



LifeTrack

Some things change.
But our commitment to
helping you build a secure
financial future doesn't.

Changes that affect your superannuation account from 1 May 2004.

Issued by IOOF Investment Management Limited ABN 53 006 695 021
AFS Licence No. 230524, as Trustee of the LifeTrack Superannuation Fund
and administrator of the IOOF administration system.

Changes to your superannuation account

Your investments will also be displayed as units	01
Introduction of a Cash Holding Account	03
Setting up your Cash Holding Account	03
Changes to the way you can make contributions	04
Significant changes to the Deferred Fee and Exit Fee options	04
Member Protection	05
Lost Members	05
Eligible rollover fund	06
Members of employer and corporate superannuation plans leaving their employer	07
Accessing your account using IOOF Portfolio Online	08
Accessing your account information over the phone	08
Your new administrator	08
We're here to help	09



Your investments will also be displayed as units

Until the change, your investments have been presented only as a dollar value.

The IOOF administration system displays investment balances using a number of units and a unit price for each investment option you hold. By multiplying the two together for each investment option you hold, and adding the results, we calculate the value of your account balance.

The unit price reflects the value of the underlying assets in an investment option and changes as the value of those assets appreciate or depreciate, and as the investment option accumulates income. The unit price is calculated and updated daily, making it easy for you to see how your investment is performing.

Investment Management Fees charged by the investment managers are reflected in the unit price of the various investment options. Some fees and taxes are also accounted for in the unit price.

The unitised approach is consistent with accepted market practice, and many superannuation funds already use this method of pricing and reporting.

The value of your account will not be affected by the introduction of units.

The main benefit of unitisation is that it makes it easier for you to determine the value of your investment, and see how investment performance has affected your account. It also makes analysis of the fund's performance over time easier.

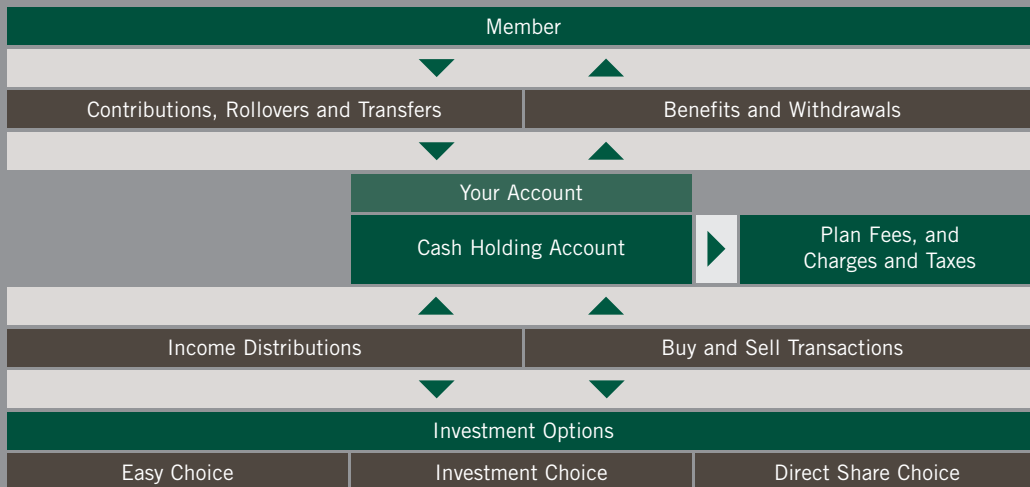
Example

Jane has a LifeTrack superannuation account with two investment options. She has \$10,000 in Investment Option A and \$20,000 in Investment Option B. The total value of her investments before the change is \$30,000.

After the change, Jane will have:

Investment option	Number of units	Unit price	Total value of investment Number of units x unit price
Option A	10,000	\$1.00	\$10,000
Option B	8,000	\$2.50	\$20,000
Total value of Jane's account			\$30,000





Introduction of a Cash Holding Account

With the introduction of the new administration system, we will open a Cash Holding Account for you. The IOOF administration system requires every member to have a Cash Holding Account. This account is your transaction account and forms part of your investment portfolio.

The diagram left shows how your money flows through the Cash Holding Account.

Your Cash Holding Account is used to:

- receive contributions, rollovers and transfers;
- pay fees, insurance premiums and tax;
- buy investments you've instructed us to make on your behalf; and
- receive proceeds from any investments you sell (redeem).

Your Cash Holding Account is invested in bank accounts, cash management and other income producing assets. Net interest is calculated daily and credited to your Cash Holding Account monthly.

