

IML Wholesale Funds

Investors Mutual Australian Share Fund
ARSN 093 182 695
APIR IML0002AU

Investors Mutual Value & Income Fund
ARSN 107 095 438
APIR IML0005AU

Investors Mutual Industrial Share Fund
ARSN 093 182 195
APIR IML0004AU

Investors Mutual Small Cap Fund
ARSN 122 918 496
APIR IML0006AU

Investors Mutual Future Leaders Fund
ARSN 093 182 828
APIR IML0003AU

Investors Mutual Australian Smaller Companies Fund
ARSN 093 182 471
APIR IML0001AU



Product Disclosure Statement

Issue Number 5
Dated 22 January 2009

www.iml.com.au

Investors Mutual Limited

Investment Manager, Issuer and
Responsible Entity

ABN 14 078 030 752
AFSL 229988

Before you start

It is important that you read this Product Disclosure Statement (**PDS**) carefully before deciding whether to invest and before lodging an application for units in the Investors Mutual Australian Share Fund, Investors Mutual Value & Income Fund, Investors Mutual Industrial Share Fund, Investors Mutual Small Cap Fund, Investors Mutual Future Leaders Fund and Investors Mutual Australian Smaller Companies Fund (**Funds**). We suggest that you keep this PDS and any supplementary information for future reference.

Your investment does not represent deposits or other liabilities of Investors Mutual Limited (**IML**). Your investment can be subject to investment risk, including possible delays in repayment and loss of income and principal invested. IML, their officers, employees and agents do not in any way guarantee the capital value of your investment and/or the performance of the Funds.

To help you to make an informed investment decision, we recommend that you obtain professional advice from a licensed adviser and/or tax adviser before investing.

References in this PDS to “we”, “us” and “our” refer to IML.

About this PDS

The offer of units in the Funds made in this PDS is available to persons receiving this PDS (including in electronic form) within Australia and New Zealand. Investors in New Zealand should read Section 23, “Important Information for New Zealand investors”. This PDS does not constitute an offer or invitation in any place outside Australia and New Zealand where, or to any person whom, it would be unlawful to make such an offer or invitation. If you have received this PDS electronically, IML will provide a paper copy free of charge on request.

Please note all references to dollar amounts and application and redemption prices in this PDS are in Australian currency.

The information in this PDS is current as at the date of the PDS unless otherwise stated and is subject to change (including changes that are not materially adverse to investors). If the change is materially adverse, we will issue a Supplementary PDS. For updated information, please visit the IML website at www.iml.com.au. IML will provide you with a paper copy of any updated information free of charge on request. IML’s contact details are located inside the back cover of this PDS.

Who are Investors Mutual Limited

Investors Mutual Limited

IML was established in 1998, and has grown steadily since then to approximately A\$3.3 billion in funds under management at 31 December 2008. IML is the responsible entity for the Funds and issuer of this PDS and units in the Funds. IML holds AFSL 229988, which includes an authorisation to operate managed investment schemes.

IML has a conservative investment style with a long-term focus, and aims to deliver consistent returns for clients. Investors Mutual achieves this through the disciplined application of a fundamental and value-based approach to investing.

The Investors Mutual investment team is a committed team whose remuneration structure aligns their interests with those of our clients.

IML has given, and not withdrawn, its consent to being named in the PDS as investment manager of the Funds as well as to the inclusion of information relating to IML in this PDS in the form and context in which that information is included.

Contents

1. Significant features	4
2. About the Funds	5
3. How IML manages your money	8
4. The benefits	10
5. The significant risks	10
6. Fees and other costs	12
7. The latest Funds information	18
8. How to invest	18
9. Cooling-off period	19
10. Withdrawing your investment	20
11. Distributions	21
12. Application and redemption prices	22
13. Keeping you informed	23
14. Important tax information	24
15. Anti-money laundering and counter terrorism financing	25
16. Our responsibilities to you	25
17. Enquiries and complaints	26
18. Master trust and wrap account investors	26
19. The custodian and investment administrator	27
20. Privacy	28
21. Appointment of authorised nominee	29
22. Glossary	30
23. Important information for New Zealand investors	31
24. Completing the application form	32
25. Detachable forms	33
26. Contact details	Inside back cover

1 Significant features

Product Disclosure Statement (PDS)

Issue Date: 22 January 2009

The following details apply to ALL of the Funds offered in this PDS

Further, fund specific, details are shown in tabular form in Section 2, including for each fund:

- Inception Dates
- Investment Objectives
- Distribution frequency
- Benchmarks
- Investment Management Fees

Investment Manager	Investors Mutual Limited (IML)
Responsible entity/issuer	Investors Mutual Limited (IML)
Custodian and investment administrator	RBC Dexia Investor Services Trust
Unit pricing (1)	Daily
Minimum initial investment (2)	A\$500,000
Minimum additional investment (2)	A\$50,000
Minimum redemption amount (2)	A\$50,000
Minimum unit holding value (2)	A\$500,000
Applications and redemptions (1)	Daily
Entry fee (3)	Nil
Exit fee (3)	Nil
Transaction Costs per unit (3)	0.25% of the net value of the Fund per unit

Note (1): Please refer to Section 12, "Application and redemption prices" for complete details. These items are subject to change at the discretion of IML.

Note (3): Please refer to Section 6, "Fees and other costs" for complete details on fees and charges and how they are calculated.

Note (2): We retain the discretion to waive these minimums. If you invest through an IDPS operator such as a master trust or wrap account platform, these minimums may not apply to you. Please refer to Section 18, "Master trust and wrap account investors" and to the information provided to you by your service provider.

2

About the Funds

As the responsible entity, IML invites you to invest in the Funds. The Funds are managed investment schemes, registered under the Corporations Act 2001 (**Corporations Act**) and are not listed on any securities exchange. The Funds invest in listed Australian securities and cash for the Australian Share Fund, Industrial Share Fund, Future Leaders Fund and Australian Smaller Companies Fund. The Value & Income Fund will invest in Australian Securities, International Securities and Cash and the Small Cap Fund will invest in Australian and New Zealand securities and cash.

Investment Objective

The objective of each Fund is to provide a rate of return (after fees and expenses and before taxes) which exceeds the return of the relevant benchmark of the Fund (see table on page 7), on a rolling 4-year basis. In the case of the Value & Income Fund, the objective is to exceed the benchmark over rolling two year periods. The Funds are appropriate for investors seeking a better than average longer-term return from a diversified, professionally managed portfolio of Australian securities (and in the case of the Small Cap Fund, Australian and New Zealand securities). The Value & Income Fund seeks its returns from a diversified split portfolio of Australian and International Securities.

Investment timeframe

Investors should take account of the short term volatility of share markets and consider an investment horizon of five years for an investment in the Funds. Investors in the Funds should understand that the value of an investment in the Funds will change over time.

General Funds information

The Funds provide unit holders with a practical means of gaining exposure to a portfolio of Australian securities for the Australian Share Fund, Industrial Share Fund, Future Leaders Fund and Australian Smaller Companies Fund. The Value & Income Fund will invest in Australian Securities, International Securities and Cash and the Small Cap Fund will invest in Australian and New Zealand securities and cash.

The total return of the Funds will be generated from dividends or interest paid by companies whose securities are held by the Funds and from the capital appreciation of securities in the Funds.

The Funds aim to provide investors with sustainable returns over the medium to long term from a diversified portfolio of Australasian securities with risk/return characteristics IML believes are attractive.

As a guideline, the Funds will usually each hold a minimum of 20 different securities. The main investments of the Funds (dependent on the fund type) will include a combination of:

- securities listed on the Australian Securities Exchange (**ASX**) and New Zealand Stock Exchange (**NZX**);
- international securities;
- cash (and cash equivalents such as other investment grade interest-bearing securities);
- derivatives (covered calls/exposures through Share Price Index futures), as described below; and
- hybrid securities listed on the ASX and NZX.

IML may use options, futures and other derivatives to reduce risk or gain exposure to underlying physical investments. Derivatives are not used speculatively. IML will not use derivatives for the purpose of gearing the Funds. IML regularly monitors derivative positions to ensure that the Funds are able to meet all derivative contract obligations from the appropriate amounts of cash or physical assets held by the Funds. Please refer to Section 5, "The significant risks" for further information on how IML manages derivatives risk.

The Funds will not borrow.

IML may hedge all of the Funds' currency exposure back to Australian dollars.

The investment mix for the Funds will generally fall within the ranges below:

Asset Ranges	Australian Share Fund	Value & Income Fund	Industrial Share Fund	Small Cap Fund	Future Leaders Fund	Australian Smaller Companies Fund
Cash ¹	0-10%	0-50%	0-20%	0-20%	0-20%	0-20%
Australian equities ²	90-100%	20-80%	80-100%	Combined Australian & New Zealand Equities 80-100%	80-100%	80-100%
New Zealand equities ³	0%	0%	0%		0%	0%
International equities ⁴	0%	0-50%	0%	0%	0%	0%

Note 1: Including cash equivalents such as other investment grade interest-bearing securities.

Note 2: Including Australian equity derivatives and hybrid securities such as preference shares.

Note 3: Including New Zealand equity derivatives and hybrid securities such as preference shares.

Note 4: Including International equity derivatives and hybrid securities such as preference shares.

The investment guidelines provide an indication of the intended holdings in the Funds and may be higher or lower from time to time.

In exceptional market conditions the Funds may have higher levels of cash where, in IML's opinion, more attractive investment opportunities cannot be found.

The investment mix can change quickly and sometimes significantly. Ask your financial adviser, contact us or visit IML's website for regular updates on the Funds. IML's contact details are set out inside the back cover of this PDS.

