

# Vanguard Personal Investor Supplementary Investor Guide

**Dated: 10 November 2023**

Issued by: Vanguard Investments Australia Ltd (Vanguard), ABN 72 072 881 086, AFS Licence 227263 as operator of Vanguard Personal Investor, which is an investor directed portfolio service (IDPS).

## **About this document**

This Supplementary Investor Guide (**Supplementary Guide**) is to be read together with the Vanguard Personal Investor - Investor Guide including Terms and Conditions dated 30 May 2023 (**Guide**), the Vanguard Personal Investor – Supplementary Investor Guide dated 03 October 2023, and any other documents which the Guide incorporates by reference.

Words and expressions defined in the Guide have the same meaning in this Supplementary Guide.

Except to the extent amended by this Supplementary Guide or updated on our website, the Guide remains in full force and effect.

## Updates to the Terms and Conditions

New terms and conditions – effective 10 November 2023	Previous clause
<b>1. Your contract with us</b> <p>(j) You acknowledge that Vanguard will not be familiar with, and is not responsible for being familiar with, the contents of any document that you provide in connection with your application or account, for example, trust deeds, partnership agreements, constitutions, governing rules and minutes of resolutions. You release Vanguard from all responsibility and liability (other than responsibility or liability that arises as a result of the negligence, fraud or wilful misconduct of Vanguard or its officers, employees, contractors or agents) in connection with any action or inaction by Vanguard which constitutes or gives rise to an inconsistency with, or breach of, any such documents, and will indemnify Vanguard in respect of any such liability.</p>	<b>1. Your contract with us</b> <p>(j) You acknowledge that Vanguard will not be familiar with, and is not responsible for being familiar with, the contents of any document that you provide in connection with your application or account, for example, trust deeds, partnership agreements, constitutions, governing rules and minutes of resolutions. You release Vanguard from all responsibility and liability whatsoever in connection with any action or inaction by Vanguard which constitutes or gives rise to an inconsistency with, or breach of, any such documents, and will indemnify Vanguard in respect of any such liability.</p>
<b>2. Vanguard Personal Investor Kids Account</b> <p>(d) You acknowledge that by appointing an Authorised Representative, you agree to be responsible for the actions of the nominated authorised representative(s). You also release, discharge and agree to indemnify Vanguard for any losses, liabilities, actions, proceedings, accounts, claims and demands in respect of any liabilities arising out of this appointment (other than those that arise as a result of the fraud, negligence or wilful misconduct of Vanguard or its officers, employees, contractors or agents).</p>	<b>2. Vanguard Personal Investor Kids Account</b> <p>(d) You acknowledge that by appointing an Authorised Representative, you agree to be responsible for the actions of the nominated authorised representative(s). You also release, discharge and agree to indemnify Vanguard for any losses, liabilities, actions, proceedings, accounts, claims and demands in respect of any liabilities arising out of this appointment.</p>
<b>5. Your Vanguard Cash Account</b> <p>(c) You will be responsible for any fees, costs, charges or expenses we incur as a result of funds in your Vanguard Cash Account not being cleared at the time we withdraw them to process a transaction (other than those that arise as a result of the fraud, negligence or wilful misconduct of Vanguard or its officers, employees, contractors or agents).</p>	<b>5. Your Vanguard Cash Account</b> <p>(c) You will be responsible for any fees, costs, charges or expenses we incur as a result of funds in your Vanguard Cash Account not being cleared at the time we withdraw them to process a transaction.</p>
<b>6. Auto Invest (where selected)</b> <p>(f) You will be responsible for any fees, costs, charges or expenses you incur if your bank dishonours our direct debit request (other than those that arise as a result of the fraud, negligence or wilful misconduct of Vanguard or its officers, employees, contractors or agents).</p>	<b>6. Auto Invest (where selected)</b> <p>(f) You will be responsible for any fees, costs, charges or expenses you incur if your bank dishonours our direct debit request.</p>

**7. When we may not act on your instructions**

(a) Where we consider that it is reasonably necessary in order to manage a material risk we may reject or cancel your instructions in relation to your investments. We will notify you as soon as practicable if this occurs and let you know the reason.

(b) We may not act on your instructions in any of the following circumstances:

(vi) If acting on them:

(A) at the time they are received, is not permitted, or is restricted for any reason (for example, market closure or suspension); or

(B) would otherwise be impracticable to execute (and declining to act is reasonably necessary to protect Vanguard's legitimate interest(s)).

