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your future,  
today.

## **Funeral Bond** Product Disclosure Statement

21st December 2020



# Important information

This Product Disclosure Statement (PDS) is dated 21st December 2020.

The KeyInvest Funeral Bond is an investment product issued and prepared by KeyInvest Ltd (KeyInvest) ABN 74 087 649 474 AFSL 240667.

The KeyInvest Funeral Bond is an offer which is available to persons receiving this PDS within Australia but does not constitute an offer of interests in any jurisdiction where, or to any persons to whom, it would be unlawful to make the offer.

It is the responsibility of any overseas person to ensure compliance with all laws of any country relevant to the offer. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

This PDS is an important document which provides information about the product to help you decide if it meets your investment needs. Should you proceed with an investment you should retain a copy of this PDS for future reference.

The information in this PDS is presented as a guide only. It contains general information about the KeyInvest Funeral Bond and has been prepared without taking into account the objectives, financial situation and needs of any particular investor. You should consider the appropriateness of the information in this PDS in relation to your financial objectives, situation and needs before making any decision about whether to invest in the KeyInvest Funeral Bond.

KeyInvest does not guarantee the repayment of capital or the level of future investment return with respect to the unitised Investment Options, which will fluctuate from year to year. **Past performance is not an indicator of future investment returns.**

KeyInvest does guarantee the repayment of capital with respect to the Capital Guaranteed Fund Investment Option (see page 9). KeyInvest does not guarantee the level of future investment return with respect to the Capital Guaranteed Fund Investment Option which will fluctuate from year to year. **Past performance is not an indicator of future investment returns.**

This PDS is available in electronic form. If this PDS is received electronically, you should ensure that the complete PDS and Application Form have been received. If you are unsure whether the electronic document you have received is complete, please contact KeyInvest. A printed copy is available free of charge upon request.

If a material alteration occurs in any of the information contained in this PDS, the PDS will be either updated with a Supplementary PDS or withdrawn. Information in this PDS that is not materially adverse information is subject to change from time to time.

You can obtain updated information about the KeyInvest Funeral Bond on our website at [www.keyinvest.com.au](http://www.keyinvest.com.au) or by calling 1300 658 904 during business hours, 8:30am to 5:00pm, Australian Central Standard Time (CST).

## About KeyInvest

KeyInvest was founded in 1878 as the Independent Order of Odd Fellows South Australia (IOOFSA), a member based (mutual) organisation. KeyInvest has a long and proud history of caring for the welfare of our customers and Members.

KeyInvest provides financial and retirement services to our customers to help them achieve their financial and retirement goals, with a focus on "life's key investments".

KeyInvest is a licensed friendly society regulated by the Australian Prudential Regulation Authority (APRA) with total funds under management of \$227 million at 31 October 2020.

## Contact details

### Registered office of KeyInvest

Level 5  
49 Gawler Place  
ADELAIDE SA 5000

### Postal address

KeyInvest Ltd  
PO Box 3340  
RUNDLE MALL SA 5000

### Enquiries

Telephone: 1300 658 904  
Facsimile: 08 8211 8074  
Email: [info@keyinvest.com.au](mailto:info@keyinvest.com.au)  
Web: [www.keyinvest.com.au](http://www.keyinvest.com.au)

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# Key features and benefits

The information in the table below is provided as a quick reference guide of the main features and benefits of the KeyInvest Funeral Bond. Please read the PDS in full before you make any decision to invest in the Funeral Bond.

Features	Description	Page no.
<b>Choice of Investment Options</b>	— Capital Guaranteed Fund	9
	— Conservative Index Fund	10
	— Balanced Index Fund	10
	— Growth Index Fund	10
<b>Potential pension and tax benefits</b>	Contributions up to the Allowable Limit can be made into each Funeral Bond. These contributions will generally be exempt from Centrelink's Income Test and Asset Test. In addition to this, any Investment Earnings are taxed at a maximum of 30% and do not have to be reported on your personal tax return.	8
<b>Single or joint applications</b>	An application can be made in single or joint names. Higher age pension benefits may be available by investing into two individual Funeral Bonds rather than one joint Funeral Bond.	8
<b>Minimum contributions</b>	— Initial contribution: \$100 per Investment Option	7
	— Additional contributions: \$100 per Investment Option	7
	— Regular Savings Plan (RSP): \$25 per month per Investment Option	7
<b>Investment Options</b>	KeyInvest appoints qualified Investment Managers to manage the investments of the Funeral Bond Benefit Funds. KeyInvest may change Investment Managers to ensure satisfactory investment performance for Members.	11-12
<b>Management Fee</b>	— Capital Guaranteed Fund - 1.70% pa	11
	— Conservative Index Fund - 0.85% pa	11
	— Balanced Index Fund - 0.85% pa	12
	— Growth Index Fund - 0.85% pa	12
<b>Switch between Investment Options</b>	Switch between Investment Options with no personal capital gains tax implications (restrictions apply).	10
<b>Making a claim</b>	A claim is usually paid within seven days of receiving a completed Claim Form and all appropriate documentation. Probate is not required.	7
<b>Cooling-off period</b>	A Policy can be cancelled within 14 days of the date of issue of the Funeral Bond. <sup>1</sup>	7-8

## What is a Funeral Bond?

A Funeral Bond is a type of insurance product that enables a person to make contributions towards an investment fund for the sole purpose of meeting future funeral expenses. The funds invested and accrued in a Funeral Bond over the term of the Bond are claimable upon the death of the last surviving life insured.

Under current legislation, the sole purpose nature of Funeral Bonds allows them to be an exempt "funeral investment" as defined in the Social Security Act 1991. As a result, Funeral Bonds are usually not included in Centrelink's Assets Test or Income Test, subject to meeting certain criteria (see page 8).

Special Funeral Bond tax rules have been in place since 1 January 2003. The tax rules that apply to Funeral Bonds are explained on page 8.

## Why invest in the KeyInvest Funeral Bond?

The Funeral Bond is a safe and effective way to provide for future funeral expenses. For the investor it can provide peace of mind knowing that their loved ones will not be left with the financial burden of having to pay for a funeral during a time of grief.

### Pension benefits

Funeral bonds may offer significant pension benefits as recipients of means tested (Assets Test and Income Test) government pensions such as the age pension or Department of Veterans' Affairs (DVA) pension may qualify for higher pension payments due to the exclusion of Funeral Bonds from Centrelink's means test (See page 8).

### Tax benefits

Investment Earnings are not required to be included in an individual's personal tax return as the Funeral Bond is a Tax Paid investment (see page 8).

A tax benefit, called a supplementary bonus may also be paid when a claim is made on the Funeral Bond (see page 10).

### Professional funds management

The Funeral Bond's investments are professionally managed by qualified Investment Managers appointed by KeyInvest. Their performance is closely monitored by KeyInvest to ensure the funds are invested according to the approved investment objective and investment strategy and to maximise Investment Earnings.

### Safe and secure

When invested in the Capital Guaranteed Fund, further protection is provided by KeyInvest through a capital guarantee that protects contributions (capital) in the Funeral Bond. Any accrued annual bonuses are also guaranteed.

### Regulatory supervision

Investments in the Funeral Bond are pooled with the funds of other Funeral Bond investors and held separately from all other assets of KeyInvest in dedicated Benefit Funds regulated by APRA.

### Prompt claim payments

Claims are usually paid within one week of KeyInvest receiving the necessary documentation.

### KeyInvest membership

An investment in a Funeral Bond results in an investor becoming a Member of KeyInvest. KeyInvest is a mutual organisation, ultimately owned by and run for the benefit of Members.

## How the Funeral Bond works

### Selecting an Investment Option

The KeyInvest Funeral Bond has four Investment Options to select from:

1. Capital Guaranteed Fund
2. Conservative Index Fund
3. Balanced Index Fund
4. Growth Index Fund

More information on these options can be found on pages 11-12.

## Minimum contributions

Each Investment Option has a minimum initial investment amount of \$100.

Investors can switch between the Conservative Index, Balanced Index and Growth Index Funds or into the Capital Guaranteed Fund.

If you are invested in the Capital Guaranteed Fund you are not permitted to switch out into any other Fund under any circumstances.

More information on switching can be found on page 10.

## Making an initial contribution

A Funeral Bond can be started with as little as \$100. Initial contributions can be made via:

- BPAY
- Electronic Funds Transfer (EFT)
- Direct Debit
- Cheque

Where BPAY or EFT is selected, KeyInvest will contact the investor and provide the relevant bank and reference numbers specific for payments. The initial contribution can be made via your Australian financial institution's internet banking facility.

Instructions for the Direct Debit and cheque options are detailed in the Application Form.