Investors Mutual Wholesale Funds

	Investors Mutual Australian Share Fund	Investors Mutual Value & Income Fund	Investors Mutual Industrial Share Fund	Investors Mutual Small Cap Fund	Investors Mutual Future Leaders Fund	Investors Mutual Australian Smaller Companies Fund
ARSN	093 182 695	107 095 438	093 182 195	122 918 496	093 182 828	093 182 471
Investment Strategy	This Fund will invest in a diversified portfolio of quality Australian industrial and resource shares, where these shares are identified by our investment team as being undervalued.	This Fund will invest in a diversified portfolio of quality Australian shares, International shares and Cash where these shares are identified by our investment team as being undervalued.	This Fund will invest in a diversified portfolio of quality Australian industrial shares, where these shares are identified by our investment team as being undervalued.	This Fund will invest in a diversified portfolio of quality Australian shares outside the Top 100 shares listed on the ASX, where these shares are identified by our investment team as being undervalued. The Fund may hold up to 25% of its assets in securities included in the S&P/ASX50 Index and New Zealand securities.	This Fund will invest in a diversified portfolio of quality Australian shares outside the Top 50 shares listed on the ASX, where these shares are identified by our investment team as being undervalued.	This Fund will invest in a diversified portfolio of quality Australian shares outside the Top 100 shares listed on the ASX, where these shares are identified by our investment team as being undervalued.
Benchmark	S&P/ASX300 Accumulation Index	UBS Warburg Australian Bank Bill Index + 2%	S&P/ASX300 Industrial Accumulation Index	S&P/ASX Small Ordinaries Accumulation Index	S&P/ASX300 Accumulation Index (excluding S&P/ ASX50, excluding Property Trusts)	S&P/ASX Small Ordinaries Accumulation Index (excluding Property Trusts)
Investment Guidelines (1)	Australian Shares (2): 90% Cash (3): 10%	Australian Shares (2): 20-80%, International Securities: 0-50% Cash (3): 0-50%	Australian Shares (2): 80% Cash (3): 20%	Australian Shares (2): 80% Cash (3): 20%	Australian Shares (2): 80% Cash (3): 20%	Australian Shares (2): 80% Cash (3): 20%
Inception Date	30 June 1998	1 May 2004	1 May 2002	1 February 2007	1 May 2002	30 June 1998
Distribution frequency and dates	Half yearly: 30 June and 31 December	Generally Quarterly	Half yearly: 30 June and 31 December	Half yearly: 30 June and 31 December	Half yearly: 30 June and 31 December	Half yearly: 30 June and 31 December
Management fees	0.974% pa of net assets of the fund (0.95% plus the.net effect of GST)	1.025% pa of net assets of the fund (1.0% plus the.net effect of GST)	0.974% pa of net assets of the fund (0.95% plus the.net effect of GST)	1.1275% pa of net assets of the fund (1.10% plus the net effect of GST)	0.974% pa of net assets of the fund (0.95% plus the.net effect of GST)	0.974% pa of net assets of the fund (0.95% plus the.net effect of GST)

Performance Fee	n/a	n/a	n/a	10.25% (10% plus the net effect of GST) of investment returns made in excess of 2% per annum above the Benchmark.	15.375% (15% plus the net effect of GST) of the change in value of the Redemption Price that exceeds the change in the value of the Fund's Benchmark.	n/a
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3 How IML manages your money

Investment philosophy

IML's investment philosophy is based on a belief that a company's share price will reflect its underlying value in the long-term. We believe that markets are not fully efficient and there will be times that a company's share price will not reflect what we believe to be that company's true underlying value. Such situations provide our investment team with the opportunity to build long term portfolio positions in quality companies at attractive valuations.

We are focused on both quality and value when researching and analysing companies.

We are looking to invest in companies with four clear quality characteristics:

- Competitive advantage
- Recurring earnings
- Capable management
- The ability to grow over time

Additionally, from a valuation perspective it is important that such companies be trading at a price below that which we believe represents the long-term underlying value of the company.

Investment style

IML has an active, "bottom-up" approach to identifying, researching and valuing quality companies. Our approach is systematic, disciplined and focuses on finding companies that meet our investment criteria and then determining an appropriate valuation for those companies.

We believe that the underlying value of a company is best determined by quantifying and valuing the sustainability, quality and growth potential of a company's future earnings stream. The earnings stream from a company is important to us because it enables both the payment of dividends to shareholders and the reinvestment into the business for future growth.

The investment team at IML conducts detailed, in house research and valuation on every investment being considered for each of the Funds and on every investment

held by each of the Funds.

Individual investments from all allowable asset classes will generally be selected on the basis of their ability to fulfil all or part of the objectives of a Fund. As such, we will be seeking investments that we believe offer one or more of the following characteristics:

- Provide an absolute real return over the long term to investors
- Will pay a regular income stream
- Are less volatile (risky) than the market in which they trade and therefore should minimise the impact of a falling market on the value of your investment.

As markets move through different cycles some asset classes will be more attractive in their ability to deliver on the objectives of a Fund. The overall makeup of the investments of a Fund will therefore change from time to time to reflect this relative valuation. This is the approach we will adopt in order to manage the asset allocation of each Fund.

Each Fund may invest up to 5% of the Fund's assets in unlisted securities, provided that at the time of the investment, IML has reasonable grounds to believe that the relevant company's securities will be listed on a regulated exchange within 12 months of the investment by the Fund. Please note that securities which IML expects will list on a regulated exchange may not be granted official quotation by that exchange, as the listing and quotation of securities are within the exchange's complete discretion.

IML may use options, futures and other derivatives to manage foreign currency risk, to gain exposure to particular securities and markets or to enhance the returns of the underlying physical investments.

IML will never use derivatives for the purposes of gearing the Fund.

The Fund may gain exposure to investments through other registered managed investment schemes. Where those schemes are also managed by IML, you will not be charged additional management fees to the extent that those fees relate to an investment on behalf of the Fund.

Whilst the constitutions of the Funds permit IML to borrow, the Funds will not borrow.

Ask your financial adviser or visit our website at www.iml.com.au for regular updates on the Funds. IML's contact details are set out inside the back cover of this PDS.

The overall portfolios will be regularly reviewed in order to ensure that the Funds' risk and return objectives are being met by the current investments.

For the Investors Mutual Value & Income Fund only (the Fund):

Global Value Investors Limited (GVI) will manage the international securities component of the Fund. GVI will invest in industrial companies that exhibit recurring earnings and a strong, stable and competitive business. GVI's aim is to take long term positions in such companies where its investment team's fundamental research demonstrates that these companies are of high quality and represent good value. GVI will construct the international portfolio using individual stock selections which are not constrained by reference to any market index. GVI expects that this portfolio will show a significant departure from benchmark indices with regard to the weightings to sectors, countries and individual stocks. The Fund may seek exposure to any or all of the permissible asset classes either directly or indirectly, through an underlying fund. Where the Fund invests in an underlying fund managed by IML we will ensure that any fees charged by IML, in relation to this Fund's holding in the underlying fund are rebated in full back to this Fund so that you do not pay additional fees. The investment mix can change significantly and sometimes quickly.

Who is Global Value Investors Limited (GVI)?

GVI is a specialist international equities investment manager established in 2004 by its key investment staff, IML and Treasury Group Limited. GVI prudently manages clients' money using a conservative, disciplined and value based approach to investing. GVI has given, and not withdrawn, its consent to being named in the PDS as investment manager of the Investors Mutual Value & Income Fund and to the inclusion of information relating to GVI in this PDS in the form and context in which that information is included. GVI holds AFSL 308107.

Statement on socially responsible investing

We do not promote these Funds on the basis that IML takes into account labour standards or environmental, social or ethical considerations for the purposes of selecting, retaining or realising the investments of the Funds.

In making investment decisions, IML takes into account the expected return and performance of individual investments. In doing so IML does not have a predetermined view on what it regards to be a labour standard or an environmental, social or ethical consideration or in relation to how any such considerations are to be taken into account and therefore considers them only where these factors are expected to have a material financial impact on an individual investment.

4.

The benefits

The Funds will provide Australian investors access to Australian, New Zealand and International securities which provide attractive investment opportunities for investors seeking medium-to-long term capital growth with income.

The benefits to investors who subscribe for Units in the Funds include the following:

- your money is managed by IML's investment professionals who have access to investment techniques that may not be available to all investors;
- access to investment opportunities and markets that may not be accessible to all investors;
- generally you can apply to withdraw your investment on any Business Day; and
- Fund managers can usually transact at a lower cost than individual investors.

5.

The significant risks

What are the risks?

It is important to understand that there are risks inherent in any investment. The purpose of this section is to inform you of the types of risks that may apply to an investment in the Funds. Whilst we are not able to remove all the risks associated with an investment in the Funds, IML employ a range of investment and risk management strategies to identify, evaluate and manage these risks.

All investments are subject to varying risks and generally go up as well as down in value. Different asset classes perform differently at different times and have different risk characteristics and volatility.

The significant risks for the Funds, and the way IML aim to manage them, are discussed below. The performance of the Funds or the return of capital is not guaranteed and the value of your investment in a Fund will go up and down with the value of that Fund's assets.

Individual investment risk

Individual investments made by each of the Funds will fluctuate in value, meaning that on occasion they may

fall in value. A company's share price may fluctuate for a number of reasons. A company may undergo changes in its financial or operating circumstances, and may also face broader influences such as political and industry changes. IML aims to reduce these risks by conducting thorough analysis and research of all Funds' investments.

Foreign Currency Risk

Investment in foreign markets gives rise to foreign currency exposure. This means the value of foreign investments will vary as exchange rates change. Fluctuations in foreign currency can have both a positive and negative impact on the investments of a Fund.

IML may hedge all of a Fund's currency exposure back to Australian dollars.

Market, country, interest rate and political risk

Economic, technological, political, legal and market conditions in Australia, New Zealand and globally are variable. Changes in these factors can have both positive and negative influences on the value of a Fund's

investments. The economic, technological, political, legal and market conditions in Australia, New Zealand and globally may impact on the operations of companies which may, in turn, have an indirect impact upon the value of a Fund's assets.

Changes in interest rates can also have a positive or negative impact directly or indirectly on investment values or returns. For example hybrid securities, cash and other interest-bearing securities are very sensitive to fluctuations in interest rates.

IML uses research and analysis to form a view on these matters and then adjusts the investments of the Funds to reduce impact of these risks.

Fund risk

Risks particular to each of the Funds include the risk that it could be terminated, the fees and expenses could change, IML could be replaced as responsible entity and IML could be replaced as investment manager or their portfolio managers could change. There is also a risk that investing in the Funds may give different results to investing directly in securities because of income or capital gains accrued in the Funds and the consequences of investment and withdrawal by other investors. You could receive back less than you invested and there is no guarantee that you will receive any income. If there is an interruption of regular trading in the market for an asset of a Fund, there may be delays in processing withdrawal requests.

IML aim to keep fund risk to a minimum by monitoring how these risks may impact on the Funds and the value of your investment.

Derivatives risk

Derivatives risk includes:

- the value of derivative positions not moving in line with the movement in the underlying asset;
- potential illiquidity of the derivative; and
- a Fund being unable to meet payment obligations as they arise in relation to derivatives contracts.

Although not all of these risks can be eliminated, IML manages these risks as far as practicable by:

- regular monitoring of each Fund's derivative exposure;
- monitoring that the Funds are able to pay all of the obligations associated with derivatives from the appropriate amount of cash or physical assets held by the Funds;
- not borrowing against a Fund's assets for the purposes of leveraging the portfolio;
- only investing in a limited class of derivatives (exchange-traded options, futures, foreign exchange and other derivatives);
- only investing in derivatives which IML considers to have adequate market depth; and
- only using intermediaries IML considers reputable.