(vii) if we reasonably consider that acting on them would give rise to a material risk to us (including the risk of damage to our reputation).

(viii) if you do not comply with the rules set out under the section 'Anti-money laundering, counter terrorism financing obligations, sanction laws and anti-bribery and corruption laws' in this Guide (and declining to act is reasonably necessary to protect Vanguard's legitimate interests).

**7. When we may not act on your instructions**

(a) At Vanguard's discretion we may reject or cancel your instructions in relation to your investments. We will notify you promptly if this occurs and let you know the reason.

(b) We may not act on your instructions in any of the following circumstances:

(vi) If acting on them:

(A) at the time they are received, is not permitted, or is restricted for any reason (for example, market closure or suspension); or

(B) would otherwise be impracticable to execute for any reason

(vii) If acting on them would be contrary to relevant market practices.

(viii) If you do not comply with the rules set out under the section 'Anti-money laundering, counter terrorism financing obligations, sanction laws and anti-bribery and corruption laws' in this Guide.

**8. Termination or suspension**

(a) Vanguard may terminate the IDPS Contract and/or suspend activity on your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be), and accordingly you will not be able to undertake any transaction in relation to the account in the following circumstances:

(i) there is insufficient balance in your Vanguard Cash Account to cover your fees and 30 days after we have given you notice that the deposit payment is required you have not deposited money into your Vanguard Cash Account, or there are no other assets in your Vanguard Personal Investor Account, or the assets are not able to be sold;

(ii) we are required to close your account to meet our legal or regulatory obligations. We will give you notice of termination or suspension if permitted by law to do so

**8. Termination or suspension**

(a) Vanguard may terminate the IDPS Contract and/or suspend activity on your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be), and accordingly you will not be able to undertake any transaction in relation to the account, at any time by reasonable notice to you, or without notice to you in any of the following circumstances:

(i) there is insufficient balance in your Vanguard Cash Account to cover your fees and:

(A) you have not deposited money into your Vanguard Cash Account 30 days after we have given you notice that the deposit payment is required; or

(B) there are no other assets in your Vanguard Personal Investor

but the notice may not be advance notice;

- (iii) you are in breach of the IDPS contract or any of the conditions set out in this Guide and the breach is incapable of remedy and gives rise to a material risk to us;
- (iv) you are in breach of the IDPS contract or any of the conditions set out in this Guide and the breach is capable of remedy but you fail to remedy the breach within 30 days after we give you notice of the breach and the failure gives rise to a material risk to us;
- (v) you have provided false or misleading information to us in relation to your account or have otherwise engaged in unsatisfactory conduct and the use of that information or that conduct gives rise to a material risk to us;
- (vi) you fail to provide, within any reasonable time we stipulate, information or documentation that we need in order to manage appropriately any material risks to which we are exposed (including the risk of damage to our reputation); or
- (vii) we consider that we need to close your account for any other reason in order to manage appropriately any material risks to which we are exposed (including the risk of damage to our reputation).

Account, or the assets are not able to be sold;

- (ii) you are in breach of the IDPS Contract;
- (iii) we are required to close your account to meet our legal and regulatory obligations;
- (iv) you have provided false or misleading information to use in relation to your account; or
- (v) we suspect that there is a breach of any of the conditions set out in this Guide, there is unsatisfactory conduct by you, if you fail to provide required information and documentation as requested within a stipulated time period, or if we consider that we need to close your account for any other reason in order to manage appropriately any risks to which we are exposed (including the risk of damage to our reputation).

(b) Where Vanguard terminates your IDPS Contract, the process set out in clause 9(b) will apply. If we are unable to deliver, transfer or pay an asset in accordance with your instruction or otherwise obtain instructions from you for the delivery, payment or transfer of an asset, you authorise and instruct Vanguard, at its discretion, to redeem any assets held in your Vanguard Personal Investor Account and pay the proceeds to your linked Australian bank account. Vanguard is not liable for any loss, cost or expense that may arise, or that you may incur, in connection with any action taken under this clause (other than those that may arise as a result of the fraud, negligence or wilful misconduct of Vanguard or its officers, employees, contractors or agents).

