

## What is an IMA?

An Individually Managed Account (IMA) offers you a degree of control over the content of your portfolio as well as transparency with regard to the underlying investments. It provides you with the flexibility to personalise the portfolio for your own needs as well as enabling the management of tax in the process. It combines the benefits of direct investing with the features of institutional portfolio management normally offered by traditional managed funds.

## How much control do I have?

All investments within the IMA are directly owned by you at all times, with the underlying management dictated by the terms of the investment programme we agree with you at the outset. You have the right to vary this investment programme at any time in consultation with your adviser.

## Are there any entry and/or exit fees?

There are no entry and/or exit fees. If you should terminate the management agreement, all we ask is that you give us 30 days notice.

## Are there any tax consequences utilising an IMA?

An IMA provides you with the ability to manage tax. From a transaction perspective, for example, a parcel of shares purchased at a particular time can be identified, and matched to a sell transaction, in order to minimize the capital gains tax liability. Also overall portfolio returns can be enhanced by your clear entitlement to franking credits. As an IMA can accept in investments, either in cash or shares, there is no immediate tax cost to you. In transforming your portfolio to the manager's desired model though, discussions often take place as to the appropriate transition strategy to manage tax in this process. Tax implications will vary, depending on your individual circumstances.

## How safe is my portfolio?

At all times, your investments are held by our custodian, Penson Australia Nominees, which is responsible for a mix of administrative services in relation to your investments as well as an independent safe keeping service. Penson Australia Nominees is an authorised representative of Penson Financial Services, a third party AFS licensed provider, whose processes are audited annually.

The cash account we open with BankWest on your behalf is in your name and used solely by us for the purchase and sale of securities on your behalf and to enable us to deduct our fees.

You receive notifications of all transactions and are able to monitor all transactions daily via a secure internet connection (access with password and PIN) provided by us.

## What other safeguards are there?

Accordius has several safeguards in place to ensure the security of your portfolio. Firstly, Penson Australia Nominees holds shares and fixed income securities on your behalf. You retain beneficial ownership of the shares and fixed income securities with nothing held in the name of Accordius, which reconciles these investment holdings regularly with Penson. This ensures accurate, daily, web-based access to your portfolio position. Secondly, independent external auditors review all procedures and holdings, to ensure true and correct client reporting. The auditor's report is issued annually, with a specific report covering your own holdings. Thirdly, through a combination of our professional indemnity and other insurance, our membership of the Financial Ombudsman Service (FOS) and your legal rights, you are protected against unauthorised investments or transfers of funds.

## What fees are charged?

These are detailed in our Supplementary Financial Services Guide or Information Pack.

***Please note that this publication is for general use only. We would be pleased to talk with you in regard to your particular circumstances should you wish to explore this topic further.***