The Trustee monitors your Cash Holding Account quarterly to ensure it meets the minimum holding requirement of the higher of \$500 or 2% of your total account balance, plus three months of insurance premiums, plus three months of any pension payments and any tax provisions. If your balance falls under the minimum holding, the Trustee will top up your account quarterly by redeeming part or all of your investments. The Trustee will sell (redeem) the necessary amount of your investments on a pro-rata basis. If a redemption would leave a holding in an investment option of an amount less than the minimum holding required in that investment option, as determined by the Trustee from time to time, we may redeem all of that investment.

Setting up your Cash Holding Account

When we establish your Cash Holding Account on 1 May 2004, we will sell (redeem) the amount of your investments needed to generate the minimum cash needed to establish your account. We will sell your investments on a pro-rata basis across your investment options.

We will not be including the following investment options in the pro-rata sale of your assets:

- IOOF (ex AM) PST Property Plus Fund
- AM PST Traded Polices Fund
- investment options with redemption restrictions

Changes to the way you can make contributions

Members who use BPAY® to make contributions.

BPAY® will continue to be a convenient way of making contributions. There are two numbers you need when making BPAY payments: the Biller Codes and the Customer Reference Number.

When your account moves to the IOOF administration system on 1 May 2004 you will be issued with a new Customer Reference Number. The Biller Codes will remain the same, it will be only the Customer Reference Number that will change.

To make a payment using BPAY after 7 May 2004, you will need to use the current Biller Codes along with your new Customer Reference Number. If you have used this facility in the last year, we will post your new Customer Reference Number to you, when it is available.

If you have not used BPAY before, simply contact us after 7 May 2004, and we will send you the Biller Codes and Customer Reference Number you need. We can even help you get started with your next payment.

Significant changes to the Deferred Fee and Exit Fee options

The Deferred Fee Option (Option B) will no longer be available for contributions you make after 30 April 2004. Any additional contributions you make after 30 April 2004, may be charged an entry fee, as occurs in Option A.

At 30 April 2004, we will calculate the outstanding Deferred Initial Fees on your account assuming you left the fund on 1 May 2004. We will then take the date of the most recent Deferred Entry Fee contribution made to your account and calculate the outstanding term. This outstanding term will be the repayment term for the outstanding Deferred Initial Fees.

We will then deduct the outstanding Deferred Initial Fees from your account in equal monthly installments over the repayment term outlined above. This change will result in a reduction in these fees (savings to you) as we will not be using the accumulated value (as outlined in your disclosure documents), which included accumulated interest and loadings in the calculation of the ongoing Deferred Initial Fees.

If you decide to leave the Fund before your Deferred Initial Fees have been paid in full, we will deduct the total outstanding amount from your account as a Withdrawal Fee. If you decide to leave the Fund after this time, you won't have to pay any Withdrawal Fee.

Member Protection

The Trustee will ensure that your entitlements are protected from fees if:

- at any time the amount of your benefit in the Fund is less than \$1,000; and
- they include, or have included, Superannuation Guarantee contributions or award contributions from your employer.

In these circumstances Government regulations treat you as a protected member and limit the amount of fees that can be deducted from your benefit so that they do not exceed the investment earnings on your benefit. The Trustee will rebate the amount of fees that exceed the investment earnings. Member protection does not include insurance premiums, taxes or negative investment earnings.

We will change the way we treat protected members' accounts. We will no longer transfer protected members to the IOOF (ex AM) PST Member Protected Fund. If you are invested in the IOOF (ex AM) PST Member Protected Fund we will sell your investment and transfer the proceeds to your Cash Holding Account. The Trustee will pay for all costs involved in this transaction. Thereafter, you will be able to choose to invest in the full range of available investment options.

The Trustee may decide to transfer some protected members to an Eligible Rollover Fund (ERF). An ERF will also protect members with account balances under \$1,000.

Before deciding to transfer your benefit to the ERF, the Trustee will consider the following:

- whether you have made contributions or rollovers recently;
- whether you have an insured benefit and premiums deducted from your account; and
- if the transfer would be in your best interests and the best interests of the remaining members in the Fund.

Lost Members

If the Trustee has never had a correct address for you, or has had two consecutive written communications to you returned unclaimed, we will consider you to be lost. The Trustee will take a range of steps to identify your current address. These may include contacting your adviser for assistance and searching public data bases such as the White Pages®. If after taking reasonable steps, the Trustee is still unable to determine your current address, the Trustee may decide to transfer you as a lost member to the ERF. In making this decision the Trustee will take into account the same considerations listed above for protected members as well as:

- the likelihood that further searches will find your current address; and
- the size of your account balance.