(b) Where Vanguard terminates your IDPS Contract, the process set out in clause 9(b) will apply. If we are unable to deliver, transfer or pay an asset in accordance with your instruction or otherwise obtain instructions from you for the delivery, payment or transfer of an asset, you authorise and instruct Vanguard, at its discretion, to redeem any assets held in your Vanguard Personal Investor Account and pay the proceeds to your linked Australian bank account. Vanguard is not liable for any loss, cost or expense that may arise, or that you may incur, in connection with any action taken under this clause.

**14. Fees, costs, charges and expenses**

(a) You are responsible for any applicable fees, costs, charges and expenses in relation to your account and investments held in your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be) other than those that may arise as a result of the fraud, negligence or wilful misconduct of Vanguard or its officers, employees, contractors or agents.

(b) If we consider it necessary or desirable, we may either pay the fees, costs, charges and expenses from your Vanguard Cash Account, or set off the fees, costs, charges and expenses against any amounts payable by Vanguard to you. If, after we have done either or both of those things, fees, costs, charges or expenses remain unpaid, we will notify you and give you a reasonable time to pay the outstanding amount. If any amount remains unpaid after that time expires we may:

- (i) suspend your use of Vanguard Personal Investor for such time as the fees, costs, charges and expenses remain unpaid; or
- (i) sell down any of your assets to meet the fees, costs, charges and expenses

**15.7. Identity of Sub-Custodian and agents**

(b) Vanguard may give written notice to you after Client Assets are transferred to a new Sub-Custodian or other agent, where in Vanguard's reasonable opinion the appointment must be made before it is practicable to give the notice required under clause 15.7(a) of these Terms and Conditions, in order to preserve or safeguard Client Assets or any Client Asset, or assets of Vanguard's clients generally or a group of them.

**14. Fees, costs, charges and expenses**

a) You are responsible for any applicable fees, costs, charges and expenses in relation to your account and investments held in your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be).

(b) If we consider it necessary or desirable, we may:

- (i) pay the fees, costs, charges and expenses from your Vanguard Cash Account;
- (ii) set off the fees, costs, charges and expenses against any amounts payable by Vanguard to you;
- (iii) suspend your use of Vanguard Personal Investor for such time as the fees, costs, charges and expenses remain unpaid; or
- (iv) sell down any of your assets to meet any the fees, costs, charges and expenses.

**15.7. Identity of Sub-Custodian and agents**

(b) Vanguard may give written notice to you after Client Assets are transferred to a new Sub-Custodian or other agent, where in Vanguard's opinion the appointment must be made before it is practicable to give the notice required under clause 15.7(a) of these Terms and Conditions, in order to preserve or safeguard Client Assets or any Client Asset, or assets of Vanguard's clients generally or a group of them.

# Vanguard Personal Investor Supplementary Investor Guide

Dated: 03 October 2023

Issued by: Vanguard Investments Australia Ltd (Vanguard), ABN 72 072 881 086, AFS Licence 227263 as operator of Vanguard Personal Investor, which is an investor directed portfolio service (IDPS).

## About this document

This Supplementary Investor Guide (**Supplementary Guide**) is to be read together with the Vanguard Personal Investor – Investor Guide including Terms and Conditions dated 30 May 2023 (**Guide**) and the other documents which the Guide incorporates by reference.

Words and expressions defined in the Guide have the same meaning in this Supplementary Guide.

Except to the extent amended by this Supplementary Guide or updated on our website, the Guide remains in full force and effect.

In addition to the terms defined above, in this Supplementary Guide:

- (a) Words and expressions defined in the Guide have the same meaning.
- (b) **Transferring investor** means an investor in the Vanguard Investor Fund(s) (**Retail Funds**) and/or the Vanguard Wholesale Funds (**Wholesale Funds**) who has transferred their investments to Vanguard Personal Investor pursuant to the transfer scheme.
- (c) **Transferring investments** means an investor with investments in Vanguard managed funds held in Vanguard Personal Investor as a result of the transfer scheme.
- (d) **Transfer scheme** means the scheme to transfer investors from the relevant Vanguard Retail Funds and/or Wholesale Funds to Vanguard Personal Investor which was approved by members on 15 August 2023 and is scheduled to take effect in October 2023.

## Updates to the Guide

The updates to the Guide in Part 1 below apply only to transferring investors and are effective from the date that the relevant investments are transferred to Vanguard Personal Investor pursuant to the transfer scheme. The updates in Part 2 below apply to all investors in Vanguard Personal Investor and are effective from the date of this Supplementary Guide.