Liquidity risk

As the Funds will invest in securities listed on security exchanges in Australia, New Zealand and globally, if there is an interruption of regular trading in a market, or for a particular asset of the Funds (or if official quotation of stocks is denied), there may be delays in processing withdrawal requests. Similarly, for some securities in the Funds where the volume of trading is low, the ability to liquidate those securities in a timely manner may be impacted. IML closely monitors cash levels in the Funds to manage this risk and ensure that there is adequate liquidity to meet the needs of unit holders in ordinary circumstances.

Unlisted securities risk

Unlisted securities are considerably less liquid than listed securities. IML will manage the liquidity risk by limiting investments in unlisted securities in each Fund to no more than 5% of the value of the Fund and by only investing in unlisted securities in the limited circumstances outlined in Section 3, "How IML manages your money". Generally, IML expects that the value of unlisted securities will be less than these maximums. Valuations for unlisted investments will be based on references to any recent comparable equity sales or by reference to independent, third party valuations.

6 Fees and other costs

The following warning is required by Australian law. Specific information about fees and costs relating to the Funds is available later in this section.

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 fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from A\$100,000 to A\$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 the

Funds or your financial adviser.

TO FIND OUT MORE

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

This document shows fees and other costs which you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the fund assets as a whole.

Taxes are set out in Section 14 of this document.

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

TYPE OF FEE OR COST ¹	AMOUNT	HOW AND WHEN PAID
Fees when your money moves in or out of the Funds		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment – either by you or your employer	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Termination fee The fee to close your investment	Nil	Not applicable
Management costs The fees and costs for managing your investment		
Management cost This is the fee payable to IML as the responsible entity. Out of this fee will be paid investment management costs and expenses, all ongoing administration, responsible entity fees and other fees that would normally be payable by the Funds except for transaction costs, government charges and abnormal expenses	See details of relevant IML Fund from table in Section 2	This fee is calculated and accrued daily and is paid monthly in arrears to IML from the assets of the Fund. This amount may be negotiated for wholesale investors. ²
Service fees		
Investment switching fee The fee for changing investment options	Not applicable	Not applicable

Note 1: Fees and costs include, if applicable, GST less any reduced input tax credits and stamp duty. For the purposes of this PDS, it has been assumed that IML will be entitled to the maximum amount of reduced input tax credits applicable when stating fee amounts. However, if the GST rate increases, or if the full amount of reduced input tax credits is not available, the Funds' constitutions allow us to recoup the extra amount out of the Funds.

Notes 2: Please refer to Item 6, in the "Additional explanation of fees and costs" section below for further details.

Example of annual fees and costs¹

This table gives an example of how the fees and costs for this product can affect your investment over a one year period. You should use this table to compare this product with other managed investment products.

EXAMPLE Investors Mutual Australian Share Fund		BALANCE OF A\$500,000 WITH A CONTRIBUTION OF A\$50,000 DURING YEAR ²
Contribution Fees	Nil	A\$0
PLUS Management Costs	0.974%	And, for every A\$500,000 you have in the Funds you will be charged A\$4,870 each year.
EQUALS Cost of Fund		If you had an investment of A\$500,000 at the beginning of the year and you put in an additional A\$50,000 during that year, you would be charged fees of: A\$4,870* What it costs you will depend on the investment option you choose and the fees you negotiate with your Fund or financial adviser.

Note 1: Please note that this is an example only and does not take into account transaction costs, government charges or any movements in the investor's investment or distributions that may occur over the course of the year.

Note 2: Please note that the minimum additional contribution for the Funds is A\$50,000.

*** Additional fees may apply:** The above example assumes the balance of A\$500,000 remains constant throughout the year and the additional contribution of A\$50,000 was made on the last business day of the year. Any additional investments made will increase the portfolio balance on which the management costs are calculated.

Whilst the constitutions for the Funds provide for the charging of additional fees, IML will not charge any additional fees unless investors are notified in accordance with 'Changes to the fees' in Item 5 below.

Additional explanation of fees and costs

1. Performance Fee

Investors Mutual Future Leaders Fund (IMFL) and Investors Mutual Small Cap Fund (IMCap) only (**the Funds**)

The Funds' constitutions provide that IML is entitled to receive a performance fee that is to be paid out of the assets of the Funds in the circumstances set out below.

Calculation and accrual

The performance fee for the IMFL is 15.375% (15% plus the net effect of GST) of the amount by which the Actual Performance of the IMFL exceeds the Fund's Performance Hurdle. The Performance Hurdle for IMFL is the performance of the S&P/ASX 300 Accumulation Index (excluding S&P/ASX 50 excluding Property Trusts).

Whilst the constitution for IMCap allows IML to charge up to 25%, IML has set the performance fee at 10.25% (10% plus the net effect of GST) of the amount by which the Actual Performance of IMCap exceeds its Performance Hurdle. The Performance Hurdle for IMCap is the performance of the S&P / ASX Small Ordinaries Accumulation Index plus 2% per annum.

The performance fee is calculated and accrued daily. If the aggregate of the daily performance fee accruals and any negative accruals carried forward from the previous performance fee period is positive at the end of a performance fee period, subject to the Actual Performance of a fund also being positive, IML will be paid the dollar amount of that fee out of the assets of the respective fund.

If the aggregate of the daily performance fee accruals is positive at the end of the performance fee period but the Actual Performance of a fund is negative, the performance fee accrued will be carried forward but IML will not be paid a performance fee until the end of a performance fee period for which the performance fee accrued and the Actual Performance of a fund are positive.

If the aggregate of the daily performance fee accruals is negative at the end of a performance fee period, the negative amount is carried forward and IML will not be paid a performance fee until the end of a performance fee period for which the performance fee accrued and the

Actual Performance of a fund are positive.

The Performance Fee period for IMFL is the one year period ended 30 June and the Performance Fee period for IMCap is the six month period ended 31 December or 30 June.

For the IMFL, the Actual Performance for a period means the percentage change in the Redemption Price (assuming distributions are reinvested and net of investment management fees) on the day of calculation since the last valuation date of the previous period. For the purpose of calculating the performance fee, Redemption Price means the net asset value (prior to taking into account any performance fee) of the IMFL less estimated transaction costs to dispose of the assets divided by the number of units on issue.

For the IMCap, the Actual Performance for a period means the percentage change in the Mid Price (assuming distributions are reinvested and net of investment management fees) on the day of calculation since the last valuation date of the previous period. For the purposes of calculating the performance fee, Mid Price means the adjusted net asset value of the Fund (plus any distributions and prior to taking into account any accrued performance fee) divided by the number of units on issue. The Mid Price is calculated daily.

The performance of the Benchmark for a period means the percentage change in the Benchmark on the day of calculation since the last valuation day of the previous period.

In calculating the daily performance fee accruals for each Fund, the percentage change in value of each Fund's Performance Hurdle will be subtracted from the Actual Performance of the Fund (expressed as a percentage) each day.

The resulting percentage for each fund may be positive or negative, representing the outperformance or underperformance of the Fund against its Performance Hurdle.

The percentage outperformance (or underperformance) will be multiplied by the net asset value of the Fund (prior to taking into account any performance fee for that valuation day) to obtain a dollar value of the performance fee accrual for the day.

The IMFL constitution allows the percentage outperformance (or underperformance) to be calculated by reference to the gross asset value of the IMFL, rather than its net asset value. If this approach were adopted, the amount of any performance fee payable to IML would be higher than where it is calculated by reference to the net asset value. IML has never adopted this approach and does not intend to do so. However, if it does propose to do so in the future, it would give investors prior notice in accordance with Item 5 below.

The daily performance fee calculation and accrual is taken into account in determining each fund unit price each day and may cause the unit price to increase or decrease depending on the percentage outperformance or underperformance.

The Constitutions of the Investors Mutual Industrial Share Fund and the Investors Mutual Value and Income Fund, permit IML to be paid a performance fee but to date IML has never claimed a performance fee in either of these funds and does not intend to do so. However, if IML does propose to do so in the future, IML would give investors prior notice in accordance with Item 5 below.

Estimate of performance fee

The performance fee for the IMFL is 15.375% of the returns over the performance hurdle and for the IMCap is 10.25%. These performance fees as demonstrated above are subject to a "high water mark".

For the year 1 July 2007 to 30 June 2008, no performance fee was paid in IMFL. Due to the nature of share markets, IML is not able to predict the performance of a fund or its benchmark and for the year to 30 June 2009, given the high water mark referred to above, estimates that the performance fees for IMFL will be nil.

For the year 1 July 2007 to 30 June 2008, a performance fee totalling A\$23,280 was paid in IMCap (paid at 31 December 2007 and approximately 0.20% of the average net assets of the fund for that period). At 31 December 2008, no performance fee was payable and due to the nature of share markets, IML is not able to predict the performance of a fund or its benchmark. For the year to 30 June 2009, IML estimates that the performance fees for IMCap will be nil.

These estimates are not intended to be a representation or guarantee as to the actual amount of the performance fee because events outside the control of IML may result in the actual performance fee being different to this estimate. Investors are advised to review IML's estimates and make their own independent assessments of the future performance and prospects of the IMFL and IMCap.

Example of effect of performance fee

Assume you make an investment of A\$500,000 in a Fund as at 1 July and 500,000 units are issued to you (assuming a unit price of A\$1.00 as at 1 July). The Benchmark return is assumed to be 9% per annum in the following examples.

Performance fee payable because the Fund's performance exceeds the benchmark value.

Let's assume that the unit price has increased to A\$1.07 so that the value of your investment in the Fund as at 31 December is A\$535,000 (before deduction of the performance fee but after all other Fund fees and expenses). The performance fee payable on your investment can be estimated in the following way:

Benchmark value per unit	=	(A\$1.00+9%) ^{184/365*}	=	A\$1.0444
Fund outperformance per unit	=	A\$1.07 - A\$1.0444	=	A\$0.0256
Performance fee per unit	=	A\$0.0256 x 10.25%	=	A\$0.00262
Total performance fee	=	A\$0.00262 x 500,000	=	A\$1,310

* Compound interest factor

The total performance fee of A\$1,310 is paid to IML out of the assets of the Fund. This payment is made after 31 December.

The value of your investment in the Fund is now worth A\$533,690 and the unit price is A\$1.06738.

Performance fee not payable as performance is below the benchmark value

Now let's assume instead that the value of your investment in the Fund as at 31 December has increased to A\$510,000 (before the performance fee but after all other fees and charges). No performance fee is payable on your investment as the unit price (A\$1.02) has not exceeded the Benchmark value (A\$1.0444).

Please note that the above are just examples. In practice, the actual investment balance of a unit holder will vary daily and the actual fees and expenses that we charge are based on the value of the Fund, which also fluctuates daily.