## Regular Savings Plan

There is also a RSP that allows an investor to contribute toward funeral expenses over time by payment deductions from a nominated bank account. RSPs can start with as little as \$25 per month.

## Automatic increases to RSPs

An investor can also select to automatically increase a RSP each year by a nominated percentage. This is designed to allow annual increases to RSP amounts without the need to fill in any paperwork. It can be used (for example) to keep your RSP increasing each year to cover inflation. A RSP can be increased by up to 25% pa.

## Additional contributions

A Funeral Bond can be added to at any time. Payments can be made by BPAY, Direct Debit or cheque.

An Additional Investment Form is available from the KeyInvest website [www.keyinvest.com.au](http://www.keyinvest.com.au).

An investor may select either the cheque or Direct Debit option. No paperwork is required if contributions are made by BPAY.

## Maximum contributions allowed

There is no defined maximum contribution to a Funeral Bond however there are important guidelines to consider.

To be an exempt asset for age and DVA pension purposes:

1. Total contributions should not exceed the Allowable Limit per person.
2. Total contributions to a funeral bond should not exceed anticipated funeral expenses.

## Making a claim

To make a claim, KeyInvest requires a completed Claim Form together with satisfactory evidence of the death of the last surviving life insured and a copy of the funeral director's invoice.

When the claim is approved, payment is made to either the funeral director or the estate, usually within 7 days of required documentation being received.

When making a claim the executor, next of kin or personal legal representative should contact KeyInvest to confirm the current claim requirements.

## Early withdrawal not allowed

Once a contribution is made to a Funeral Bond it cannot be withdrawn prior to the death of the last surviving life insured except during the initial cooling-off period (see below).

Withdrawals are not permitted from a Funeral Bond once the cooling-off period has expired, with the exception of the deduction of any agreed service fees (see page 17).

## Cooling-off period

If KeyInvest receives a written request from the investor to cancel a Funeral Bond within 14 days<sup>2</sup> of the date of issue of a Funeral Bond, KeyInvest will provide a refund of the contribution, less any service fees paid or payable to an adviser or service provider.

In the case of the Conservative Index, Balanced Index and Growth Index Funds the amount refunded will also be adjusted for any change in unit price and any taxes, transaction costs and administration expenses incurred. As such, the amount refunded may be less than your initial investment.

Cancellation is subject to legislation that may result in a cancellation fee being charged. If applicable, this fee will be deducted from the contribution in accordance with the legislation. Cooling-off provisions only apply to the initial contribution upon the issue of the Funeral Bond and do not apply to additional contributions or RSP contributions.

## Potential pension and tax benefits

The following is a general summary of the current taxation and pension treatment of funeral bonds. An investor should contact a financial adviser or Centrelink for more information on how these laws may apply to their individual circumstances.

### Pension information and benefits

A unique feature of funeral bonds is that they are classed as exempt assets under both the Department of Human Services' Assets Test and Income Test.

The amount of age pension or DVA pension a person receives is based on these tests. When determining pension benefits both tests are applied and the test that results in the lower pension amount is the one that is used.

The exemption of Funeral Bond assets under these tests means that contributions made into a Funeral Bond will effectively reduce the amount of assets deemed to be held by an investor. This may result in the investor being eligible for higher pension entitlements or other means tested government benefits.

A contribution into a Funeral Bond up to the Allowable Limit will generally be treated as an exempt asset under both the Income Test and Assets Test.

Contributions to a single Funeral Bond must not exceed the Allowable Limit as this will result in the whole Policy balance being counted toward the Assets Test and Deeming Rules will be applied under the Income Test.

Importantly, Funeral Bond bonuses are not included in the Allowable Limit exempt amount so the Funeral Bond Policy balance can exceed the Allowable Limit as long as the total of all contributions does not.

### Single or joint applications

A couple can each invest the Allowable Limit into separate Funeral Bonds and both Funeral Bonds will be exempt Assets for the purpose of determining their pension entitlements.

Conversely, investing in joint names in the same Funeral Bond will limit the benefit of the exemption for a couple to the Allowable Limit for a single recipient.

Upon the death of one joint owner, the surviving owner must choose within 14 days to either continue the Policy, or have the benefits paid towards the funeral expenses of the deceased. If an election is not made within 14 days of the death of a joint owner, the Policy will mature on the death of the surviving owner. Only one funeral can be funded per Policy.

## Other tax information

Investment Earnings are taxed within the Benefit Funds and paid by KeyInvest at a maximum rate of 30%. Therefore, any accrued Funeral Bond bonuses or Investment Earnings do not need to be declared in an investor's personal tax return while the Funeral Bond is open.

When a claim is made, your estate will be assessed on the total of all Investment Earnings and bonuses received during the life of the Funeral Bond in the year in which the claim is paid. KeyInvest will advise the assessable amount when a claim is paid.

This may include:

1. The total of any annual bonuses paid (if any) - Capital Guaranteed Fund only.
2. The interim bonus paid (if any) - Capital Guaranteed Fund only.
3. The supplementary bonus paid (if any) - Capital Guaranteed Fund and unitised Investment Options.

Whether any tax is payable by the estate will depend on the estate's taxable income in the year the claim is paid and the estate's marginal tax rate.

### Laws may change

The tax/pension treatment and benefits associated with the Funeral Bond presented in this PDS are based on KeyInvest's understanding of the relevant legislation at the time of preparing this PDS. These laws may change from time to time. You should seek independent tax and/or financial advice relevant to your particular circumstances.



## Choosing an Investment Option

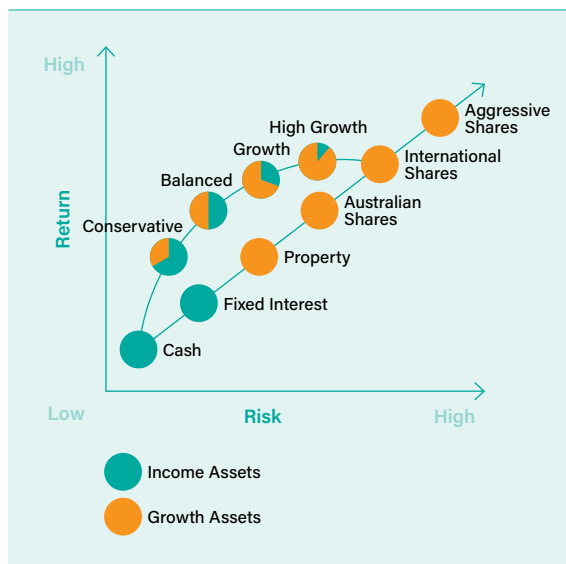
Investments in a Funeral Bond cannot be withdrawn after the cooling-off period. It is therefore important to select the appropriate Investment Option.

A financial adviser is best placed to help you understand the type of asset classes, investment styles and risks associated with investing and those that are appropriate for your circumstances. The Investment Options on pages 11–12 provide general information only and are not personal advice. There is no guarantee that the Underlying Managed Fund (UMF) into which an Investment Option invests will meet its stated Benchmark.

As a guide we have provided the recommended minimum investment time frame for your consideration, however this is not a guarantee of a positive investment return. The following diagram illustrates the relationship between risk and return. In general, it is difficult to completely eliminate all risk but a financial adviser can give personal advice to best suit your circumstances.

### Risk vs return

Please check the investment information on pages 11–12 for detailed information on Asset Allocations under each Investment Option.



### Capital Guaranteed Fund

When investing in the Capital Guaranteed Fund the value of all contributions plus any bonuses credited to a Funeral Bond's Policy balance cannot reduce in value. However, if a Funeral Bond investor agrees to pay their

financial adviser or service provider service fees, these fees may reduce the overall balance of funds held in the Funeral Bond.

Once invested in the Capital Guaranteed Fund you must remain in that Investment Option. You are NOT permitted to switch into any other Investment Option.

When invested in the Capital Guaranteed Fund there are three types of bonuses that may be payable:

1. annual bonus;
2. interim bonus; and
3. supplementary bonus.

### Annual bonus

As at 30 June each year KeyInvest declares an annual bonus. The annual bonus is calculated by KeyInvest after taking into account:

1. The Investment Earnings of the Benefit Fund in that financial year.
2. Tax payable on the Investment Earnings.
3. An adequate reserve amount to support the capital guarantee as required by legislation and actuarial advice.
4. KeyInvest's annual Management Fee.

Bonus payments operate similarly to a dividend re-investment plan whereby each bonus amount is credited to the bond holder's Policy balance and is then reinvested in the Benefit Fund.

The annual bonus is usually declared in late September each year after it has been verified by KeyInvest's Appointed Actuary.