### Part 1. Updates to the Guide applying to transferring investors only

On **page 5** of the Guide:

The section titled **"Key features and benefits at a glance"** under **"Low investment minimums"** is replaced as follows:

#### Low investment minimums

	MINIMUM INITIAL INVESTMENT	MINIMUM ADDITIONAL INVESTING	AUTO INVEST
Vanguard managed funds	\$500*	No minimums	\$200 per cycle
Vanguard ETFs	\$500	\$500	
ASX listed direct shares	\$500	\$500	N/A

\* The \$500 minimum initial investment amount for Vanguard managed funds does not apply to transferring investors transferring their investments to Vanguard Personal Investor under the transfer scheme.

On **page 6** of the Guide:

The section titled **"Account types available on Vanguard Personal Investor"** is replaced as follows:

#### Account types available on Vanguard Personal Investor

Vanguard Personal Investor is currently available for

- Individual investors over 18 years old,
- Joint investors,
- Trustees of self-managed super funds (SMSFs),

- Australian registered proprietary companies,
- Trustees of the following trust types
  - Discretionary, Family, Testamentary, Foundation, Registered Charities, certain Special Disability Trusts and Unit Trusts, and
- Adult investors who would like to set up an account for the benefit of a minor under the age of 18 years (please refer to the *Vanguard Personal Investor Guide Part B – Investor Guide for Vanguard Personal Investor Kids Accounts* for more information).

The above is subject to certain eligibility requirements set out on our website at [vanguard.com.au/personal/invest-with-us/account-types/individual](https://vanguard.com.au/personal/invest-with-us/account-types/individual). At our discretion, we may waive the eligibility requirements and accept account types other than those listed above.

The eligibility requirements are waived by Vanguard for transferring investors transferring their investments to Vanguard Personal Investor under the transfer scheme. Margin loan accounts are only available to transferring investors transferring their investments to Vanguard Personal Investor under the transfer scheme.

You do not need to have a financial adviser to open a Vanguard Personal Investor Account.

If you are the holder of a Power of Attorney (POA) and want to open an individual account and operate the account on behalf of an investor, please contact us.

On **page 7** of the Guide:

The **first bullet point** in the section titled **"Vanguard Cash Account"** under **"About your Vanguard Cash Account"** is replaced as follows:

- All money received in relation to transactions on your investments will be paid into or out of your Vanguard Cash Account (other than for transferring investors transferring their investments to Vanguard Personal Investor under the transfer scheme, who have elected for cash distributions to be paid directly to their linked Australian bank account. We intend to have this functionality available by 31 December 2023).



On **page 10** of the Guide:

The **third bullet point** in the section titled **"Investing in managed funds"** under **"Buying and selling managed funds"** is replaced as follows:

- A minimum purchase amount of \$500 applies to the initial purchase of any managed fund (unless you are using Auto Invest where there is no minimum initial purchase amount per managed fund). If you are adding to an existing fund you already hold, there is no minimum investment amount. There is no ongoing minimum holding that must be maintained for managed funds. However, the \$500 minimum initial purchase amount does not apply to transferring investors transferring their investments to Vanguard Personal Investor under the transfer scheme.

On **page 11** of the Guide:

A **new bullet point** is added to the section titled **"Investing in managed funds"** under **"Buying and selling managed funds"** as follows:

- Restrictions apply on the sale of managed funds (redemptions) for margin loan accounts. For margin loan accounts, the margin lender will need to provide Vanguard with instructions for a redemption request until the margin loan is removed from the Vanguard Personal Investor Account (which can only occur when confirmation has been received by us from the margin lender that the loan has been discharged in full).

On **page 11** of the Guide:

The section titled **"Distributions from managed funds"** is replaced as follows:

- Any distribution you receive from a managed fund will automatically be reinvested in further units of the same fund (if permitted by the fund), subject to you providing Vanguard with your Tax File Number (TFN), Australian Business Number (ABN) or tax exemption. For transferring investors transferring their investments to Vanguard Personal Investor under the transfer scheme, your existing distribution election will remain the same and apply to your Vanguard Personal Investor Account.