Eligible rollover fund

The Trustee has selected the Australian Eligible Rollover Fund (AERF) as the appropriate ERF for the LifeTrack Superannuation Fund. The AERF has the following features:

- Ongoing administration fees of 0.34% assets per annum plus an account fee of \$0.31 per week for lost members and \$0.36 per week for other members. On withdrawal a benefit processing fee of \$30.54 is charged.
- Investment manager fees and expenses are deducted before returns are credited to AERF. The average Management Expense Ratio (MER) across all the investment funds for the 2002 to 2003 year was 1.29%.
- A single investment strategy with a balanced growth objective. The objective is to achieve industry average 5-year gross returns for balanced growth fund managers.

You cannot make additional contributions or take out insurance cover if you are transferred to the ERF.

Unless you are a lost member, the Trustee will notify you in advance if your benefits will be transferred to the AERF. Before the transfer, we will sell (redeem) your investments and credit the proceeds into your Cash Holding Account. This transaction may create a capital gains tax liability. On transfer, a new account will be set up in the AERF and you will cease to be a member of the LifeTrack Superannuation Fund, and any insurance cover you have will also cease. The AERF does not permit further contributions and does not offer any insurance benefits.

Contact details for the Australian Eligible Rollover Fund

Australian Eligible Rollover Fund
Care of Jacques Martin Administration and Consulting Pty Ltd
Locked Bag No 5429 Parramatta NSW 2124

Telephone 1800 677 424
Facsimile (02) 9947 4531



Members of employer and corporate superannuation plans leaving their employer

This section applies to employer sponsored members of the LifeTrack Superannuation Fund, that is employees who became members through an application on their behalf by their employer.

When we are notified that you have left your employer, we will write to you, giving you 28 days to let us know what you want us to do with your superannuation account. If we do not hear from you within 28 days, we will automatically transfer your account:

- if your account balance is at least \$2,000, to the Personal Division of the LifeTrack Superannuation Fund. We will not charge you an Exit Fee or Benefit Payment Fee when we transfer your account; or
- if your account balance is less than \$2,000, to the Australian Eligible Rollover Fund and the usual Benefit Payment Fees will be deducted from your benefit provided your account balance is over \$1,000.

If we transfer your account to the LifeTrack Personal Division your existing investments will not be changed, and you will enjoy the same investment options you did before. You will be charged the following standard LifeTrack Personal Division fees:

Annual Issuer Fee			
Up to \$49,999	1.50%	Up to \$249,999	1.20%
Up to \$149,999	1.33%	Over \$249,999	1.10%
Annual Administration Fee of 0.32%			
Annual Expense Recovery Charge of 0.10%. An additional Expense Recovery Charge of 0.10% will apply for Specialist Funds and Listed Company Share Funds.			

We calculate these fees on your daily account balance, and deduct them from your Cash Holding Account monthly.

The Trust Deed allows the Trustee to recover the costs and disbursements associated with the services it provides. Currently, the Trustee does not recover these costs directly from your account, however, the Trustee may recover these costs and disbursements from the Fund.

For those members who are covered under the Trustee’s Group Policies with Lumley Life Limited, ABN 20 000 017 194, (Lumley), any insurance cover they have at that time for Death and Total & Permanent Disablement and Salary Continuance will continue at the same benefit level and benefit type without further evidence of health. Your premium will be based on the standard individual premium rates plus any loadings that you currently pay. Also if you do not smoke, you will need to complete a Non-smoker Declaration otherwise your premium will be calculated on Smoker rates. You will also need to complete an Employment Declaration for your Salary Continuance insurance.

For those members who are not covered under the Lumley Policies, their insurance cover ceases upon their transfer to the Personal Division and they will need to apply for any insurance cover required.



Accessing your account using IOOF Portfolio Online

You will notice a number of changes to the way you access your account information using the Internet. If you are already using the Internet, you will be able to continue to use your existing Username and password to access your information on the website ioof.com.au.

If you'd like to start using our website, please visit our site and register online.

Please visit the site after 7 May 2004 to find out the new features available.

Accessing your account information over the phone

If you accessed your account balance using the LifeTrack Automatic Voice Response System, you will no longer be able to do this from 30 April 2004. IOOF believes in a personal approach and our client services team will be happy to provide this information over the phone.

Your new administrator

The Trustee will also change the Fund's administrator. Administration of the LifeTrack Superannuation Fund will move from one member of the IOOF Group to IOOF Investment Management Limited, another member of the IOOF Group, who is also the Trustee of the LifeTrack Superannuation Fund. The change in administrator will not affect your account.

We're here to help.

If you have any questions about the changes to your superannuation account, please call our Client Services team on 1800 003 906.



