

Fees and Costs

Investment Bond PDS 1 July 2022 extract

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 fees. Ask the fund 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 (www.moneySMART.gov.au) has a managed funds fee calculator to help you check out different fee options.

The table below shows fees and other costs that you may be charged. These fees and other costs may be deducted from your account balance, the returns on your investment or the Fund's assets as a whole. You should read all the information about fees and costs because it is important to understand their impact on your investment.

Type of fee or cost	Amount	How and when paid
Transaction Costs		
Establishment Fee The fee to set up your initial investment	Nil	Not applicable
Contribution Fee The fee on each amount contributed to your investment	Nil	Not applicable
Commission	Nil	Not applicable
Exit Fee The fee when the total investment is payable	Nil	Not applicable
Switching Fee The fee for changing investment options	Nil	Not applicable
Buy/Sell Fee The transaction costs for buying or selling underlying assets in relation to investment options	Nil	Not applicable
Management Costs		
Foresters Financial Management Fee To cover the cost of administering the Fund. The Management Fee may vary from time to time in accordance with the Rules of the Benefit Fund.	0.60%	Accrued daily in the unit price and paid monthly.
Investment Management Fee To cover the cost of external investment management.	0.055% to 0.385%	Accrued daily in the unit price and paid quarterly: <ul style="list-style-type: none"> • Cash/Term Deposits 0.055% • Credit & Government Bonds 0.165% • Australian Shares 0.385% • International Equities 0.385% • Alternative Assets 0.385%
Total Management Cost	0.985%	Total estimated management costs per annum.

Example for illustration purposes

The following table is an example of annual fees and costs for a \$10,000 investment in the Growth investment option together with an additional contribution after six (6) months of a further \$5,000. This is for illustrative purposes only. The fees payable in the other investment options in the Fund are no higher than those shown in this example.

Fee	%	Amount	Description
Contribution Fee The fee on each amount contributed to your investment.	Nil	\$0	For any amounts you contribute you will be charged \$0.
Foresters Financial Management Fee The fee for administering the Fund.	0.60%	\$60 <i>(\$10,000 x 0.60%)</i>	For every \$10,000 you have in the Growth investment option you will be charged \$60.
		\$15 <i>(\$5,000 x 0.60% x 6 months/12 months)</i>	The contribution of \$5,000 made after 6 months will be charged \$15.
Investment Management Fee The fee for external investment management inclusive of GST.	0.385%	\$48 <i>(\$10,000 x 0.385%)</i> <i>(\$5,000 x 0.385% x 6 months/12 months)</i>	The fee will be accrued in the unit price on the balance in the fund.
Total Fees For That Year		\$123	

Stamp Duty

Depending on the Australian State you are resident in, stamp duty may be payable on the initial investment amount in the Investment Bond. Additional contributions do not attract stamp duty. If stamp duty is payable it will be deducted from your initial investment amount and reflected in your unit price where applicable.

Dishonour Fee

We currently do not charge dishonour fees when we are unable to process direct debit transactions or deposit cheques due to cancellations or insufficient funds. However, we may choose to deduct dishonour fees from your account in the future.

Financial Adviser Service Fees

Foresters Financial may offer this product to you through a financial adviser. If you wish to pay your financial adviser a service fee, you will need to do so directly. These are not fees associated with Foresters Financial and we recommend you speak to your financial adviser. Foresters Financial does not pay any fees or commissions to financial advisers in its own right. Foresters may however provide other support and soft dollar benefits to financial advisers, such as product training, invitations to engagement and business development events, etc.

Fee Changes

Foresters Financial may increase its fees to the maximum allowed in the Fund Rules, provided it gives policy owners ninety (90) days' notice in writing of the change.