2. Transaction Costs (buy-sell spread)

Unit application and redemption prices for the Funds reflect an adjustment for an amount that represents transaction costs, also known as the buy-sell spread, incurred by the Funds to acquire or sell the assets of the Funds in relation to each application and redemption.

Transaction costs are IML's reasonable estimate of the total cost of acquiring or selling the assets of the Funds expressed as a percentage of the net asset value per unit. The purpose of charging transaction costs is to prevent existing unit holders from bearing the transaction costs associated with investors acquiring and redeeming units in the Funds.

Transaction costs do not represent a fee or income to IML or any other agent or service provider.

Transaction costs of approximately 0.25% will apply in respect of an application for or redemption of units.

For instance, if on a particular date the price of a unit in a Fund, determined as described in Section 12, "Application and redemption prices", is A\$1.00 then the application and redemption unit prices calculated for that day's transactions will be A\$1.0025 and A\$0.9975 respectively.

Transaction costs may be altered by IML at any time and unit holders will be advised as soon as is practicable.

3. Flexible charging structure

Under the constitution for the Funds, IML is entitled to certain maximum contribution fees, withdrawal fees, administration fees and management fees. It may waive, reduce or refund these fees in certain circumstances (for example, see Item 6 below).

The maximum amounts which IML is entitled to charge under the constitutions are as follows:

(a) Contribution fee

A contribution fee (or entry fee) of 4% (5% for IMCap) (excluding GST) of each application amount.

(b) Withdrawal fee

A withdrawal fee of 4 % (5% for IMCap) (excluding GST) of each withdrawal amount.

(c) Management fee

The constitutions for the Funds provide that IML may receive a management fee of 2.00% (excluding GST) per annum of the net asset value of the Funds which is calculated and accrued daily and payable monthly in arrears.

Under the constitution for the Funds, IML is entitled to recover all expenses incurred by it in relation to the proper performance of its duties in respect of the Funds.

As set out in the schedule in Section 2, IML has set the Management fee of each fund at a fixed percentage per annum of the net asset value of a Fund (plus the net effect of GST) until investors are otherwise notified as set out in Item 5 below.

From the management fees, and without further charge to the Funds, IML pays custody fees, responsible entity fees, investment management fees, audit fees, accounting fees, legal and regulatory fees, and all other normal costs of the Funds [other than transaction costs (such as brokerage and settlement costs), government charges (such as stamp duty and GST charged on brokerage) or expenses resulting from abnormal circumstances such as a change of the responsible entity or investment manager, termination of the Funds or unit holder meetings].

4. Adviser remuneration and service fees

IML does not pay an adviser service fee or commission to financial advisers.

You may incur a fee for the advice provided to you by your adviser, but this does not represent a fee that we have charged you for investing in the Funds and is not an amount paid out of the assets of the Funds. The amount

of fees you will pay (if any) to your adviser should be set out in a Statement of Advice given to you by your financial adviser. You will be responsible for the payment of these fees and they will not be paid by IML. We recommend that you check with your adviser if you will be charged a fee for the provision of their advice.

Your adviser may represent a dealer group that receives payments from IML based on the volume of business they generate. If these payments are made by IML, they are not paid out of the value of your investment or out of the assets of the Fund. These payments may be up to 0.50% per annum (inclusive of GST) of the value of the amounts invested.

5. Changes to the fees

Subject to each Fund's constitution and the law, the fees outlined above may be varied at any time at the absolute discretion of IML. Reasons might include changing economic conditions or changes in the law. IML will provide investors in the Funds with at least 30 days prior notice of any proposed change to the fees.

IML is not permitted to charge more than the maximum amount of the fee that a Fund's constitution specifies (any change to the Fund's constitution that has the effect of increasing fees would need the unit holders' approval by special resolution).

6. Negotiated fees

IML may offer rebates or waivers of fees to wholesale clients on an individually negotiated basis in accordance with relevant law and any applicable ASIC relief. Wholesale clients should contact IML by phone on +61 2 9232 7500 or via email at mail@iml.com.au for further information.

7. Incidental fees

The Funds may incur abnormal expenses, such as expenses associated with a change in responsible entity, termination of the Funds or a unit holder meeting. These expenses will be paid out of the Funds as and when these expenses occur.

7 The latest Fund information

If you are interested in:

- the latest Fund performance figures;
- the current size of the Funds; or
- fee information,

then you may obtain further information to that contained in this PDS, as it becomes available, free of charge on request, from IML, or by visiting IML's website, www.iml.com.au. IML's contact details are located inside the back cover of this PDS. Printed copies of regular Fund reports are available from IML, free of charge on request.

8 How to invest

Applications

To invest in the Funds, complete the application form that accompanies this PDS in accordance with the instructions in Section 24, "Completing the Application Form". The minimum initial investment in the Funds is A\$500,000. Additional investments must be for a minimum of A\$50,000. We reserve the right to accept lesser amounts for the initial and additional investments at our absolute discretion.

Additional Applications

You can invest additional amounts by:

- a) depositing funds directly into the Fund's bank account and sending by facsimile to RBC Dexia Investor Services Trust (**RBC Dexia**) on +61 2 8262 5492 a completed application form or by sending a facsimile with the following details:
 - the Fund name;
 - your investor account ID;
 - the additional investment amount;
 - the date money was banked to the Fund's bank account; and
 - a phone number where we can contact you during business hours in case we need to ask you any questions about your request.

- b) sending RBC Dexia a cheque together with a completed application form or letter with the following details:

- the Fund name;
- your investor account ID; and
- a phone number where we can contact you during business hours in case we need to ask you any questions about your request.

If a properly completed and signed application form with cleared payment and satisfactorily completed Anti-Money Laundering and Counter Terrorism Financing Act 2006 (**AML/CTF Act**) verification is received before 3.00pm Australian Eastern Standard Time (**AEST**) on a Business Day, the application will usually be processed at the application price based on the net asset value of the relevant Fund calculated as at the close of business on that Business Day. Otherwise, provided the properly completed and signed application form with cleared payment and satisfactorily completed AML/CTF Act verification is received, the application will usually be processed at the application price based on the net asset value of the relevant Fund as at the close of business on the following Business Day. The net asset values of the Funds are usually calculated on a daily basis (details of how application and redemption prices are calculated are set out in Section 12, "Application and redemption prices").

or

If you do not complete another application form when making an additional investment, you should keep this PDS (and any supplementary or updating document) for future reference. You can request a copy of this PDS (and any supplementary or updating document) free of charge at any time by emailing, phoning or writing to IML.

You will be sent a unit holder's statement setting out details of your investments within seven Business Days of our accepting or rejecting your application for an investment. You will also be sent a unit holder's statement if you ask (free of charge and as soon as is practicable after your request).

9 Cooling-off period

Subject to applicable law, retail investors have a right to a cooling-off period relating to their investment except for investments made under distribution reinvestment plans or other additional investment arrangements. There may be other circumstances in which a retail investor is not entitled to exercise cooling-off rights; for instance, if a Fund is not liquid at the time an investment is made.

For retail investors only, your cooling-off rights are described below.

Immediately following the earlier of the date on which you receive confirmation of your investment or the fifth Business Day after the day on which your investment was issued to you, there is a 14-day period during which you may cancel your investment (subject to applicable law).

Should you choose to cancel your investment during this period, the amount returned to you will be adjusted to take account of any movements in investment values since the day on which you acquired the investment. The cancellation of your investment will be processed at the price that you would have paid for your investment on the date your request is received. IML may deduct from the amount returned to you any reasonable administrative and transaction costs and tax paid or payable because of the issue, and cancellation, of your investment.

If a distribution has occurred between acceptance of your application and receipt of your cooling-off period notification, there may be taxation implications for you. We suggest that you seek professional taxation advice in these circumstances.

If you invest in the Funds by directing an IDPS operator to acquire units in the Funds on your behalf, your rights to a cooling-off period are not exercisable in relation to IML since you have not acquired a direct interest in the Funds. You should contact your IDPS operator to find out what your cooling-off rights are.

If you wish to cancel your investment during the cooling-off period, you need to inform us in writing of your intention to exercise this right before the end of the cooling-off period (and before exercising any rights or powers you have in respect of your investment in the Funds).

This notification should be sent to RBC Dexia at the address below:

IML Wholesale Funds
C/- RBC Dexia Investor Services Trust – Registry Operations
GPO Box 4537
Melbourne VIC 3001
Australia

Should you have any questions regarding our cooling-off policy, please contact us on +61 2 9232 7500.

10 Withdrawing your investment

Withdrawals - Direct investors

Withdrawals must generally be for a minimum of A\$50,000 and leave a minimum holding of units having a value (based on the prevailing issue price) of at least A\$500,000, after the withdrawal (subject to your right to make a complete withdrawal). Where an investor's unit holding falls below this minimum we may redeem the remaining holding in full after giving the investor 30 days notice in writing of our intention to do so. However, we reserve the right to vary the minimum withdrawal and minimum unit holding at our absolute discretion.

In exceptional circumstances, IML may exercise its power under the constitution to satisfy a redemption request by transferring assets to you rather than providing you with cash. IML will not exercise this power without first obtaining the consent of the applicable unit holder.

We may compulsorily redeem an investor's units in the following circumstances:

- if the investor has breached its obligations to us;
- to satisfy any amount due to us by the investor or that we owe someone else relating to the investor (for example to the tax office); and
- where we suspect that the law prohibits the investor from being an investor in the Fund.

Withdrawal requests can be made by writing to RBC Dexia and providing the following information:

- the Fund name;
- your investor account ID;
- the value or number of units to be redeemed;
- bank account details for the payment of the withdrawal amount; and
- a phone number where we can contact you during business hours in case we need to ask you any questions about your request.

Subject to the terms and conditions below, IML will also accept requests for withdrawals by facsimile to RBC Dexia on +61 2 8262 5492 (the original must follow in the mail) of the details listed above provided it has no reason to believe the request is not genuine. Withdrawal requests will generally be processed based on the date the facsimile is received.

An investor who elects to make a facsimile request agrees with IML to the following terms and conditions.

In making a facsimile request:

- you release us from, and indemnify us against, all losses and liabilities whatsoever arising from our acting in accordance with any instructions received by facsimile bearing your account number, investor account ID and a signature purportedly yours or that of an authorised nominee; and
- you agree that we are not responsible to you for acting on any instructions received by facsimile which appear to be, but are not in fact, authorised by you, and that a payment made in accordance with instructions received by facsimile will be in complete satisfaction of our obligation to you to make a payment, notwithstanding that it was requested without your knowledge or authority.

You must advise us in writing if you do not want us to act on facsimile instructions in relation to your account.