**The amount of annual bonuses can fluctuate from year to year and past performance is not always a good indicator of future performance.**

### Interim bonus

An interim bonus is applied when a Funeral Bond claim is made prior to the declaration and payment of the annual bonus. An interim bonus rate is set by KeyInvest based on actuarial advice at least annually and is based on a conservative pro-rata estimate of the forecast annual bonus.

## Supplementary bonus

The supplementary bonus is an additional payment made on top of a Funeral Bond's Policy balance, including any interim bonus, when a claim is made.

KeyInvest pays tax on Investment Earnings within the Benefit Funds and expects to recover this tax when the Funeral Bond is paid out. Tax so recovered, will be included as the supplementary bonus and paid to the Funeral Bond investor.

## Conservative, Balanced and Growth Index Funds

When investing in either the Conservative, Balanced or Growth Index Funds you will be allocated a number of units based on the sum invested and applicable unit price of the Fund at the time of your contribution.

The unit price for each unitised Investment Option is based on the market value of the assets less tax, management fees and expenses, divided by the total units issued in the unitised Investment Option. As such, the unit price will depend on a number of factors and may vary as the market value of the assets move up or down.

More information on the Conservative, Balanced and Growth Index Funds can be found on page 11.

As with the Capital Guaranteed Fund, KeyInvest pays tax on Investment Earnings within the Benefit Funds of the Conservative, Balanced and Growth Index Fund Investment Options and expects to recover this tax when the Funeral Bond is paid out. Tax so recovered, will be included as the supplementary bonus and paid to the Funeral Bond investor.

It is important to remember that whilst these Funds offer the potential for greater returns, they are not capital guaranteed, are subject to asset price movements and there is a chance that your investment could decline.

KeyInvest currently prices units weekly. If we receive your contribution and all the information we require to process it before 2.00pm CST on a Tuesday, we will usually process the transaction using the unit price applicable to that day.

Contributions received after 2.00pm CST on a Tuesday will usually be processed using the following week's unit price.

If KeyInvest moves to daily unit pricing, contributions received before 2:00pm CST on a business day will usually be processed using the unit price applicable to that day, providing all required information is received. Contributions received after this time will usually be processed using the unit price for the following business day.

You can find performance reports and current unit prices of your investment by visiting [www.keyinvest.com.au](http://www.keyinvest.com.au) or calling us on 1300 658 904.

## Switching between Investment Options

If you are invested in the Capital Guaranteed Fund you are not permitted to switch out into any other Fund under any circumstances.

Switching between the Conservative Index Fund, Balanced Index Fund and Growth Index Fund is permitted at any time. A minimum amount of \$100 per switch is applicable and whilst there are no switching fees, buy/sell costs may be applicable. You may also elect to switch into the Capital Guaranteed Fund at any time. Any funds switched into the Capital Guaranteed Fund cannot be switched out under any circumstances.

## Suspensions or delays when processing transactions or unit pricing

KeyInvest may temporarily suspend or delay the processing of both transactional requests (including investment applications, switches and withdrawals) and/or calculating unit prices on any business day as a result of any of the following:

- regular accounting practices based around half year and full year financial year processes;
- unavailability of unit prices for valuation purposes;
- an appointed Investment Manager suspending or delaying transactions and/or unit pricing;
- liquidity issues in the Investment Option, the Investment Option's underlying portfolio or financial markets in general;
- closure of financial markets; and
- other events or extraordinary circumstances beyond the control of KeyInvest that impose on our ability to accurately calculate a unit price.

# Investment Options

## Capital Guaranteed Fund (APIR IOF0073AU)

### Investment Objective

The investment objective of the Capital Guaranteed Fund is to provide Members with a total return after fees that exceeds the Capital Guaranteed Fund's Benchmark over rolling three year periods by 0.35% pa and is equal to at least the Capital Guaranteed Fund's Benchmark after fees over a rolling one year period.

### Benchmark

Bloomberg AusBond Bank Bill Index.



### Investment strategy

The underlying assets of the Capital Guaranteed Fund are invested predominantly in assets such as cash and Australian fixed interest. Underlying assets may also include shares or unit trusts that are listed on the Australian Securities Exchange either directly or via managed investment funds that have exposure to these assets. Derivatives may be used for asset or portfolio hedging or investment but not for speculative purposes.

### Investment Manager

KeyInvest has appointed Janus Henderson Investors (Australia) Institutional Funds Management Limited (Janus Henderson) (ABN 16 165 119 531) as the Investment Manager for all assets classes in the Capital Guaranteed Fund excluding Australian Shares. The Australian Shares allocation of the Capital Guaranteed Fund is managed by an appropriately qualified Australian Shares fund manager appointed by KeyInvest.

### Commenced

2 January 1996

### UMF size

\$122.746 million (31 October 2020)<sup>3</sup>

### Minimum recommended investment time frame

No minimum

### Asset Allocation

Assets invested in the Capital Guaranteed Fund will fall within the following minimum and maximum percentages.

Asset class	Min. %	Max. %
Cash	20	100
Australian Fixed Interest	0	80
Australian Shares	0	40
Australian Listed Mortgage Trusts	0	25
Australian Registered 1st Mortgages	0	25

### Management cost and fees

Management Cost: 1.70% pa

Buy/Sell Spread: N/A

## Conservative Index Fund (APIR IOF5736AU)

### Investment Objective

The Conservative Index Fund seeks to track the weighted average return of the various indices of the underlying funds in which it invests, in proportion to the Fund's Asset Allocation, before taking into account fees, expenses and tax.

### Investment Strategy

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

### Benchmark

Conservative Composite Index

### UMF Details

Vanguard Conservative Index Fund APIR VAN0109AU



**Vanguard**

### Commenced

20 November 2002

### UMF size

\$2.64 million (31 October 2020)

### Minimum recommended investment time frame

Three years

### Asset Allocation

Investments will typically fall within the following minimum and maximum percentages for each asset class.

Asset class	Min. %	Max. %
Cash	0	100
Australian Fixed Interest	0	100
Australian Shares	0	35
International Shares	0	35
International Fixed Interest	0	100
Property	0	30
Alternatives	0	35

### Management cost and fees

Management Cost: 0.85% pa

Buy/Sell Spread: 0.10/0.10%

**Balanced Index Fund**  
(APIR IOF4575AU)

**Investment Objective**

The Balanced Index Fund seeks to track the weighted average return of the various indices of the underlying funds in which it invests, in proportion to the Fund's Asset Allocation, before taking into account fees, expenses and tax.

**Investment Strategy**

The Fund provides low cost access to a range of sector funds, offering broad diversification across multiple asset classes. The Balanced Index Fund is designed for investors seeking a balance between income and capital growth. The Fund targets a 50% allocation to income asset classes and a 50% allocation to growth asset classes.

**Benchmark**

Balanced Composite Index.

**UMF Details**

Vanguard Balanced Index Fund APIR VAN0108AU



**Commenced**

20 November 2002

**UMF size**

\$5.502 million (31 October 2020)

**Minimum recommended investment time frame:**

Five years

**Asset Allocation**

Investments will typically fall within the following minimum and maximum percentages for each asset class.

Asset class	Min. %	Max. %
Cash	0	60
Australian Fixed Interest	0	60
Australian Shares	10	55
International Shares	10	55
International Fixed Interest	0	60
Property	0	30
Alternatives	0	45

**Management cost and fees**

Management Cost: 0.85% pa

Buy/Sell Spread: 0.10/0.10%

**Growth Index Fund**  
(APIR IOF3293AU)

**Investment Objective**

The Growth Index Fund seeks to track the weighted average return of the various indices of the underlying funds in which it invests, in proportion to the Asset Allocation, before taking into account fees, expenses and tax.

**Investment Strategy**

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

**Benchmark**

Growth Composite Index.

**UMF Details**

Vanguard Growth Index Fund APIR VAN0110AU



**Commenced**

20 November 2002

**UMF size**

\$5.479 million (31 October 2020)

**Minimum recommended investment time frame:**

Seven years

**Asset Allocation**

Investments will typically fall within the following minimum and maximum percentages for each asset class.

Asset class	Min. %	Max. %
Cash	0	40
Australian Fixed Interest	0	40
Australian Shares	15	70
International Shares	15	70
International Fixed Interest	0	40
Property	0	40
Alternatives	0	45

**Management cost and fees**

Management Cost: 0.85% pa

Buy/Sell Spread: 0.09/0.09%

# Other important information

# Risks of investing

Once a Funeral Bond has been established, the funds held within that Policy cannot be released or withdrawn prior to the death of the last surviving life insured. However, for joint accounts, upon the death of one joint owner, the surviving owner may choose within 14 days to either continue the Policy, or have the benefits paid towards the funeral expenses of the deceased. If an election is not made within 14 days of the death of a joint owner, the Policy will mature on the death of the surviving owner. Only one funeral can be funded per Policy. It is therefore important to carefully consider and understand the Investment Options available and the associated asset/sector risks.