- If you would prefer to have these distributions paid to your Vanguard Cash Account, please contact us via secure message. It is intended that in future you will be able to change your distribution election via Vanguard Online and we will notify you when it is available via a website update. In addition, the ability for cash distributions to be paid directly to your Australian linked bank account is expected to be available by 31 December 2023 and we will notify you via a website update when it is available.
- Distribution reinvestment is subject to the terms and conditions outlined in the PDS of the relevant fund. If you do not provide us with your Tax File Number (TFN), Australian Business Number (ABN) or reason for exemption, or if you are not an Australian resident for tax purposes, distribution reinvestment will not be available. Instead, distributions will be paid to your Vanguard Cash Account less any applicable withholding tax.
- We recommend that you consider checking before each distribution date, for the funds you have invested in, whether there is a new PDS available for the fund, and if there is that you read the latest version of the PDS.

On **page 11** of the Guide:

The section titled **"Transferring managed fund investments to your Vanguard Personal Investor Account"** is replaced as follows:

- As at the date of this Guide, transfers of managed fund investments into your Vanguard Personal Investor Account is not available (except for transferring investors transferring their investments to Vanguard Personal Investor under the transfer scheme). Vanguard intends to offer this in future and may permit transfers in exceptional circumstances.
- If you wish to transfer your Vanguard Personal Investor holdings onto another platform, please contact us.



On **page 34** of the Guide:

The **Terms and Conditions "clause 5(a). Your Vanguard Cash Account"** is replaced as follows:

- (a) You direct us to hold your money in your Vanguard Cash Account until you make a purchase of investments or make a withdrawal (other than for transferring investors transferring their investments to Vanguard Personal Investor under the transfer scheme, who have elected for cash distributions to be paid directly to their linked Australian bank account. We intend to have this functionality available by 31 December 2023).

## **Part 2: Updates to the Guide applying to all investors in Vanguard Personal Investor**

On **page 2** of the Guide:

The section titled **"Your contract with us"** is replaced as follows:

### **Your contract with us**

By opening a Vanguard Personal Investor Account and accepting the Terms and Conditions, you offer to enter into a contract with Vanguard. A contract is formed when we accept your application.

Your rights and obligations as a client of Vanguard Personal Investor and our rights and obligations as operator of Vanguard Personal Investor are governed by:

- the Deed Poll for Vanguard Personal Investor, which is the document signed by Vanguard to establish and set out the rules of Vanguard Personal Investor; and
- the terms of the contract between you and Vanguard (the IDPS Contract), which are set out in the Terms and Conditions set out in this Guide.

You are bound by the terms of the Deed Poll and the IDPS Contract when we accept your application. A copy of the Deed Poll is available from us free of charge on request.

On **page 8** of the Guide:

The section titled **"Conditions/limitations on your Vanguard Cash Account"** is replaced as follows:

### **Conditions/limitations on your Vanguard Cash Account**

- Deposits into the Vanguard Cash Account will only be accepted in Australian dollars (AUD) from an Australian bank account. Vanguard may, at its discretion accept other forms of payment which may be subject to different payment minimums.
- Your Vanguard Cash Account cannot be used to make BPAY payments or direct credit payments to other institutions or retailers.
- In general, we do not allow your Vanguard Cash Account balance to fall below zero. However, if this occurs and your balance remains below zero we may sell investments from your portfolio to cover any outstanding liabilities. We will ask you to deposit money into your Vanguard Cash Account or sell investments of your choosing to cover the outstanding liabilities before we sell any investments on your behalf.
- If you do not deposit money into your Vanguard Cash Account to cover your outstanding liabilities in the time specified, we will sell units from your largest managed fund holding first. If you do not hold any managed funds, we will sell from your largest listed security holding (ETFs or direct shares).
- In limited circumstances we may be required to pay the amounts to an account other than your Vanguard Cash Account for example as directed by a court order, regulatory body or authority, liquidator, or administrator.

On **page 11** of the Guide:

The **second bullet point** in the section titled **"Distributions from managed funds"** is replaced as follows:

- If you would prefer to have these distributions paid to your Vanguard Cash Account, please contact us via secure message. It is intended that in future you will be able to change your distribution election via Vanguard Online and we will notify you when it is available via a website update. In addition, the ability for cash distributions to be paid directly to your Australian linked bank account is expected to be available by 31 December 2023 and we will notify you via a website update when it is available.