The investor or their authorised nominee must sign withdrawal requests.

In the case of companies, a withdrawal request must be:

- a) signed by two directors or a director and a company secretary of the company (need not be under seal) and state in which capacity each signatory signs; or
- b) if a proprietary company that has a sole director who is also the sole company secretary, or where there is no company secretary, signed by that director (need not be under seal) and state that the signatory is signing in its capacity as the sole director and company secretary (if applicable); or
- c) executed under Power of Attorney of the company.

If the withdrawal request is received before 4:00pm AEST on a Business Day (and if required by law, with satisfactory completion of AML/CTF Act requirements), the withdrawal will usually be processed at the redemption price based on the net asset value of the Funds as at the close of business on that Business Day. Otherwise, the withdrawal will usually be processed at the redemption price based on the net asset value of the Funds as at the close of business on the next Business Day (details of how application and redemption prices are calculated are set out in Section 12, "Application and redemption prices").

The proceeds of any withdrawal will usually be available within seven Business Days and paid to the investor by direct credit to their nominated bank account. We reserve the right to delay redemptions where there is a circumstance outside our control which we consider impacts on our ability to properly or fairly calculate a unit price, or redemption requests of more than 20% of the value of the net assets of the Funds. If we delay redemptions, the redemption price is the next calculated redemption price. It is our intention to manage the Funds so that they are "liquid" for the purposes of the Corporations Act. If a Fund is not sufficiently liquid then investors will only be permitted to withdraw if we make a withdrawal offer to all investors in accordance with the Corporations Act.

Master trust or wrap account investors (IDPS)

If you invest through an IDPS, you can only withdraw through the operator of that service in accordance with the terms and conditions of that service.

11. Distributions

Income Distributions

The Funds' constitutions provide for distributions to be paid at least annually but we have the discretion to pay distributions more frequently. It is IML's current intention that the Funds will distribute semi-annually, except Investors Mutual Value & Income Fund which will distribute generally quarterly. It is our intention to make distributions to investors by the 10th Business Day of January and July each year, or in the case of the Investors Mutual Value & Income Fund, generally quarterly distributions paid by the 10th Business Day of January, April, July and October each year.

IML may decide to make an interim distribution out of distributable income accruing during any interim distribution period and will inform investors accordingly.

Distributions can be made up of:

- income; and
- realised capital gains at the end of a Fund's financial year.

Each investor's distribution amount is calculated by dividing the total amount of the distribution by the total number of units on issue at the distribution date, and multiplying the result by the number of units held by each investor on that date. In each financial year, the full amount of taxable income available for distribution from the Funds, is intended to be distributed to investors.

Application and redemption prices fall by the approximate amount of the distribution after each distribution period because a distribution reduces a Fund's assets. If you invest just before the end of a distribution period, you may find you have some of your capital returned as income.

You may elect to have your distributions from the Funds:

- a) reinvested in further units in the relevant Fund/s; or
- b) paid to you by direct credit to your nominated bank account.

If you do not make an election on the application form as to how you would like to deal with your distributions, you will be deemed to have made an application to have

all distributions reinvested in further units in the relevant Fund/s. Any change to distribution instructions should be advised to IML at least 10 Business Days before the end of the relevant distribution period.

Units issued for reinvested distributions will be priced using the next application price calculated after the end of the relevant distribution period.

You are entitled to receive distributions in some additional circumstances (such as if a Fund ever terminated). If we decide to terminate any Fund, investors in that Fund will participate in the distribution of any surplus after the satisfaction of the Fund's liabilities.

12.

Application and redemption prices

The net asset value of each Fund and the application price and redemption price are calculated each Business Day.

The application price for a unit in each Fund is calculated as the value of the assets of the Fund, less the accrued expenses and other liabilities of the Fund (including the daily accrued management fee) as determined by the responsible entity divided by the number of units on issue, and adjusted by adding an amount to reflect transaction costs.

The redemption price for a unit in the Funds is calculated as the value of the assets of the Funds, less the accrued expenses and other liabilities of the Funds (including the daily accrued management fee) as determined by

the responsible entity divided by the number of units on issue, and adjusted by subtracting an amount to reflect transaction costs.

Unit pricing on applications and redemptions is carried out in accordance with each Fund's constitution and IML's Unit Pricing Discretions Policy. If we were to exercise our discretion and change the current unit pricing process of the Funds, we must inform you of that exercise of discretion as soon as is practicable.

A copy of IML's Unit Pricing Discretions Policy is available from us free of charge upon request. Our contact details are set out inside the back cover of this PDS.

13

Keeping you informed

All investors will generally be sent by mail:

- within 7 Business Days of the acceptance of an application for units or reinvestment of distributions, a confirmation providing details of the units issued or notice that the application has been rejected;
- within 7 Business Days of processing a withdrawal request, a confirmation providing details of the units redeemed;
- within 7 Business Days of each month end, a unit holder's statement for that month, when there has been a transaction in that month;
- within 10 Business Days of the end of a distribution period, a distribution statement;
- within 20 Business Days of 30 June, an annual tax statement,
- within 20 Business Days of 30 June, an OMC and performance statement, (OMC means Other Management Costs) if this information has not already been provided to you with other unit holder statements;
- within 3 months of financial year end, an annual report for that financial year;
- within 6 months of the financial year end, a periodic statement (if you are a retail client and all the relevant information has not already been provided to you); and
- as soon as practicable upon request, a unit holder's statement showing transactions since the last unit holder's statement.

Because 100 or more investors hold units in a Fund as a result of offers that gave rise to obligations to give product disclosure statements, the Fund is subject to regular reporting and disclosure obligations, and copies of documents lodged with Australian Securities and Investments Commission (ASIC) in relation to the Fund may be obtained from or inspected at, an ASIC office. Investors may obtain the annual financial report for the Fund most recently lodged with ASIC, and any half-year financial report lodged with ASIC and other continuous disclosure notices in relation to the Fund given since the last annual financial report, from IML, free of charge upon request.

If you are investing through an IDPS account, information and reports on your investment in the Funds will be provided to you by the operator of that service, not by IML.

14

Important tax information

Investing in managed Funds - what about tax?

Investing, and dealing with investments, has tax and often social security implications which can be complex, and which are invariably particular to your circumstances. This means that it is important that you seek professional taxation advice that takes account of your particular circumstances before you invest or deal with your investment. This discussion should serve only as a guide to the tax considerations that may arise. The discussion applies only to Australian resident investors. Different tax considerations arise for non-resident investors.

The way managed Funds are taxed

It is intended that no income tax will be payable by the Funds as they will distribute all the income of the Funds to unit holders annually.

The distributions from the Funds will include the income the Funds have generated from their investing activities. The income will retain its character as it passes to the investors. As a result you may receive distributions that include interest, dividends and other income and capital gains (discounted and non-discounted).

Foreign tax credits

Australian resident investors may be entitled to claim foreign tax credits in respect of foreign-sourced income generated from overseas investments. You may be able to use these foreign tax credits to offset the Australian tax payable on the foreign source income component of your distributions. However, foreign tax credits can only be used to offset Australian tax up to the amount of Australian tax otherwise payable by you on the net foreign source income to which the foreign tax credits relate.

Tax on your distributions

Australian resident investors are generally subject to tax on their share of the income of the Funds. This will also include amounts that are reinvested in the Funds.

The way in which investors are taxed will depend on the character of the distributions they receive. We will send you an Annual Tax Statement indicating the components of

your distribution within 20 Business Days after the end of each financial year which will assist you in completing your tax return.

GST and managed funds

The issue of units in the Funds is not subject to GST, however, the Funds may pay GST on the services they acquire.

Fees and expenses payable by the Funds are subject to GST at the rate of 10%. Generally, the Funds cannot claim full input tax credits for GST incurred on these services but they may be entitled to a reduced input tax credit (RITC) equal to 75% of the GST payable. If the GST rate increases, or if the full amount of RITC is not applicable, each Fund's constitution allows us to recoup the extra amount out of the Fund.

Capital gains tax when you withdraw from the Funds

Australian residents who invest in the Funds are generally subject to capital gains tax on gains when they redeem units and withdraw any money from the Funds. Where the investor is regarded as a trader or institutional investor, such gains may be regarded as ordinary income. Individuals, trusts and complying superannuation entities may obtain partial capital gains tax exemptions in relation to the disposal of units and the capital gains portion of distributions.

Quotation of Tax File Number (TFN) or Australian Business Number (ABN)

We recommend you provide your TFN/ABN on the application form for units in the Funds. If you choose not to and do not advise us that you have an exemption, we may be required to withhold or deduct tax from your distributions at the highest marginal tax rate, plus the Medicare levy, before passing on any distribution to you.

After 21 July each year, we cannot refund any TFN tax deducted in the previous financial year. By quoting your TFN or ABN you authorise us to apply it to your investment and its disclosure to the Australian Tax Office. Collection of TFN or ABN information is authorised, and its use and disclosure are strictly regulated, by the tax laws and under privacy legislation.

15. Anti-money laundering and counter terrorism financing

The Australian Government has enacted the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (**AML/CTF Act**) which applies to us. You should be aware that as part of our compliance with these laws, we may need to require additional information to verify your identity and any underlying beneficial owner of a potential investor or an investor's units in a Fund and the source of any payment before providing services to you and from time to time thereafter.

Where we request such information from you, processing of applications or withdrawals may be delayed until the required information is received in a satisfactory form. IML as responsible entity may reject any application where such documents are not provided to RBC Dexia prior to lodgment of, or accompanying, the application form.

A transaction may be delayed, blocked, frozen or refused where reasonable grounds are established that the transaction breaches the law or sanctions of Australia or any other country. Where such a transaction is delayed, blocked, frozen or refused, we are not liable for any loss you suffer (including consequential loss) as a result of compliance with AML/CTF Act as it applies to these products.

We may require additional information from you to assist us in identification and verification processes, and may need to re-verify information.

You should also be aware that under the legislation we are required to disclose information about suspicious transactions to regulatory and/or law enforcement agencies and may be prevented from informing you of such disclosure.

16. Our responsibilities to you

Each Fund was established under a constitution. Together with this PDS and certain laws (including the Corporations Act), the constitution governs our relationship with you.

The constitution deals with, amongst other things:

- the conditions under which a Fund operates;
- the rights, responsibilities and duties of the responsible entity and investors;
- fees and expenses; and
- termination of the Fund.

Subject to a Fund's constitution and the law, your liability in relation to your investment in the Fund is limited to the amount (if any) which remains unpaid for your units. However, higher courts have not finally determined the extent of liability of investors in managed investment schemes.

Subject to the Corporations Act, the constitution limits our

need to compensate you if things go wrong. Generally, if we comply with our duties as responsible entity of a Fund, then we do not need to compensate investors for any loss suffered in relation to the Fund.