It is prudent to associate investment time frame with the associated risk factors. It is generally accepted that Investment Options that take on more risk will achieve higher levels of capital growth over a longer time frame and conversely the Investment Options that take on less risk may be more effective for capital preservation over a shorter investment time frame. That is why it is wise to align the investment time frame, ie short, medium and long term with the appropriate sector/asset class.

A further example of this is the Capital Guaranteed Fund Investment Option, which over the short term can have a low risk factor, whereas over the longer term the capital value of the Fund may not keep up with inflation nor have the same level of capital growth compared to either a balanced or growth Investment Option.

Conversely, if the Policy owner is invested in the longer term aggressive/growth options (balanced or growth) and dies prematurely, there may have been short term volatility (which is normal for growth Investment Options), that has negatively impacted the Policy balance.

Below is a summary of the different types of risk that may potentially affect your investment.

You should consider these risks before investing:

- **Market risk**  
investment markets (and returns) can be affected by many different variables, including economic and regulatory conditions, market sentiment, political events and environmental and technology issues. Any of these factors may have a negative effect on the returns of all investments in that sector and may do so at various times during the course of the investment.
- **Security risk**  
your investment in securities such as shares and property could be impacted positively or negatively by unexpected changes in company management, economic, business environment or profitability.

- **Currency risk**  
if an investment has exposure to international assets, a rise in the Australian dollar relative to other currencies may negatively impact returns of that fund.
- **Liquidity risk**  
liquidity risk is the risk that an investment may not be easily converted into cash with little, or no loss of capital and minimum delay because of either inadequate market depth or distortions in the marketplace.
- **Interest rate risk**  
fluctuations in interest rates can have a negative impact either directly or indirectly on investment value or returns on all types of assets.
- **Investment Manager risk**  
the UMFs offered via the Funeral Bond are managed by external Fund Managers. There is a risk that the UFM may not achieve the investment objective of the fund or may underperform the relevant performance Benchmark. KeyInvest regularly review the UFM performance as well as conduct extensive research on other new Investment Options that may become available.
- **Credit risk**  
there is the potential of loss when a counterpart or debtor fails to meet its contractual obligations which may occur with various securities including derivatives, fixed interest and mortgage securities.
- **Inflation risk**  
the risk that the purchasing power of your investment will be eroded by inflation (this means that your investment may not keep up with the future costs of funeral expenses).
- **Regulatory or taxation risk**  
changes to government policies and regulations may impact the tax treatment of your Funeral Bond and its underlying investments.

## How you can manage risk

When investing, it is always important to consider such things as your investment goals, your investment time frame and the levels or types of risk you are willing to accept.

Before investing, we recommend you speak to your financial adviser who can help you understand the various types of risks associated with investing and assess whether the KeyInvest Funeral Bond Investment Options are appropriate for your specific requirements.

# Choice of Investment Options

In the KeyInvest Funeral Bond, there are four Investment Options. Some additional considerations before choosing which Investment Option is best suited to you might be:

- the approximate time frame the Funeral Bond may be invested for.
- planning forward, the anticipated costs of your funeral; and
- also, is eligibility for Centrelink pension entitlements a consideration in establishing the Funeral Bond.

Below are the specific details of the four KeyInvest Funeral Bond Investment Options:

Features	Capital Guaranteed	Conservative	Balanced	Growth
<b>Risk/return profile</b>	Focus is preservation, protection and stability of capital.	Priority is preservation of capital, but prepared for some short term risk.	Aim is to achieve long term capital growth and moderate income.	Comfortable with short term volatility and aim to achieve a high level of growth over the long term and moderate income.
<b>Investment objective</b>	To provide capital security and consistent, reliable and competitive returns generated from a portfolio of predominantly fixed interest and cash investments.	The Conservative Index Fund is biased towards income assets, and is designed for investors with a low tolerance for risk. The Fund targets a 70% allocation to income asset classes and a 30% allocation to growth asset classes.	The Balanced Index Fund is designed for investors seeking a balance between income and capital growth. The Fund targets a 50% allocation to income asset classes and a 50% allocation to growth asset classes.	The Growth Index Fund is biased towards growth assets, and is designed for investors seeking long term capital growth. The Fund targets a 30% allocation to income asset classes and a 70% allocation to growth asset classes.
<b>Investment strategy</b>	Invests in a diversified portfolio of high quality fixed interest, mortgages, cash and cash like investments.	Invests in a diversified portfolio including growth assets such as shares and property, with a bias towards defensive assets such as highly rated cash and fixed interest.	Invests in a diversified portfolio with an increased allocation to growth assets such as shares and property and a reduced exposure to defensive assets as compared to the Conservative option.	Invests in a diversified portfolio with a greater allocation to growth assets such as shares and property and a further reduced exposure to defensive assets as compared to the Balanced option.
<b>Current underlying portfolio(s)</b>	Portfolio managed by Janus Henderson.	Vanguard Conservative Index Fund.	Vanguard Balanced Index Fund.	Vanguard Growth Index Fund.

# Fees and other costs

This section shows fees and other costs that you may be charged.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

## 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](http://www.moneysmart.gov.au)) has a managed funds fee calculator to help you check out different fee options.

### 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 your financial adviser.

Type of fee or cost	Amount	How and when paid
<b>Fee when money moves in or out of your Funeral Bond</b>		
<b>Establishment Fee</b> The fee to open your investment.	Nil.	Not applicable.
<b>Contribution Fee</b> The fee for making a contribution to a Funeral Bond.	Nil.	Not applicable.
<b>Withdrawal Fee</b> The fee on each amount you take out of your investment.	Nil.	Not applicable.
<b>Exit Fee</b> The fee to close your investment.	Nil.	Not applicable.
<b>Ongoing annual fees and costs</b>		
<b>Management Fee</b> The fees and costs of managing the Funeral Bond.	Capital Guaranteed Fund 1.70% pa	Calculated on the average monthly Policy balance of the Benefit Fund and deducted periodically (at least monthly) from the Benefit Fund's Investment Earnings and therefore reflected in the declared bonus rate.
<b>Management Fee – Unitised Investment Options</b>	– Conservative Index Fund 0.85% pa – Balanced Index Fund 0.85% pa – Growth Index Fund 0.85% pa	The Management Fee is based on a percentage of the net asset value of each Investment Option. It is deducted periodically (usually monthly) from the assets of the Investment Option and is reflected in the declared unit price. It is not deducted directly from your investment.
<b>Other costs</b>		
<b>Stamp Duty</b> This is a government tax that may be applicable in relation to the initial contribution.	Varies dependant on the relevant State.	If Stamp Duty is payable it will be deducted from a contribution. The amount of Stamp Duty varies from State to State. KeyInvest may also deduct other government charges from the Benefit Fund's Investment Earnings.
<b>Expense Recoveries</b> This is the amount of bank and government charges incurred in managing and main-taining the investments of the Benefit Fund.	This amount is unable to be estimated but is expected to be negligible.	This amount is deducted directly from the Investment Earnings or assets of the Benefit Funds and is reflected in the declared unit price for the unitised Investment Options and the declared bonus rate (if any) for the Capital Guaranteed Fund.
<b>Switching Fees and Transaction Costs</b>	Nil.	There are no switching fees or transactions costs, however Buy/Sell Spreads may be applicable to any switches or transactions. More information on this can be found below under 'Additional explanation of fees and costs.'



## Additional explanation of fees and costs

The table below gives an example of how the fees and costs affect the Funeral Bond over a one year period if invested in a unitised Investment Option.\*

### Example:

Based on an initial contribution at the start of the year

<b>Contribution fee</b>	Nil.	For every \$10,000 contributed, \$0 will be charged.
<b>Buy/Sell Spread</b>	0.10%	For every \$10,000 contributed, \$10 will be charged.
<b>PLUS ongoing costs</b>	0.85% pa	If the average balance was \$10,000 for the financial year, \$85 would be charged over the year. This is not withdrawn from the Funeral Bond but reflected in the unit price/Policy balance.
<b>Total fees and cost</b>		<b>The total cost would be \$95 for the year.</b>

\*Based on an investment into the Balanced Index Fund.