On **page 17** of the Guide:

The section titled **"Investing through Vanguard Personal Investor is different to investing directly"** under **"Voting rights"** is replaced as follows:

	INVESTING THROUGH VANGUARD PERSONAL INVESTOR	INVESTING DIRECTLY
Voting rights	<p>Vanguard holds your investments in custody and as you are not the registered holder, you do not have any direct voting rights in relation to your investments held through Vanguard Personal Investor.</p> <p>However, you do have certain rights to direct Vanguard to vote on your behalf in respect of Vanguard managed funds and Vanguard ETFs:</p> <ul style="list-style-type: none"><li>• you will receive information from Vanguard about any matter to be voted on by unitholders at a meeting of members; and</li><li>• you will have the ability to direct Vanguard, in respect of the number of interests you beneficially hold in the Vanguard managed fund or ETFs, as to how to vote at the meeting of members of the Vanguard managed fund or ETF (as applicable).</li></ul> <p>Please refer to the <i>Vanguard Personal Investor Voting Policy</i>, available on our website at <a href="http://vanguard.com.au/personal">vanguard.com.au/personal</a>, for further details.</p>	<p>As the legal and beneficial owner you are entitled to exercise any voting rights and directly participate in investor proposals.</p> <p>You can also attend member general meetings.</p>

On **page 31** of the Guide:

The section titled **"Other important information"** under **"Electronic notifications"** is replaced as follows:

### **Electronic notifications**

To ensure you have the most up to date information about your investments we will send you electronic notifications via email or through Vanguard Online. These notifications will provide you with information such as updates to our services, confirmation of transactions or changes to our fees. Please ensure you keep your contact details up to date. If you prefer to receive information by mail, please contact us.

For transferring investors transferring their investments to Vanguard Personal Investor under the transfer scheme, your existing communication preference will remain the same and apply to your Vanguard Personal Investor Account.

### **Marketing and promotional materials**

From time to time, Vanguard and Vanguard related companies may send you information about products and services for marketing purposes. If you do not wish to receive

marketing and promotional materials, you can unsubscribe through Vanguard Online.

For transferring investors transferring their investments to Vanguard Personal Investor under the transfer scheme, your existing marketing communication preference will remain the same and apply to your Vanguard Personal Investor Account.

On **page 31** of the Guide:

The section titled **"Voting Policy"** is replaced as follows:

### **Voting Policy**

The *Vanguard Personal Investor Voting Policy* is available free of charge on our website at [vanguard.com.au/personal](http://vanguard.com.au/personal) or on request by calling us on 1300 655 101.

Vanguard holds your investments in custody and as you are not the registered holder, you do not have any direct voting rights. You do have certain rights to direct Vanguard to vote on your behalf in respect of Vanguard managed funds and Vanguard ETFs, please refer to the *Vanguard Personal Investor Voting Policy* for further details.

On **page 32** of the Guide:

Under the section titled **"Other important information"** a new section is added titled **"Managing conflicts of interest"**.

### **Managing conflicts of interest**

Vanguard, as operator of Vanguard Personal Investor, has in place a comprehensive conflicts of interest policy. The *Vanguard Conflicts of Interest Policy* outlines the measures Vanguard will take to identify, document and manage any conflicts of interest.

## **Updates to the Terms and Conditions**

On **page 33** of the Guide:

The **Terms and Conditions "clause 1. Your contract with us"** is replaced as follows:

### **1. Your contract with us**

- (a) By opening a Vanguard Personal Investor Account or a Vanguard Personal Investor Kids Account and accepting these Terms and Conditions, you offer to enter a contract with Vanguard. A contract between you and Vanguard is formed when we accept your application.
- (b) Your rights and obligations as a client of Vanguard Personal Investor and our rights and obligations as operator of Vanguard Personal Investor, are governed by:
  - (i) the Deed Poll for Vanguard Personal Investor, which is the document signed by Vanguard to establish and set out the rules of Vanguard Personal Investor; and
  - (ii) the terms of the contract between you and Vanguard (the IDPS Contract), which are set out in these Terms and Conditions.
- (c) You are bound by the terms of the Deed Poll and your IDPS Contract when we accept your application.
- (d) A copy of the Deed Poll is available from us free of charge on request.
- (e) We may vary the Deed Poll in accordance with the Deed Poll, and we may vary these Terms and Conditions in accordance with clause 19 of these Terms and Conditions.
- (f) If you open a Vanguard Personal Investor Account as trustee of a trust (including an SMSF), you warrant that:
  - (i) you are the trustee of the trust;
  - (ii) the trust deed is valid and enforceable;
  - (iii) you have the power and authority to enter into, and exercise any of the trust's rights and obligations under the Deed Poll and IDPS Contract on behalf of the trust; and
  - (iv) you are bound by the terms of the Deed Poll and IDPS Contract both personally and in your capacity as trustee.
- (g) When you apply to open a Vanguard Personal Investor Account:
  - (i) You confirm you have received and read the Investor Guide for Vanguard Personal Investor;
  - (ii) You confirm that all the details you have provided in the account application process are true and correct and will inform Vanguard of any changes to the identification and other information you have supplied Vanguard as and when such changes occur;
  - (iii) You acknowledge that even if all information requested in the account application has been provided and received by Vanguard, during the account application process, even if you provide all of the information requested and they are received by Vanguard, the processing of your application may be postponed or delayed while Vanguard verifies and considers the information;

