0.03%	n/a	0.00%	1.28%
Vanguard [®] International Shares Index	1.35%	0.90%	0.45%	0.03%	n/a	0.00%	0.48%
Vanguard [®] International Shares Index (Hedged)	1.58%	0.90%	0.68%	0.03%	n/a	0.00%	0.71%
Walter Scott Global Equity (Hedged)	2.20%	0.90%	1.30%	0.03%	n/a	0.00%	1.33%
DIVERSIFIED – CONSERVATIVE							
BlackRock Scientific Diversified Stable	1.75%	0.90%	0.85%	0.03%	n/a	0.02%	0.90%
Morningstar Conservative Real Return	1.75%	0.90%	0.85%	0.03%	n/a	0.41%	1.29%
Perpetual Conservative Growth	1.75%	0.75%	1.00%	0.03%	n/a	0.06%	1.09%
UBS Defensive Investment	1.75%	0.90%	0.85%	0.03%	n/a	0.08%	0.96%
DIVERSIFIED – BALANCED							
Morningstar Balanced Real Return	1.85%	0.90%	0.95%	0.03%	n/a	0.45%	1.43%
Perpetual Diversified Growth	1.85%	0.75%	1.10%	0.03%	n/a	0.06%	1.19%
Perpetual Diversified Real Return	1.85%	0.75%	1.10%	0.03%	n/a	0.12%	1.25%
DIVERSIFIED – GROWTH							
BlackRock Balanced	1.75% ¹⁰	0.90%	0.85%	0.03%	n/a	0.04%	0.92%
BlackRock Scientific Diversified Growth	1.95%	0.90%	1.05%	0.03%	n/a	0.03%	1.11%
Morningstar Growth Real Return	1.95%	0.90%	1.05%	0.03%	n/a	0.46%	1.54%
Perpetual Balanced Growth	1.95%	0.75%	1.20%	0.03%	n/a	0.06%	1.29%
Perpetual Split Growth	2.10%	0.75%	1.35%	0.03%	n/a	0.02%	1.40%
Schroder Balanced	1.95%	0.90%	1.05%	0.03%	n/a	0.00%	1.08%
ALTERNATIVES							
Aspect Diversified Futures	2.62%	0.90%	1.72%	0.03%	0.28%	0.08%	2.11%

1 These amounts are deducted directly from the investment option's assets and reflected in its notional unit price.

2 These amounts include our normal operating expenses of 0.03% per annum plus any abnormal operating expenses recovered from the investment options for the financial year ended 30 June 2018, which aren't necessarily incurred each year.

3 These amounts are additional to the fees and costs we charge. They are generally incurred indirectly and reflected in the unit prices of the underlying funds.

4 These **estimated** amounts are based on performance-related fees charged in relevant underlying funds for the financial year ended 30 June 2018. **Past performance and these estimates are not indicative of future returns.** Performance-related fees payable in the future may vary depending on the underlying funds' actual investment returns.

5 These percentages are based on expense recoveries in underlying funds and other indirect costs incurred for the financial year ended 30 June 2018. They include all indirect costs associated with investing in the underlying funds and any relevant derivatives plus any performance-related fees charged in downstream underlying funds.

6 Totals may vary slightly to the sum of the various components due to roundings.

7 This percentage is based on the underlying fund's management fee of 1.17% pa charged on its gross asset value plus the investment option's additional management fee of 0.78% pa charged on its net asset value. If the average gearing level in the underlying fund is 50%, the management fee will be 3.12% pa of the investment option's net asset value. If the average gearing level in the underlying fund over the year is higher than 50%, the management fee will be higher than 3.12% pa of the investment option's net asset value.

8 This percentage is based on the underlying fund's management fee of 0.99% pa on the sum of its long and short positions plus the investment option's additional management fee of 0.96% pa on its net asset value.

9 Management fees for the Platinum investment options were reduced from 2.75% to 2.56% pa from 3 July 2017.

10 The management fee for the BlackRock Balanced investment option was reduced from 1.85% to 1.75% pa from 31 August 2017.

11 The management fee for the Perpetual Cash investment option was reduced from 1.05% to 0.57% pa from 31 August 2018.

12 The management fee rebate for the Perpetual Cash investment option was reduced from 0.35% to 0.15% pa in November 2018. However, this reduced rebate will take effect from 1 March 2019 and Perpetual is currently covering the 0.20% pa difference so the effective net fee is 0.22% pa until then.

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