### Buy/Sell Spreads

The Buy/Sell Spread is charged to cover the estimated transaction cost (such as brokerage and settlement costs) of buying or selling investments when you invest or withdraw from an Investment Option. The Buy/Sell Spread covers these costs and is not retained by KeyInvest or the UFM. Buy/Sell Spreads are estimates and from time to time, particularly in a volatile market, Buy/Sell Spreads may need to change. To check on the spread which applies at a particular point in time, please contact KeyInvest.

### Service fees

If instructed by an investor, KeyInvest can facilitate the payment of service fees to an adviser or service provider. Service fees remunerate your adviser or service provider for advice and/or services provided by them. The payment of service fees is an agreement between an investor and adviser or service provider. KeyInvest is not a party to the agreement and service fees are not retained or payable to KeyInvest. Investors may instruct KeyInvest to pay an initial service fee, additional service fee and/or an ongoing service fee.

Initial service fees can be either a fixed dollar amount or a percentage of an initial contribution to a Funeral Bond. This fee is a one off upfront fee and is paid to an adviser or service provider by a withdrawal from your Funeral Bond usually within 4 weeks of the initial contribution being received.

Additional service fees can be either a fixed dollar amount or percentage of any additional contribution to a Funeral Bond excluding RSPs. This fee is a one off fee and is paid to an adviser or service provider by a withdrawal from the Funeral Bond usually within four weeks of the additional contribution being received.

The ongoing service fee can be either a fixed dollar amount or a percentage of the average daily Policy balance of a Funeral Bond. The ongoing service fee is paid to an adviser or service provider monthly by a withdrawal from the Funeral Bond each month.

For example, an investor with an average balance of \$10,000 for the month of October, who has chosen to pay their adviser a 1.1% pa ongoing service fee, will pay \$9.34 for this month [ie  $(\$10,000 \times 1.1\%) \times (\text{number of days in the month}/365)$ ].

### Dishonour fees and costs

KeyInvest may charge a dishonour fee when there are insufficient funds in your nominated bank account to meet an authorised additional or RSP direct debit.

### Other fees

KeyInvest does not currently charge any application fees or transaction costs to the Benefit Fund or directly to your Funeral Bond apart from the fees disclosed in this PDS.

### New fees or changes to existing fees

You will be notified in advance of any changes to the fee structure of both the Funeral Bond and the relevant Benefit Funds.

# Additional important information

## Keeping informed

Annual statements will be sent to each Funeral Bond investor regarding the performance of the Funeral Bond for the last financial year.

An investor may request information about a Funeral Bond by contacting KeyInvest during business hours 8.30am – 5.00pm CST on 1300 658 904.

## Relationship with KeyInvest

KeyInvest is a mutual organisation ultimately owned by and run for the benefit of Members. On acceptance of an application into the Funeral Bond, an investor becomes a Member of KeyInvest and the Benefit Fund/s. As such, they are subject to the provisions of KeyInvest's Constitution and the Rules (as amended from time to time).

Under the Corporations Act 2001, each Funeral Bond investor as a Member of KeyInvest Ltd (a friendly society under the Life Insurance Act 1995 (Life Act)), is required to guarantee that, in the event KeyInvest is wound up and unable to meet its liabilities, they will contribute the sum of \$1 each (and no more than \$1 each) towards the meeting of those liabilities.

KeyInvest will provide Members with a copy of KeyInvest's Constitution free of charge upon request.

## How is KeyInvest regulated?

KeyInvest is regulated as a friendly society under the Life Act. KeyInvest's operations are governed by its Constitution, the Corporations Act 2001 and the Life Act.

## Privacy

### Privacy of personal information

KeyInvest is committed to ensuring that an investor's personal information is handled in accordance with the Privacy Act 1988 (Privacy Act).

### How information is collected

KeyInvest needs to collect personal information about an investor to provide and manage its financial products and services. KeyInvest will collect information from an investor directly whenever possible, including verbally or in writing.

### How information is collected from other sources

KeyInvest may collect information about an investor from other sources as the Privacy Act permits.

KeyInvest will do this only if it is reasonably necessary to do so, for example, where:

1. KeyInvest cannot contact an investor and then relies on public information to update contact details; or
2. KeyInvest exchanges information with legal or financial advisers or nominated representatives.

### How information may be used

KeyInvest may use an investor's information for purposes including:

- Giving information about financial products/services.
- Considering whether investors are eligible for financial products/services.
- Administering products and services KeyInvest provides.
- Identifying an investor.
- Telling an investor about other products or services KeyInvest makes available and that may be of interest, unless advised not to.
- Telling an investor about other suppliers, with whom KeyInvest have arrangements, that supply goods or services that may be of interest.
- Allowing KeyInvest to run its business efficiently and perform general administrative tasks.
- As required by law, regulation or codes binding KeyInvest.
- Any purpose to which an investor has consented.

An investor can let KeyInvest know at any time if they no longer wish to receive direct marketing offers. KeyInvest will process this request as soon as practicable.

### What happens if information is not provided?

If an investor does not provide information to KeyInvest it will be difficult to perform the activities listed above.

### Sharing general information

KeyInvest may use and share an investor's information with other organisations for any purpose described above.

## Sharing with representatives

KeyInvest may share an investor's information with nominated representatives or any person acting on an investor's behalf (such as financial advisers, lawyers or a power of attorney).

## Sharing with third parties

KeyInvest may share an investor's information with third parties in relation to services KeyInvest provide or goods or services in which KeyInvest reasonably consider may be of interest. Those third parties may include:

- Financial services suppliers with whom KeyInvest has arrangements.
- Government or regulatory bodies as required or authorised by law. In some instances, these bodies may share the information with relevant foreign authorities.
- Service providers, agents, contractors and advisers that assist KeyInvest to conduct business.
- Any third party to which an investor consents to KeyInvest sharing information.

## Sharing outside of Australia

KeyInvest is not likely to disclose investor information to organisations overseas. However, KeyInvest may store information in the cloud or other types of networked storage and we adhere to current regulatory guidelines that encompass cyber security.

## Privacy Policy

An investor can find out more about how KeyInvest manage an investor's information by reading the Privacy Policy available at [www.keyinvest.com.au](http://www.keyinvest.com.au).

KeyInvest's Privacy Policy sets out how an investor can access and seek to correct information KeyInvest holds about an investor and how to lodge a complaint about a privacy issue.

## Other considerations

The Corporations Act 2001 requires KeyInvest to inform you and comment on the extent to which labour standards or environmental, social or ethical considerations are taken into account in the selection, retention or realisation of the investment.

With regard to the nature of the Funeral Bond, KeyInvest considers that it has been unnecessary to take these standards or considerations specifically into account, apart from KeyInvest's overall policy of always acting legally, acting in the best interests of Funeral Bond owners and dealing with parties who, to the best of KeyInvest's knowledge, are reputable organisations.

## Notices of meetings

### Annual financial reports

A Funeral Bond investor can choose to receive notices about the Annual General Meeting (AGM) each year and other meetings of Members of KeyInvest. Receiving notices of AGMs and other meetings of Members allows an investor to participate in governing KeyInvest and information about important matters affecting KeyInvest. As a Member of KeyInvest an investor can attend these meetings or appoint a proxy to attend and vote on their behalf.

Attendance at the meetings in person or by nominating a proxy to attend allows an investor to:

- Vote on any motion for proposed changes to the KeyInvest Constitution or for any other major proposals relating to the management of KeyInvest.
- Vote in elections of directors and auditors.
- Ask questions about and comment on KeyInvest's management, financial standing and performance.
- Ask questions of the auditor about the audit of KeyInvest and about the preparation and content of the auditor's report.

An investor can choose to receive the Annual Financial Report for KeyInvest. The Annual Financial Report contains information regarding the financial position and performance of KeyInvest and any financial plans or risks for the future.

An investor can request KeyInvest to provide the Annual Financial Report and/or notices of meetings by completing the tick boxes on the Policy Document that will be sent when a Funeral Bond investment is finalised.

There is no obligation to complete the boxes. If there is no nomination KeyInvest is not required to send the Annual Financial Report and/or notices of meetings. An investor can change their nomination at any time by notifying KeyInvest in writing.

## Complaints

KeyInvest is committed to looking after investor interests and has established a complaints resolution process to deal with and resolve complaints. If an investor has a complaint about KeyInvest's products or services, they should:

- visit KeyInvest at Level 5, 49 Gawler Place, Adelaide; or
- call KeyInvest on 1300 658 904; or
- send an email to [info@keyinvest.com.au](mailto:info@keyinvest.com.au); or
- send a letter to KeyInvest via post or fax.