- (iv) You confirm that you have read the Vanguard Privacy Policy and consent to the handling and disclosure of your personal information as described in the Privacy Policy; and
  - (v) You acknowledge that, in making a decision to apply for a Vanguard Personal Investor Account, the only information and representations provided by Vanguard are those issued by Vanguard;
  - (h) You acknowledge that none of The Vanguard Group, Inc (including Vanguard Investments Australia Ltd) or any of their related entities, directors or officers, guarantees the repayment of capital or the performance of any investment acquired via Vanguard Personal Investor.
  - (i) You acknowledge that by investing through Vanguard Personal Investor, you do not have access to some of the rights and entitlements that would otherwise be available to you as an investor if you had invested in the underlying fund or investment directly. You understand that this includes not having the same access as direct investors to cooling-off rights, withdrawal rights and voting rights as outlined in the Guide.
  - (j) You acknowledge that Vanguard will not be familiar with, and is not responsible for being familiar with, the contents of any document that you provide in connection with your application or account, for example, trust deeds, partnership agreements, constitutions, governing rules and minutes of resolutions. You release Vanguard from all responsibility and liability whatsoever in connection with any action or inaction by Vanguard which constitutes or gives rise to an inconsistency with, or breach of, any such documents, and will indemnify Vanguard in respect of any such liability.
  - (k) You warrant that you are not a US Person as defined under Regulation S of the US federal securities law and will not hold interest in Vanguard Personal Investor for or on behalf of US Persons.
- On **page 38** of the Guide:
- The **Terms and Conditions "clause 13(e). How we will communicate with you"** is replaced as follows:
- (e) At your request we will send to you, by post, the notices and information and the reports, referred to in clause 13(a), clause 13(b) and clause 13(d) respectively of these Terms and Conditions. We will implement a request not later than five business days after you lodge the request (by secure message through Vanguard Online or by phone).
- Updates to the Glossary**
- On **page 43** of the Guide:
- The term **"IDPS Contract"** in the **"Glossary"** is replaced as follows:
- IDPS Contract:** the terms of the contract between you and Vanguard, which are set out in the Terms and Conditions in this document.

# **Vanguard Personal Investor**

Investor Guide including Terms and Conditions

Dated 30 May 2023



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# About this Guide

This Guide dated 30 May 2023 is an Investor Directed Portfolio Service (**IDPS**) Guide for Vanguard Personal Investor, issued by Vanguard Investments Australia Ltd (**Vanguard**), ABN 72 072 881 086, AFS Licence 227263 as operator of Vanguard Personal Investor (**Operator**). Vanguard Personal Investor is an Investor Directed Portfolio Service.

## What is this Guide for?

This Guide (**Guide**) provides you with important information which you should know before investing with Vanguard Personal Investor. It sets out the key features and benefits of investing through Vanguard Personal Investor, the risks involved, the associated costs, the tax implications and the Terms and Conditions of becoming an investor.

The Guide is made up of the following documents which should be read together:

- *Vanguard Personal Investor – Investor Guide including Terms and Conditions* (this document).
- *Vanguard Personal Investor Guide Part B – Investor Guide for Vanguard Personal Investor Kids Accounts* (if relevant for you).