We may amend the constitution if we, as the responsible entity, reasonably consider that the amendment will not adversely affect investors' rights. Otherwise, we must obtain the approval of investors (by special resolution) to make changes to the constitution at a meeting of investors.

You may obtain a copy of a constitution free of charge by calling, emailing or writing to IML. IML's contact details are listed inside the back cover of this PDS.

If you are investing through a master trust or wrap account, the constitution will not govern our relationship with you. Please see Section 18, "Master trust and wrap account investors" for further information.

17

Enquiries and complaints

If you have a complaint about the service provided to you, please contact us and inform us of your concern. We will then undertake to resolve the matter quickly, fairly and in the strictest of confidence, in accordance with our complaints handling process.

Upon receiving your complaint an appropriate staff member will be allocated responsibility to resolve the matter. We will contact you within 10 Business Days to explain the resolution process and inform you of the staff member responsible. During the investigation and resolution process, this person will keep you informed of the progress of the investigation. It is our policy to resolve complaints as soon as practicable while not sacrificing the quality of the complaints handling process. Accordingly, we will endeavour to communicate a satisfactory resolution to you within 45 days of the initial contact.

You will not incur any charge for the handling of your complaint. If you are not satisfied with our response to your complaint, you have the right to use an external complaints resolution process. IML is a member of Financial Ombudsman Service Limited (FOS) which is an external disputes resolution scheme. In order for a

complaint to be considered by FOS, the claim involved must be under A\$100,000 unless otherwise agreed in writing between IML and you, and IML must have at least 45 days to attempt to negotiate a satisfactory resolution with you.

FOS can be contacted by phone on 1300 780 808 or email info@fos.org.au to lodge a complaint or obtain further information about your rights. This service is free of charge for all clients of IML, and IML is required to assist FOS in the dispute resolution process and comply with its decisions in relation to a complaint.

Should you have any questions regarding our complaints handling policy or wish to lodge a complaint, please call +61 2 9232 7500.

You can refer the matter in writing to:

Compliance Manager
Investors Mutual Limited
P.O. Box H104
Australia Square
Sydney NSW 1215
Australia

18

Master trust and wrap account investors

Potential investors may invest in the Funds by directing an IDPS operator to acquire units in the Funds on their behalf. We authorise the use of this PDS as disclosure for investors and potential investors who wish to access the Funds through an IDPS or IDPS-like scheme (commonly known as a master trust or wrap account) or a nominee or custody service, where the operator has provided IML with a written undertaking in accordance with ASIC requirements.

To make an investment through an IDPS, complete an application form for that service. Do not complete the application form that accompanies this document.

For IDPS investors, the minimum initial and additional investment amounts shall be those specified by that particular trust, fund or service. If your initial investment was made through an IDPS, any additional investment should also be made through them.

If you invest through an IDPS, you can only withdraw through the operator of that service.

IDPS investors do not become unit holders in a Fund by directing the IDPS operator to acquire units on their behalf. Accordingly, they do not acquire the rights of a unit holder of the Fund. The operator of the IDPS acquires these

rights and may exercise or decline to exercise them, on behalf of IDPS investors according to the arrangements governing the IDPS. Some provisions of the Fund's constitutions are not relevant for IDPS investors. For example, IDPS investors cannot attend meetings or transfer units. IDPS investors should ignore information in the PDS relevant only to direct investors.

19.

The custodian and investment administrator

RBC Dexia Investors Services Trust (**RBC Dexia**) has given, and has not withdrawn before the preparation date of this PDS, its written consent to be named in this PDS as the custodian and administrator for the Funds.

RBC Dexia's role as custodian is limited to holding assets of the Funds. As administrator, RBC Dexia is responsible for the day to day administration of the Funds. RBC Dexia has no supervisory role in relation to the operation of the

Funds and has no liability or responsibility to you for any act done or omission made in accordance with the custody and investment administration agreements to which it is a party with IML. RBC Dexia was not involved in preparing, nor takes any responsibility for, this PDS and RBC Dexia gives no guarantee of the success of the Funds nor the repayment of capital or any particular rate of capital or income return.

20.

Privacy

We collect personal information from you in order to process your application and administer your investment and to provide you with information about your investment. We may disclose this information to IML, RBC Dexia and companies that provide services on our behalf (e.g. printing statements which we send to you). We may also collect and disclose your information if the law requires or if you consent. If you think our records are wrong or out of date - particularly your address, email address or contact phone numbers - it is important that you contact us so we can correct them. Pursuant to the provisions of the Privacy Act 1988 (Cth), you are able to access the record of your personal information that IML maintains. Should you wish to do so, please contact IML. IML's contact details are located inside the back cover of this PDS.

You may choose not to complete all items on the application form. If you do not complete the application form in full, we may not accept your application form. Further, depending on the type of information you withhold, we may not be able to process or administer your requested investment, or pay income into your bank account. The consequences of not providing your Tax File Number or Australian Business Number (or exemption) are noted in Section 14, "Important tax Information".

A copy of IML's Privacy Policy is available on the IML website www.iml.com.au or by contacting IML directly.

21 Appointment of authorised nominee

A person, partnership or company may be appointed as an investor's authorised nominee by having the relevant section of the application form executed. The authorised nominee (if it is a company or partnership, including any person IML reasonably believes is an authorised officer or partner) may provide investment instructions in respect of the Funds, prepare, sign and provide requests to redeem units in the Funds, advise of changes to your details in respect of your investment in the Funds, and obtain information about your investments in the Funds. This appointment can be cancelled at any time by notice in writing to IML. All joint unit holders must sign the appointment or cancellation.

By appointing an authorised nominee the investor:

- (a) releases, discharges and agrees to indemnify IML, RBC Dexia and the Funds from and against any and all losses, liabilities, actions, proceedings, accounts, claims and demands arising from the fraud, negligence or appointment of or purported exercise of powers by the authorised nominee or in connection with the use of the facility;
- (b) agrees that a payment or purported payment (the payment) made in accordance with the requests or instructions of the authorised nominee shall be in complete satisfaction of the obligations of IML, to the extent of the payment, notwithstanding any fact or circumstance including that the payment was requested, made or received without the investor's knowledge or authority; and
- (c) agrees that if payment is made in accordance with the request or instructions of the authorised nominee, the investor shall have no claim against IML, in relation to the payment.

22

Glossary

AFSL means an Australian Financial Services Licence.

Benchmark means in relation to:

Investors Mutual Australian Share Fund, the S&P/ASX 300 Accumulation Index;

Investors Mutual Value & Income Fund, the UBS Warburg Australian Bank Bill Index + 2%;

Investors Mutual Industrial Share Fund, the S&P/ASX 300 Industrial Accumulation Index;

Investors Mutual Small Cap Fund, the S&P/ASX Small Ordinaries Accumulation Index;

Investors Mutual Future Leaders Fund, the S&P/ASX 300 Accumulation Index (excluding S&P/ASX50 excluding Property Trusts);

Investors Mutual Australian Smaller Companies Fund, the S&P/ASX Small Ordinaries Accumulation Index (excluding Property Trusts).

Business Day means a day that is not a Saturday, a Sunday or a public holiday or bank holiday in New South Wales.

Daily means each Business Day.

Funds means:

Investors Mutual Australian Share Fund ARSN 093 182 695;

Investors Mutual Value & Income Fund ARSN 107 095 438;

Investors Mutual Industrial Share Fund ARSN 093 182 195;

Investors Mutual Small Cap Fund ARSN 122 918 496;

Investors Mutual Future Leaders Fund ARSN 093 182 828; and

Investors Mutual Australian Smaller Companies Fund ARSN 093 182 471;

all of which are registered managed investment schemes for which IML is the responsible entity.

IDPS means Investor Directed Portfolio Service.

Investor or **unit holder** means someone who invests in the Funds by acquiring units in the Funds.

PDS means this Product Disclosure Statement.

23

Important information for New Zealand investors

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 and Regulations. In New Zealand, this is Part 5 of the Securities Act 1978 and the Securities (Mutual Recognition of Securities Offerings – Australia) Regulations 2008.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 and Regulations (Australia) set out how the offer must be made.

There are differences in how securities are regulated under Australian law. For example, the disclosure of fees for collective investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian securities may differ from the rights, remedies, and compensation arrangements for New Zealand securities.

Both the Australian and New Zealand securities regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Securities Commission, Wellington, New Zealand. The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian securities is not the same as for New Zealand securities.

If you are uncertain about whether this investment is appropriate for you, you should seek advice of an appropriately qualified financial adviser.

The offer may involve a currency exchange risk. The currency for the securities is not New Zealand dollars. The value of the securities will go up or down according to changes in the exchange rate between the currency and New Zealand dollars. These changes may be significant.

If you expect the securities to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

The dispute resolution process described in this offer document is only available in Australia and is not available in New Zealand.

General

During the currency of this offer document/PDS, we will provide you with copies of the relevant constitutional documents in respect of the Funds free of charge on your request.

Should you wish to serve us with any documents, you may do so by delivering them to

Mr. Mark Todd or Mr. Haydn Wong, Partner.

Bell Gully

Vero Centre

48 Shortland Street

Auckland New Zealand

Messrs Todd and Wong and Bell Gully have given, and not withdrawn before the date of this PDS, their consent to being named in the PDS as the address in New Zealand for service of documents on Investors Mutual Limited with regard to this PDS.

24 Completing the application form

Indicate whether you are a new or existing unit holder.

- If you are an existing unit holder, please include your investor account ID.
- New investors need to complete all relevant sections. If you wish to appoint an authorised nominee, also complete the Authorisation in Section 6 of the Application Form.
- Existing unit holders quoting the investor account ID should complete all relevant sections.

Trust and Company applications

Trust applications should be in the name of the trustee only, as simple notice of trust will not be accepted.

Company applications should be signed by two directors or a director and a company secretary of the company. If the company is a proprietary company that has a sole director who is also the sole company secretary, or if there is no company secretary that director needs to sign the application form and also tick the box indicating this.

Lodging Your Application

Application payments can be made either by cheque or direct credit.

For payment by cheque

Cheques should be made payable to:

RBC Dexia IS AN IML Apps a/c <Name of Investor>

and sent together with the completed application form to:

RBC Dexia Investor Services Trust – Registry Operations

GPO Box 4537

Melbourne VIC 3001

Australia

For payment by direct credit

Payment should be credited to the following account:

Bank: ANZ Banking Group

BSB: 012/003

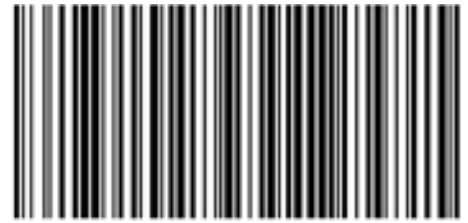
Account Name: RBC Dexia IS AN IML Apps a/c
<Name of Investor>

Account Number: 837 194 679

For additional investments, a completed application form (or written instruction) must be sent by facsimile to RBC Dexia on +61 2 8262 5492 by 3.00 pm (AEST) on the same day as the Funds are banked. For further details, please see Section 8, 'How to invest'.