If a complaint cannot be resolved within five working days by KeyInvest's Client Services, a request may be lodged that the complaint be escalated to the General Manager Client Services. KeyInvest aims to resolve all complaints within 10 working days. However, the whole process could take up to 45 working days, depending on the issue. If an investor is not satisfied with the steps taken by KeyInvest to resolve a complaint, or with the result of KeyInvest's investigation after 45 working days, investors may wish to contact the:

Australian Financial Complaints Authority (AFCA)  
GPO Box 3  
MELBOURNE VIC 3001

**Toll Free:** 1800 931 678  
**Facsimile:** (03) 9613 6399  
**Email:** [info@afca.org.au](mailto:info@afca.org.au)  
**Web:** [www.afca.org.au](http://www.afca.org.au)

## Providing instruction via email

KeyInvest offer an email service that gives the ability for you to send us instructions on your account via email. All instructions submitted to us must have your signature or that of an authorised signatory on your account.

By using this service, you agree to release, discharge and indemnify KeyInvest from and against any liability, cost or loss that is incurred as a result of us acting on any instructions received by email containing your account number, your verified signature, or that of an authorised signatory on your account.

You also agree that KeyInvest are not responsible for any loss or delay that results from an email transmission not being received by us.

## How to invest

### Step 1 — Apply

Complete the Application Form and or the Adviser Electronic Transaction Authorisation Form.

### Step 2 — Select payment method

- If paying by Direct Debit read the Direct Debit Request Service Agreement and complete the Direct Debit Request Form.
- If paying by BPAY, or EFT, KeyInvest will advise a BPAY Customer Reference Number (CRN) and KeyInvest's Biller Code, or KeyInvest's bank account details. Once received please arrange payment to KeyInvest via an authorised financial institution's online banking website.
- If paying by cheque please make the cheque payable to KeyInvest Ltd.

Please note KeyInvest does not accept cash deposits.

### Step 3 — Lodgement

You can lodge your completed Application Form by mailing it to the reply paid address below or by emailing it to [info@keyinvest.com.au](mailto:info@keyinvest.com.au).

KeyInvest Ltd  
Reply Paid 3340 (no postage stamp required)  
RUNDLE MALL SA 5000

# Glossary and definitions

**ABN**

Australian Business Number.

**AFSL**

Australian Financial Services Licence.

**Allowable Limit**

The amount of a financial investment contributed into a Funeral Bond that is treated as an exempt asset for either Asset Test or Income Test purposes. As at 1 July 2020 the Allowable Limit is \$13,500. The Allowable Limit is indexed and updated every 1 July.

**APIR® Code**

A standard identifying code for investment products.

**APRA**

Australian Prudential Regulation Authority is the regulator of life insurance companies and friendly societies under the Life Act.

**Asset Allocation**

The allocation of the Benefit Fund's portfolio across various investment asset classes.

**Assets Test**

The Assets Test applied by the Department of Human Services to determine eligibility for and the amount of age pension to be received.

**Benchmark**

A recognised market index that an investment's performance is measured against.

**Benefit Fund**

A Fund established by KeyInvest under the Life Act to hold the Funeral Bond's investments.

**Buy/Sell Spread**

This is the difference between the buy and sell unit prices of an Investment Option.

**Deeming Rules**

The Deeming Rules, which form part of Centrelink's Income Test, assume any financial assets owned earn a certain amount of income, regardless of what they actually earn. Only the deemed income from these financial assets is used to determine pension eligibility, not the actual income.

**DVA**

Department of Veterans' Affairs.

**EFT**

Electronic Funds Transfer.

**Funeral Bond**

The KeyInvest Funeral Bond.

**Income Test**

The Income Test applied by the Department of Human Services to determine eligibility for the amount of age pension to be received.

**Investment Earnings**

The earnings of the Funeral Bond's investments on which KeyInvest pays tax at the corporate rate.

**Investment Manager**

The Underlying Fund Manager of an Investment Option.

**Investment Option**

Each Benefit Fund is represented by an individual Investment Option.

**Janus Henderson**

Janus Henderson Investors (Australia) Institutional Funds Management Limited.

**Life Act**

Life Insurance Act 1995.

**Member**

Under KeyInvest's Constitution a Funeral Bond investor or investors are admitted as Members of KeyInvest.

**Policy**

The life insurance policy that represents a bond holder's investment in a Funeral Bond.

**Policy Document**

The physical document that is issued upon creation of a Funeral Bond for each Policy.

**Privacy Act**

Privacy Act 1988.

**PDS**

Product Disclosure Statement.

**RSP**

A Regular Savings Plan.

**Rules**

The Rules which govern the terms and conditions of the Benefit Fund.

**Tax Paid**

Where an institution, like KeyInvest, meets the tax payments and reporting obligations on the Investment Earnings, instead of tax being paid by the investor. Note: Funeral Bond tax may be payable by the estate of the investor in the year a claim is made.

**UFM**

Underlying Fund Manager.

**UMF**

Underlying Managed Fund.

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# KeyInvest Funeral Bond Application Form

Before completing this Application Form you must read the PDS available at [www.keyinvest.com.au](http://www.keyinvest.com.au) or request a copy from your financial adviser.

KeyInvest Ltd (KeyInvest) ABN 74 087 649 474 AFSL 240667 ('KeyInvest', 'we', 'us', 'our' in this Application form) is the issuer of interests in the KeyInvest Funeral Bond.

An application to invest in the KeyInvest Funeral Bond can only be made using this form. Completed Application Forms can be posted to KeyInvest, Reply Paid 3340 Rundle Mall SA 5000 (no stamp required) or emailed to [info@keyinvest.com.au](mailto:info@keyinvest.com.au).

## 1. Policy Holder(s) Details

**Policy Holder 1** (all correspondence will be sent to this applicant)

Title	<input type="checkbox"/> Mr	<input type="checkbox"/> Mrs	<input type="checkbox"/> Miss	<input type="checkbox"/> Other	<input type="text"/>
Surname	<input type="text"/>				
Given Names	<input type="text"/>				
Date of Birth	<input type="text"/>	Gender	<input type="checkbox"/> Female	<input type="checkbox"/> Male	
Email	<input type="text"/>				

**Policy Holder 2** (only complete if this is a joint policy). **Before making a joint application** please read page 8 of the PDS. To make 2 single applications (for Centrelink purposes) please complete this application form separately for the second applicant.

Title	<input type="checkbox"/> Mr	<input type="checkbox"/> Mrs	<input type="checkbox"/> Miss	<input type="checkbox"/> Other	<input type="text"/>
Surname	<input type="text"/>				
Given Names	<input type="text"/>				
Date of Birth	<input type="text"/>	Gender	<input type="checkbox"/> Female	<input type="checkbox"/> Male	
Email	<input type="text"/>				

## 2. Contact Details

Unit No.	<input type="text"/>	Street No	<input type="text"/>		
Street Name	<input type="text"/>			Suburb	<input type="text"/>
State	<input type="text"/>	Postcode	<input type="text"/>	Country	<input type="text"/>
Home Phone	<input type="text"/>			Mobile	<input type="text"/>
Email	<input type="text"/>				

**Queensland residents only** - Queensland State legislation requires all 'selling agents' of funeral bonds to provide clients with a Client Care Statement. We are not permitted to accept KeyInvest Funeral Bond applications from Queensland residents without receiving a completed Client Care Statement. A Client Care Statement can be obtained from our website or by contacting KeyInvest.  
[http://www.keyinvest.com.au/uploads/files/QLD\\_Client\\_Care\\_Statement.pdf](http://www.keyinvest.com.au/uploads/files/QLD_Client_Care_Statement.pdf)

### 3. Contribution Instructions

#### Initial Contribution

Contribution amount

Please select how the initial contribution will be paid.

- BPAY
- Direct Debit
- Cheque
- EFT

#### 3.1 Investment Option

Please select an Investment Option/s from the list below.

If no option is selected, you will be invested into the Capital Guaranteed Fund.

No.	Fund	UFM	Benefit Fund No. (KeyInvest use only)	Lump sum invested	Regular savings plan
1	Capital Guaranteed Fund	Janus Henderson	50		
2	Conservative Index Fund	Vanguard	51		
3	Balanced Index Fund	Vanguard	52		
4	Growth Index Fund	Vanguard	53		

Minimum \$100 per Investment Option for initial deposit and \$25 per option for Regular Savings Plan.

Regular Savings Plan (RSP) frequency:

- Monthly
- Quarterly
- Six Monthly
- Annually

#### 3.2 Do you want to automatically increase the RSP amount each year?

- Yes  No

Annual percentage increase  maximum 25%



## 4. Service Fee Payment Instruction

### Initial Service Fee

If you have agreed to pay your adviser or service provider a one-off initial service fee, please insert the fee as either a fixed dollar amount or percentage of initial contribution.

Fixed Dollar Amount  or  
Percentage of the Initial Investment

### Ongoing Service Fee

If you have agreed to pay your adviser or service provider an ongoing fee, please insert the fee as either a fixed dollar amount (per month) or percentage of the average daily balance.

Fixed Dollar Amount  per month  
Percentage of the Average Daily Balance  p.a. payable monthly

Please note service fees will be payable to your adviser or service provider by debiting your investment.

## 5. Adviser / Service Provide Use Only

Please note, unless you have completed section 4 - Service Fee payment instruction, the adviser or service provider will not receive any payment from KeyInvest.

Financial Adviser/Service Provider	<input type="text"/>	
Name Financial Adviser Group	<input type="text"/>	
Address	<input type="text"/>	
Phone	<input type="text"/>	
Fax	<input type="text"/>	
General Email	<input type="text"/>	
Adviser's Email (new advisers only required for online access)	<input type="text"/>	
AFS License	<input type="text"/>	Adviser Code <input type="text"/>
Date of Birth	<input type="text"/>	

If you are a financial adviser please attach your business card so we can ensure your contact details are kept up to date.

## 6. Application

Before signing this Application Form, applicants should read the PDS to which this application is attached. This Application Form must not be distributed unless attached to the PDS. Applicants aged over 10 but under 16 years of age require the written consent of a parent or guardian.

### Declaration:

I/We agree and acknowledge:

- I/We have read and understood this Application Form and the Product Disclosure Statement (PDS) attached and to which this Application Form relates;
- To be bound by the terms and conditions of the PDS, this Application Form and the Constitution of KeyInvest (as amended from time to time);
- I/We have not relied on statements or representations made by any person, other than those made in the PDS to which this Application Form relates;
- The information I/We have provided in this Application Form is true and correct;
- The KeyInvest Funeral Bond does not mature until my/our death and that no withdrawals under the KeyInvest Funeral Bond are possible (other than where the KeyInvest Funeral Bond is 'cooled-off' in accordance with the terms of this PDS);
- The amount of my/our contributions to the KeyInvest Funeral Bond do not exceed my/our anticipated total amount of funeral expenses;
- Except for in respect of the repayment of capital of the 'Capital Guaranteed Fund', KeyInvest does not guarantee the performance of any other 'Investment Option' of the KeyInvest Funeral Bond;
- In the event KeyInvest is wound up and unable to meet its liabilities, I/We will contribute to the sum of \$1.00 only, towards the meeting of KeyInvest's liabilities.
- I/We shall be responsible for any Stamp Duty payable on the issue of my/our KeyInvest Funeral Bond or any subsequent assignment of my/our KeyInvest Funeral Bond to a funeral director in consideration of a pre-arranged funeral contract.
- My/Our funeral adviser, if applicable, may process an application under the KeyInvest Funeral Bond using KeyInvest's online application portal and agree to this electronic form of application unless specifically requested not to.
- That my/our personal information will be collected, used and disclosed by KeyInvest in accordance with its Privacy Policy which can be accessed at ([www.keyinvest.com.au/wp-content/uploads/2020/12/KeyInvest\\_Privacy\\_Policy.pdf](http://www.keyinvest.com.au/wp-content/uploads/2020/12/KeyInvest_Privacy_Policy.pdf)) and otherwise in accordance with the law.

If you do not wish to receive newsletters or information in relation to our other products and services, please mark the box.

If application is in joint names, all applicants are required to sign. If application is made under a Power of Attorney, a certified copy of the Power of Attorney must accompany this application.

Signature of Policy Holder 1

Date

Signature of Policy Holder 2

Date

# KeyInvest Direct Debit Request Form

Request and authority to debit the account named below to pay KeyInvest Ltd.  
Please PRINT clearly using blue or black pen, and mark boxes using crosses "X" where appropriate.  
Please return the completed form to KeyInvest or phone KeyInvest on 1300 658 904 with any enquiries.

## 1. Names and Contact Details

### Account holder 1

Title	<input type="checkbox"/> Mr	<input type="checkbox"/> Mrs	<input type="checkbox"/> Ms	<input type="checkbox"/> Miss	<input type="checkbox"/> Dr
Surname/Company/ Trust Name	<input type="text"/>				
Given Names	<input type="text"/>				

### Account holder 2

Title	<input type="checkbox"/> Mr	<input type="checkbox"/> Mrs	<input type="checkbox"/> Ms	<input type="checkbox"/> Miss	<input type="checkbox"/> Dr
Surname/Company/ Trust Name	<input type="text"/>				
Given Names	<input type="text"/>				
If Company/Trust, ABN	<input type="text"/>				
Street Name	<input type="text"/>				
Suburb	<input type="text"/>				
State	<input type="text"/>	Postcode	<input type="text"/>	Country	<input type="text"/>

## 2. Nominated Financial Institution Account

Name of financial institution	<input type="text"/>				
Branch	<input type="text"/>				
Account Name	<input type="text"/>				
BSB Number	<input type="text"/>	-	<input type="text"/>	Account Number	<input type="text"/>

## 3. Frequency Of Debits And Amount

<input type="checkbox"/>	The Regular Savings Plan amount of \$	<input type="text"/>	will be deducted monthly.
<input type="checkbox"/>	Lump Sum Contribution - this authority is for one payment only of \$	<input type="text"/>	

## 4. Declarations

I/We request and authorise KeyInvest Ltd - Identification Number 113657 to arrange for any amount KeyInvest Ltd may debit or charge to be debited through the Bulk Electronic Clearing System from an account held at the financial institution identified above subject to the terms and conditions of the Direct Debit Request Service Agreement and any further instructions provided.

By signing this Direct Debit Request I/We acknowledge having read and understood the terms and conditions governing the debit arrangements as set out in this request and in the Direct Debit Request Service Agreement. (If signing for a company, sign and print full name and capacity for signing eg. Director).

### Signature of account holder 1

Date

### Signature of account holder 2

Date

(All bank signatories must sign)

# KeyInvest

## Direct Debit Request Form

### Service Agreement

#### 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.

**Business Day** means a day other than a Saturday or a Sunday or a public holiday listed throughout Australia.

**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 Direct Debit Request between us and you (and includes any form PD-C approved for use in the transitional period).

**Us or we** means KeyInvest Ltd.

**You** means the customer who signed the direct debit request.

**Your financial institution** is the financial institution where you hold the account that you have authorised us to arrange to debit.

#### 1. Debiting your account

- 1.1 By signing a Direct Debit Request, you have authorised us to arrange for funds to be debited from your account. You should refer to the Direct Debit Request and this Agreement for the terms of the arrangement between us and you.
- 1.2 We will only arrange for funds to be debited from your account as authorised in the Direct Debit Request. If you have selected automatic increases in the Application Form we will increase your regular debit amount by the nominated percentage annually from the commencement of the regular debit.
- 1.3 If the debit day falls on a day that is not a Business Day, we may direct your financial institution to debit your account on the following Business Day. If you are unsure about which day your account has or will be debited you should ask your financial institution.

#### 2. Changes by us

- 2.1 We may vary any details of this agreement or a Direct Debit Request at any time by giving you at least fourteen (14) days' written notice.

#### 3. Changes by you

- 3.1 Subject to 3.2 and 3.3, you may change the arrangements under a Direct Debit Request by contacting us on 1300 658 904.
- 3.2 If you wish to stop or defer a debit payment you must notify us in writing at least seven (7) days before the next debit day. This notice should be given to us in the first instance.
- 3.3 You may also cancel your authority for us to debit your account at any time by giving us seven (7) days notice in writing before the next debit day. This notice should be given to us in the first instance.

#### 4. Your obligations

- 4.1 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.
- 4.2 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) you may also incur fees or charges imposed or incurred by us; 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.
- 4.3 You should check your account statement to verify that the amounts debited from your account are correct.
- 4.4 If Commonwealth Bank of Australia A.B.N. 48 123 123 124 (CBA) is liable to pay Goods and Services Tax (GST) on a supply made by the CBA in connection with this agreement, then you agree to pay the CBA on demand an amount equal to the consideration payable for the supply multiplied by the prevailing GST rate.

#### 5. Dispute

- 5.1 If you believe that there has been an error in debiting your account, you should notify us directly on 1300 658 904 and confirm that notice in writing with us as soon as possible so that we can resolve your query more quickly.
- 5.2 If we conclude as a result of our investigations that your account has been incorrectly debited we will respond to your query by arranging 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.
- 5.3 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.
- 5.4 Any queries you may have about an error made in debiting your account should be directed to us in the first instance so that we can attempt to resolve the matter between us and you. If we cannot resolve the matter you can still refer it to your financial institution which will obtain details from you of the disputed transaction and may lodge a claim on your behalf.