IML HAS AN ABSOLUTE DISCRETION TO ACCEPT OR REJECT ANY APPLICATION.

25 Detachable forms



AUBQ-IML-PDS

5

FORMS

Investors Mutual Limited

AFS Licence No: 229988

ABN: 14 078 030 752

Application for units

IML Wholesale Funds

Page 1 of 15

Application for Units

This application form must not be handed to another person unless attached to or accompanied by the IML Wholesale Funds PDS dated 22 January 2009. The PDS contains important information about investing in the Funds. You should read the PDS in full before applying for units in any of the Funds. On request, Investors Mutual Limited will send you a copy of the PDS free of charge. Units in the Funds will only be issued on receipt of an application form issued together with the PDS. If you give another person access to this application form you must at the same time and by the same means give them access to the PDS and any updating materials.

To comply with our obligations under AML/CTF Act, we must collect certain information about each investor (and any authorised nominee where applicable), supported by certified copies* of relevant identification documents.

Documents written in a language other than English must be accompanied by an English translation prepared by an accredited translator (please contact us for a list of accredited translators).

* See "How to certify a document" in Section 7 of the Application Form.

Please provide all relevant documents as indicated duly certified. We cannot accept applications without these documents.

Please send the completed form to:

RBC Dexia Investor Services Trust – Registry Operations

GPO Box 4537 Melbourne VIC 3001 Australia

Applications by facsimile only accepted from existing unit holders. Facsimile +61 2 8262 5492.

Adviser Use Only

Name of Adviser

Phone

Dealer Group

Adviser Address
(Correspondence)

Adviser Email Address

Adviser Signature

Advisers Stamp

Date

OFFICE USE

Applicant AML KYC Completed (including copies of documents collected) Value date confirmed

IML Wholesale Funds

New Investor:
Initial Investment

Existing Investor:
Additional Investment

Investor ID:

1. General

Name of investor as you would like it to appear on Register of Unitholders

Please tick one box to indicate type of investor and then complete the relevant part of this Section 1.

- Individual – section 1.1
- Joint investors – section 1.1
- Company – section 1.2
- Trust/super fund – sections 1.1 and 1.3 (if trustee is individual)
- Trust/super fund – sections 1.2 and 1.3 (if trustee is company)
- Partnership – sections 1.1 and 1.4 (if partners are individuals)
- Partnership – sections 1.2 and 1.4 (if partners are companies)
- Association – section 1.5
- Government body – section 1.6

Application – Sections 1 to 6

Please ensure an Authorised Nominee completes Section 6, if applicable

Identification Documentation – Sections 7 and 8

Section 7 for requirements for certified documents

Section 8 for AML/CTF Act Identification documentation

It is not compulsory to provide your TFN. However, without your TFN or exemption information, withholding tax will be deducted from your distributions at the highest marginal rate (plus Medicare levy).

1.1. Individual/Joint Applicants

Applicant 1

Title	<input type="text"/>	Surname	<input type="text"/>	
		Given Names	<input type="text"/>	
		Date of Birth	<input type="text"/>	
		TFN or Exemption Code	<input type="text"/>	
		Country of Residence for Tax Purposes	<input type="text"/>	
		Residential Address (this must not be a PO Box)	State	Postcode

Please complete Sections 2 to 7 and Section 8.1

If there is no Applicant 2, please cross out this section

Applicant 2

Title	<input type="text"/>	Surname	<input type="text"/>	
		Given Names	<input type="text"/>	
		Date of Birth	<input type="text"/>	
		TFN or Exemption Code	<input type="text"/>	
Country of Residence for Tax Purposes	<input type="text"/>			
Residential Address (this must not be a PO Box)	<input type="text"/>		State	Postcode

For Joint Applicants, include authorisation required for withdrawals*:

Either to Sign Both to Sign

* If no election is made, "Both to Sign" will be assumed.

Persons receiving the PDS within Australia or New Zealand, but being a non-resident for tax purposes, should state their country of residence for tax purposes.

Please complete Sections 2 to 7 and Section 8.1

1.2. Company Applicant

Full name of Company	<input type="text"/>		
ACN	<input type="text"/>	TFN	<input type="text"/>
Country of Residence for Tax Purposes	<input type="text"/>		
Is the company registered by ASIC as a	<input type="checkbox"/> Proprietary Company or a <input type="checkbox"/> Public Company? (please tick appropriate box)		
Registered Address	<input type="text"/>		State Postcode
Principal Place of Business in Australia	<input type="text"/>		State Postcode

If the company is an Australian listed company, write here the name of the relevant market/exchange it is listed on.

If the company is a majority owned subsidiary of an Australian listed company, write here the name of the Australian listed company and the name of the relevant market/exchange it is listed on.

Foreign Company

If the Applicant Company is a Foreign Company

ARBN issued by ASIC

Registered address in country of origin

Proprietary or Private Company

If a Proprietary or Private Company is an Applicant, please also provide:

Full name of each Director of the Company

If insufficient space, please provide full names of all directors on a separate page and attach to this application form.

Tick here if you are including details of additional directors.

List the name and address of each beneficial owner of the company.

(A beneficial owner is an individual who owns, directly or indirectly through one or more shareholdings, more than 20% of the company's issued capital. Beneficial owners must be individuals and cannot be companies or trustees. There cannot be more than four beneficial owners of a company).

Beneficial Owner 1 -

Full Name

Residential Address
 State Postcode

Beneficial Owner 2 -

Full Name

Residential Address
 State Postcode

If the company has more than two beneficial owners, please provide additional details on a separate page that is marked with the name of the company and attach it to this application form.

Tick here if you are including details of additional beneficial owners.

Please complete Sections 2 to 7 and Section 8.2

1.3. Trust Applicant

If your trust has an **Individual/s as trustee/s**, please complete **Section 1.1** with the trustee's details and this section with details of the trust.

If your trust has a **company/ies as trustee/s**, please complete **Section 1.2** with the trustee's details and this section with details of the trust.

Full Name of Trust/ Super Fund

ABN TFN

Type

Contact

For Trust/Super Fund, indicate whether the TFN belongs to: Trustee Company Partnership Other

Country of Residence for Tax Purposes

The full name and address of each trustee of the trust

Trustee 1

Name

Address State Postcode

Trustee 2

Name

Address State Postcode

Note: If the trust has more than two trustees, please provide additional details on a separate piece of paper that is marked with the name of the trust and include it with this application form.

Tick here if you have included details of additional trustees.

Please complete Sections 2 to 7 and Section 8.3

1.4. Partnership Applicant

If your partnership has **individual partners**, please complete **Section 1.1** with one partner's details and this section with details of the partnership.

If your partnership has **corporate partners**, please complete **Section 1.2** with one partner's details and this section with details of the partnership.

Full Name of Partnership	<input type="text"/>	
Registered Business Name of Partnership (if any)	<input type="text"/>	
Registered Business Number of Partnership (if any)	<input type="text"/>	
Number of Partners	<input type="text"/>	
Registered Address of Partnership	<input type="text"/>	
	State	Postcode
Country where Partnership established	<input type="text"/>	

Please complete **Sections 2 to 7** and **Section 8.4**

1.5. Association Applicant

Full name of Association	<input type="text"/>	
ID number issued on Incorporation (if any)	<input type="text"/>	TFN <input type="text"/>
Country of Residence for Tax Purposes	<input type="text"/>	
Registered Address	<input type="text"/>	
	State	Postcode
Principal Place of Business	<input type="text"/>	
	State	Postcode

Name and full residential address of the Chairman or equivalent officer

Full Name	<input type="text"/>	
Residential Address (this must not be a PO Box)	<input type="text"/>	
	State	Postcode

Name and full residential address of the Secretary or equivalent officer

Full Name	<input type="text"/>	
Residential Address (this must not be a PO Box)	<input type="text"/>	
	State	Postcode

Name and full residential address of the Treasurer or equivalent officer

Full Name

Residential Address

(this must not be a PO Box) State Postcode

Please complete Sections 2 to 7 and Section 8.5

1.6. Government Body Applicant

Full name of Government Body

Principal Place of Operations

Please tick one category:

Commonwealth of Australia Government Body

or

Australian State or Territory Government Body State

or

Foreign Country Government Body Country

Please complete Sections 2 to 7 and Section 8.6

2. Contact details

Name of Primary Contact

Preferred address for correspondence

State Postcode

Phone (h) Phone (w)

Facsimile

Email

3. How much to invest

Please note that the minimum direct initial investment is A\$500,000. Minimum additional investment is \$A50,000

Fund	Amount
Investors Mutual Australian Share Fund	A\$ <input type="text"/>
Investors Mutual Value & Income Fund	A\$ <input type="text"/>
Investors Mutual Industrial Share Fund	A\$ <input type="text"/>
Investors Mutual Small Cap Fund	A\$ <input type="text"/>
Investors Mutual Future Leaders Fund	A\$ <input type="text"/>
Investors Mutual Australian Smaller companies Fund	A\$ <input type="text"/>

Payment method Cheque EFT Bank Deposit

Cheques should be made payable to: "RBC Dexia IS AN IML Apps A/c <Name of Investor>"

4. Income Distribution Instructions

I/we elect to receive distributions by:

- Please reinvest income
- Please pay income to the Australian bank, building society or credit union account detailed below

Account Name

Name of Institution

Address

BSB

Account No.

If no election is made, distributions will automatically be reinvested.

5. Declaration & Signature

- I / We have read and understood the attached PDS dated 22 January 2009 and this application form (as completed) and agree to be bound by the provisions set out in the PDS and the Fund/s constitution/s, as amended from time to time.
- I / We are over 18 years of age.
- I / We declare that I am / we are not commonly known by any other names different to those disclosed in this application form.
- I / We declare any documents or information whatsoever used for verification purposes in support of my/our application are complete and correct.
- I / We agree to give further information or personal details to Investors Mutual Limited if required to meet its obligations under anti-money laundering, counter-terrorism financing and taxation legislation.
- These declarations are to apply to each application which I/we may from time to time make for units in the Fund/s, as if made in respect of each such application.
- I / We acknowledge that it may be a criminal offence knowingly to provide false, forged, altered or falsified documents or misleading information or documents when completing this Application.
- I / We acknowledge that neither Investors Mutual Limited nor any other party guarantees the repayment of capital, payment of income or the performance of the Funds.
- I / We acknowledge that if this is a joint application, our investment is as joint tenants.
- I / We acknowledge that the acceptance of my/our application form will be at the sole discretion of Investors Mutual Limited.
- I / We acknowledge that the information contained in the PDS is not investment advice or a recommendation that a Fund is suitable for my/our investment needs.
- I / We understand that I / we do not have to provide my / our Tax File Number, Australian Business Number or Australian Taxation Office Exemption Number, but if I/we do not, tax will be deducted from income distributions at the highest marginal rate plus Medicare Levy.
- If signed under Power of Attorney, the Attorney hereby declares that he / she is authorised under that Power to execute this document and has not received notice of revocation of that Power.

- If the applicant is a company and the application is not executed by Power of Attorney, the signatories declare that they are:
 Two directors of the company; or
 A director and company secretary of the company; or
 For a proprietary company that has a sole director who is also the sole company secretary (or where there is no company secretary), that director.
- I/We acknowledge that if I/we make additional investments in a Fund, I/we have received the current PDS at the time of making the additional investment.
- This application Form, once signed by me, holds me to a number of representations and warranties, among other things, relating to matters of which Investors Mutual Limited must seek confirmation in order to comply with the provisions of the Anti-Money Laundering and Counter Terrorism Financing Act 2006.

5.1. Applicant 1 / Director / Sole Director

Print Name

Signature Date

5.2. Applicant 2 / Director / Company Secretary

Print Name

Signature Date

- Please tick if sole Director and Company Secretary

6. Appointment of Authorised Nominee

You may appoint an Authorised Nominee to act on your behalf, on the terms set out in Section 21 of the PDS dated 22 January 2009, by completing this section. An Authorised Nominee must be at least 18 years of age.

Strike out the following if not applicable

1. I / We hereby appoint:

Full Name of Authorised Nominee

PO Box / Street Address

	State	Postcode

as my/our Authorised Nominee to do the following things in respect of my/our investment in the:

- Investors Mutual Australian Share Fund and/or (Please delete fund/s not applicable)
 Investors Mutual Value & Income Fund and/or
 Investors Mutual Industrial Share Fund and/or
 Investors Mutual Small Cap Fund and/or
 Investors Mutual Future Leaders Fund and/or
 Investors Mutual Australian Smaller Companies Fund and/or

- provide investment instructions in respect of the Fund/s;
- prepare, sign and provide requests to redeem units in the Fund/s;
- give directions in relation to payment of distributions;
- advise of changes to my/our details in respect of my/our investment in the Fund/s; and
- obtain information about my/our investment in the Fund/s.

2. Applicant 1

Signature Date

3. Applicant 2 (If there is no Applicant 2, please strike out this section)

Signature Date

Strike out if not applicable

I agree to be bound by the provisions set out in Section 21 of the PDS dated 22 January 2009 under the heading "Appointment of authorised nominee" and I understand the terms of the Authorisation hereby given to me.

4. Authorised Nominee

Signature Date

7. How to certify a document

To comply with our obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act), we must collect certain information about each investor. In some cases, this information must be supported by a “certified copy” or “certified extract” of an identification document.

Details of a Certifier

Name	<input type="text"/>		
Address	<input type="text"/>		
	<input type="text"/>	State	Postcode
Phone Number	<input type="text"/>		
Category of Certifier (refer to list below)	<input type="text"/>		

Each document provided with this form must be certified by an acceptable certifier. **We will not accept photocopies or facsimiles of a certification.** A certified copy is a document that has been certified as a true and correct copy of an original document. A certified extract is an extract that has been certified as a true copy of the relevant information contained in the original document.

For documentation certified in Australia

Copies can be certified by any one of the following:

- an officer with, or authorised representative of a holder of an AFSL, having two or more continuous years of service with one or more AFSL holders
- an officer with two or more continuous years of service with one or more finance companies or financial institutions
- a permanent employee of Australia Post with two or more years of continuous service who is employed in an office supplying postal services to the public
- an agent of Australia Post who is in charge of an office supplying postal services to the public
- a justice of the peace
- a person who is enrolled on the roll of the Supreme Court of an Australian state or territory, or the High Court of Australia, as a legal practitioner (however described)
- a judge of a court
- a magistrate
- a chief executive officer of a Commonwealth court
- a registrar or deputy registrar of a court
- an Australian police officer
- an Australian consular or diplomatic officer
- a member of the Institute of Chartered Accountants in Australia, CPA Australia or the National Institute of Accountants with two or more years of continuous membership
- a notary public.

For documentation certified in a foreign country

Copies can be certified by either of the following:

- an Australian consular officer, or
- a notary public.

Documents written in a language other than English must be accompanied by an English translation prepared by an accredited translator.

Information to be provided on certified copies

Certifier's Details

The person signing the copy of any document must include the following details on each certified copy:

- the date of certification
- full name in block capital letters
- address
- telephone number
- the capacity (as noted above) in which certifier is signing, and
- an official stamp/seal of the certifier's organisation, if applicable.

Certifier's Declaration

Certifiers must include the following declarations, as appropriate, on each certified copy:

On the front page of every document

- For all copies:
"I certify that I have seen the original documentation and this copy (or, this and the following pages,) is a complete and accurate copy of that original".
- For photographic documents:
"I certify that I have seen the original documentation and that the photograph is a true likeness and this copy (or, this and the following pages,) is a complete and accurate copy of that original".

8. AML/CTF Act Identification Documentation

All relevant identification documents must be duly certified. We cannot accept applications without these documents.

Please refer to Section 7 for certification directions.

8.1 Individual/Joint Applicants

Please provide one Primary or two Secondary Documents.

Primary Documents

Please tick to indicate which one of the following documents is being provided for each investor:

- Certified copy of a current Australian passport. For Australian passports only, we will accept a passport that expired within the two years prior to submitting this application form, or
- Certified copy of a current foreign passport that shows your photograph, date of birth and signature. If your passport is written in a language other than English, it must be accompanied by an English translation prepared by an accredited translator, or
- Certified copy of a current Australian driver's licence (must contain your photograph, date of birth and signature and include front and back of licence), or
- Certified copy of a current card issued by an Australian state or territory for the purpose of proving a person's age (must contain your photograph, date of birth and signature and front and back of the card).

Secondary Documents

If you do not have any of the primary documents above, we will accept certain Australian or foreign documentation.

Please tick below to indicate whether you are providing Australian or foreign documentation.

- Australian documentation

Please provide one document from each of the groups below.

Please tick below to indicate which document you are providing:

Group 1

- Certified copy of an Australian birth certificate, or
- Certified copy of an Australian citizenship certificate, or
- Certified copy of a pension or health card issued by Centrelink,

And

Group 2

- An original notice, showing your name and residential address, issued in the preceding 12 months by the Australian Taxation Office or any Australian Commonwealth, State or Territory Government body, or
- An original notice (such as an electricity bill or rates notice) showing your name and residential address, issued in the preceding 3 months by a local government body or a utilities provider.
- Foreign documentation

Please tick to indicate you are providing the following:

Group 1

- Certified copy of national identity card issued by a foreign government, the United Nations (UN) or an agency of the UN (must contain your photograph date of birth and signature),

And

Group 2

- Certified copy of foreign driver's licence (must contain your photograph, date of birth and signature).
- Sole Trader**

If Applicant is a Sole Trader, please tick to indicate you are providing:

- a Business Name Search (if applicable)
- ABN number (if applicable)

8.2 Company

Please provide one of the following documents.

Please tick to indicate that you are providing:

Domestic Company

- A search of the relevant domestic stock exchange; or
- A public document issued by the relevant company (e.g. Annual Report); or
- A search of the relevant ASIC database; or
- A search of the licence or other records of the relevant regulator.

Or

Foreign Company

- Certified copy of a certificate of registration or incorporation issued by the relevant foreign registration body (must show full registered name of company, name of registration body, foreign company identification number and the type of company – private or public). If the certificate is written in a language other than English, it must be accompanied by an English translation prepared by an accredited translator.

8.3 Trust

Please provide a document in Group 1 or two documents in Group 2.

Please tick to indicate that you are providing:

Group 1

- Search result downloaded from the relevant regulator's website showing the full name of the trust, and that the trust is a registered scheme, regulated trust or government superannuation fund,

Or

Group 2

- Certified copy or certified extract of the trust deed confirming the full name of the trust, or
- Notice (such as assessment notice) issued to the trust by the Australian Taxation Office within the preceding 12 months, or
- Letter from a solicitor or qualified accountant verifying the name of the trust,
- and**
- List of the full names and addresses (not PO Boxes) of all beneficiaries. If beneficiaries are identified by reference to a class – details of the class.

8.4 Partnership

Please provide the following documents

Please tick to indicate that you are providing:

- List of the full names and residential addresses (not PO Boxes) of all partners in partnership

Please tick to indicate that you are providing one of the following:

- Certified copy or certified extract of the partnership agreement; or
- Certified copy or a certified extract of minutes of a partnership meeting; or
- Original current membership certificate (or equivalent) of a professional association; or
- Membership details independently sourced from the relevant professional association; or
- Search of the relevant ASIC or other regulator's database; or
- Notice issued by the Australian Taxation Office within the last 12 months, etc. Notice of Assessment (with TFN blocked out); or
- Certified copy of a certificate of registration of business name issued by a government or government agency in Australia.

8.5 Association

Please provide one of the following documents.

Please tick to indicate that you are providing:

- Certified copy of a certificate of registration of association, or
- Certified copy of a certificate of incorporation of association issued by relevant Commonwealth or State registration body.

8.6 Government Body

Please provide one of the following documents.

Please tick to indicate that you are providing:

- Certified copy of certificate/document confirming existence of body; or
- Certified copy of register of government bodies including applicant body; or
- Certified copy of extract of legislation establishing body obtained from a reliable and independent source, such as a government website.

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26.

Who to Contact

For Application and Redemption requests:

Investors Mutual Limited
c/- RBC Dexia Investor Services Trust – Registry
Operations
GPO Box 4537
Melbourne VIC 3001
Australia
Facsimile: +61 2 8262 5492

For further information about Investor Mutual Limited and the Fund:

Investors Mutual Limited
Level 8, 10 Spring Street
Sydney NSW 2000
Australia
or
PO Box H104
Australia Square NSW 1215
Australia
Phone: +61 2 9232 7500
Facsimile: +61 2 9232 6783
Email: mail@iml.com.au
Internet: <http://www.iml.com.au>

To make a complaint:

Compliance Manager
Investors Mutual Limited
P.O. Box H104
Australia Square NSW 1215
Australia

Adviser Enquiries:

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Adviser Services Manager
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