#### 6. Accounts

- 6.1 You should check:
  - a) with your financial institution whether direct debiting is available from your account as direct debiting is not available 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; and
  - c) with your financial institution before completing the Direct Debit Request if you have any queries about how to complete the Direct Debit Request.

#### 7. Confidentiality

- 7.1 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.
- 7.2 We will only disclose information that we have about you:
  - a) to the extent specifically required by law; or
  - b) for the purposes of this agreement (including disclosing information in connection with any query or claim).

#### 8. Notice

- 8.1 If you wish to notify us in writing about anything relating to this agreement, you should write to:  
PO Box 3340 Rundle Mall Adelaide SA 5000.
- 8.2 We will notify you by sending a notice in the ordinary post to the address you have given us in the direct debit request.
- 8.3 Any notice will be deemed to have been received two Business Days after it is posted.

# KeyInvest Adviser Electronic Transaction Authority Form

## 1. Instructions

Use this form to authorise KeyInvest to accept all forms of communication and requests (including new applications and transactional requests) via email or online from the financial adviser nominated on this form, or any other person authorised by them under the same dealer group.

Please note: In certain circumstances KeyInvest may still request documentation to be submitted via post, such as the case when certified documents are required and in the event of death claims. Please contact KeyInvest for further clarification.

## 2. Policy Owner 1

Full Name	<input type="text"/>		
Email Address	<input type="text"/>		
Address	<input type="text"/>		
	<input type="text"/>	Postcode	<input type="text"/>
Company ABN (if available)	<input type="text"/>		

## 3. Policy Owner 2

Full Name	<input type="text"/>		
Email Address	<input type="text"/>		
Address	<input type="text"/>		
	<input type="text"/>	Postcode	<input type="text"/>
Company ABN (if available)	<input type="text"/>		

## 4. Financial Adviser Details

Full Name	<input type="text"/>			Licensee Dealer Group AFSL No.	<input type="text"/>
Licensee Dealer Group	<input type="text"/>			KeyInvest Adviser Code (if known)	<input type="text"/>

## 5. Financial Adviser Declaration

This must be signed by the financial adviser noted in section 4. By completing this form, you accept and agree to:

- Be bound by the terms and conditions contained in this form.
- Only provide instructions to KeyInvest that have been discussed and agreed to by the Policy owner(s).
- Inform KeyInvest immediately if you cease to be licensed by the Dealer Group or cease to have a relationship with the Policy owner(s).
- Notify KeyInvest immediately of any dispute with the Policy owner(s) in relation to any instruction provided to KeyInvest under this authority.

**Signature of financial adviser**

## 6. Policy Owner(s) Declaration

**By signing this Adviser Electronic Transaction Authority Form you acknowledge that:**

You authorise the nominated financial adviser, or authorised delegate:

- To apply for the Funeral Bond and/or Life Events Bond electronically online.
- To submit signed applications for the Funeral Bond and/or Life Events Bond via email.
- To submit the direct debit authority to make the initial payment and establish any Regular Savings Plan via email or online.
- Change any data entry errors submitted in the online application to effect the establishment of the Bond. For example to correct typographical errors made to bank account details or Policy owner details (online application only).
- To submit signed transactional requests on your behalf via email. This includes withdrawal requests, switch requests, additional deposit requests or to vary any regular savings or withdrawal plans.
- To update investor contact details via email, such as address, telephone numbers and email addresses.
- If KeyInvest reasonably believe that a person is your authorised financial adviser, or authorised delegate, then anything they do on your behalf within the constraints of this agreement will be treated as if you had done it personally.
- The nominated financial adviser will remain authorised, even if this financial adviser changes dealer groups (with a current dealer group release authority).
- Once you sign this authority we will treat your financial adviser, or authorised delegate, as being properly appointed unless you inform us otherwise.
- You agree to release, discharge and indemnify KeyInvest from and against any liability, cost or loss that is incurred as a result of KeyInvest acting on this authority.
- Agree that KeyInvest are not responsible for any loss or delay that results from an email transmission not being received by us.
- This authority continues until we receive written notice from you of cancellation of the authority.
- KeyInvest may refuse to accept an authority or permit a person to transact or carry out a transaction under this agreement.
- KeyInvest can cancel or vary these conditions by giving you not less than seven (7) days written notice.

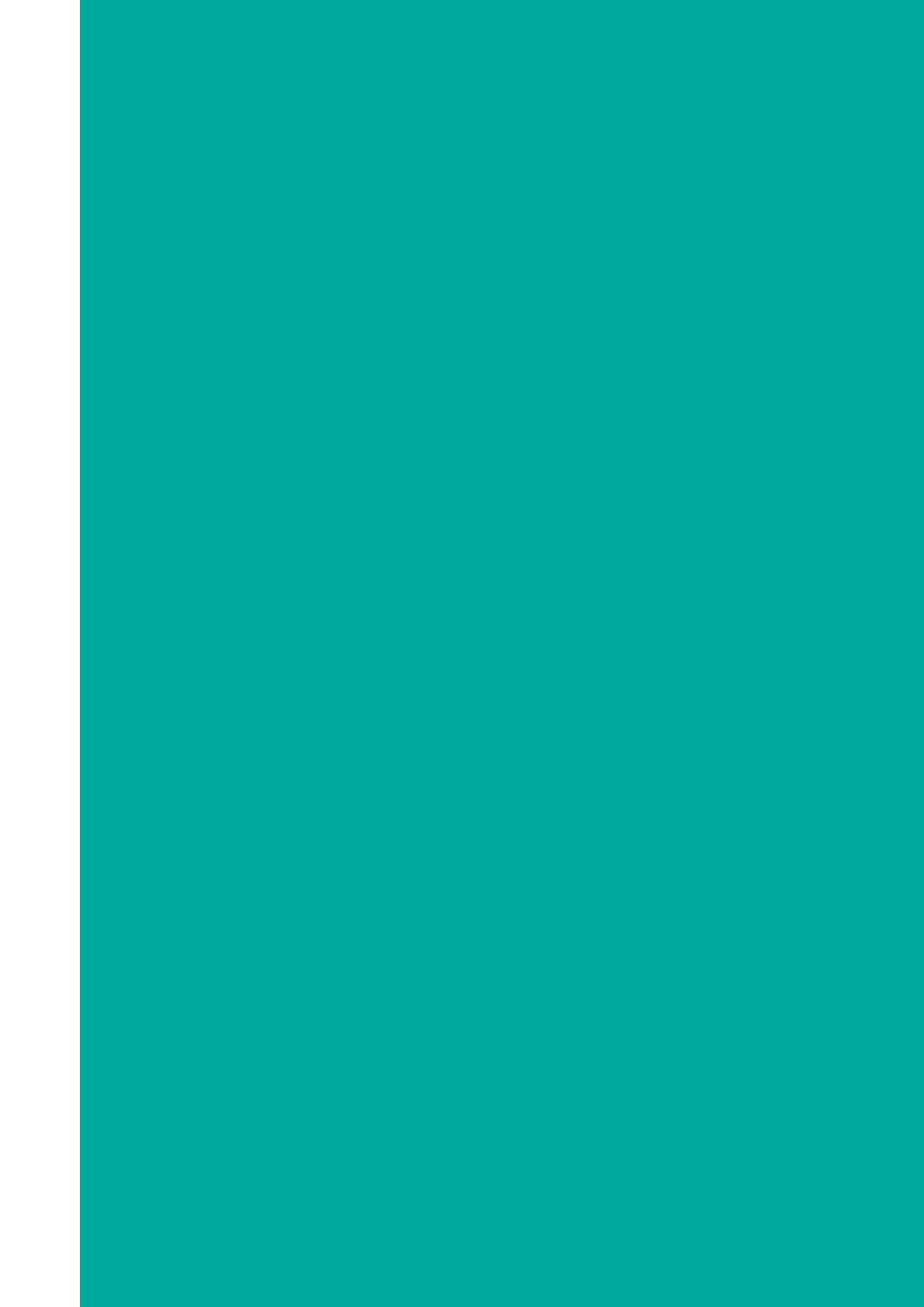
**Signature of Policy owner 1**

Date

**Signature of Policy owner 2**

Date

Please return this form to KeyInvest Ltd, PO Box 3340, Rundle Mall SA 5000 or by email to [info@keyinvest.com.au](mailto:info@keyinvest.com.au) or upload via the online Funeral Bond or Life Events Bond application page.





L5, 49 Gawler Place  
Adelaide SA 5000

PO Box 3340  
Rundle Mall SA 5000

1300 658 904  
F 08 8231 4079

info@  
keyinvest.com.au