## Other important documents

There are additional documents you should read to help you make an informed investment decision regarding Vanguard Personal Investor. These documents are available free of charge on our website at [vanguard.com.au/personal](https://vanguard.com.au/personal), including:

- Vanguard Personal Investor – Investment Menu which list out the investment options available through Vanguard Personal Investor.
- Disclosure documents (Product Disclosure Statement (**PDS**), Target Market Determination (**TMD**) or other disclosure documents) for each managed fund or exchange traded fund (**ETF**) investment option.
- Vanguard's Financial Services Guide (**FSG**), which contains important information regarding who we are, how we operate, which

financial products and services we offer to investors and our internal and external dispute resolution process.

- The **TMD** for Vanguard Personal Investor, which includes a description of the class of investors for whom Vanguard Personal Investor may be suitable.

## Changes to information in this Guide

Information in this Guide is current as of the issue date and may change from time to time. Where the changes are not materially adverse to investors, the information may be updated on our website at [vanguard.com.au/personal](https://vanguard.com.au/personal). A copy of any updated information is available for investors free of charge upon request by contacting us on 1300 655 101 or through secure message via Vanguard Online.

All dollar amounts are in Australian dollars unless otherwise indicated. This Guide does not constitute an offer or invitation in any jurisdiction other than Australia or to anyone to whom it would not be lawful to make such an offer.

None of The Vanguard Group, Inc. or any of their related entities (including Vanguard Investments Australia Ltd), directors or officers guarantee the repayment of capital or the performance of your investments.

## General advice warning

Information contained in this guide is general information only and does not take into consideration your personal objectives, financial situation or needs. You should read the relevant Product Disclosure Statements for each investment option (where applicable) and consider seeking advice from a licensed financial adviser before making an investment decision. A copy of the Target Market Determinations (or "TMD") for Vanguard's financial products can be obtained at [vanguard.com.au/personal](https://vanguard.com.au/personal) free of charge, which includes a description of who the financial product is appropriate for. You should refer to the TMD of the product before making any investment decisions.



## Contact us

### Registered office

Level 13  
130 Lonsdale Street  
Melbourne VIC 3000

### Postal address

Vanguard Personal Investor  
GPO Box 1837  
Melbourne VIC 3001

### Other

Online: Vanguard Online secure message  
Phone: 1300 655 101  
Website: [vanguard.com.au/personal](https://vanguard.com.au/personal)

## AFS Licence details

Vanguard holds an Australian financial services licence (AFS Licence 227263), which authorises us to act as the operator of Vanguard Personal Investor.

## Your contract with us

By opening a Vanguard Personal Investor Account and accepting the Terms and Conditions, you offer to enter into a contract with Vanguard. A contract is formed when we accept your application.

Your rights and obligations as a client of Vanguard Personal Investor and our rights and obligations as operator of Vanguard Personal Investor are governed by:

- the Deed Poll for Vanguard Personal Investor, which is the document signed by Vanguard to establish and set out the rules of Vanguard Personal Investor; and
- the terms of the contract between you and Vanguard (the IDPS Contract), which are set out in:
  - the online account application form; and
  - the Terms and Conditions set out in this Guide.

You are bound by the terms of the Deed Poll and the IDPS Contract when we accept your application. A copy of the Deed Poll is available from us free of charge on request.

## Defined terms

A number of terms used in this Guide are defined in the glossary at the end of this document.

# Overview

## What is Vanguard Personal Investor?

Vanguard Personal Investor is an online investment platform that provides easy low-cost access to Vanguard managed funds, Vanguard exchange traded funds (**ETFs**) and selected Australian Securities Exchange (**ASX**) listed direct shares.

You can select a combination of available investments to build a diversified portfolio tailored to your specific investment needs to help you achieve your financial goals. A key benefit of investing through Vanguard Personal Investor is access to wholesale managed fund investments that you may not otherwise have access to. These can be combined with investments in ETFs and direct shares, all in the one place.

## Who operates Vanguard Personal Investor?

Vanguard Investments Australia Ltd ("Vanguard", "we", "us", or "our") is the operator of Vanguard Personal Investor. As the operator, Vanguard is solely responsible for the management and operations of Vanguard Personal Investor. Vanguard is also the custodian of Vanguard Personal Investor and holds the interests in assets in your account on trust for you. We may appoint third parties in relation to the provision of services to you, including to delegate our custody role to other custodians (referred to as a 'sub-custodian').

As at the date of this Guide, we have appointed the following key third party service providers:

JP Morgan Chase, N.A. (Sydney Branch) ABN 43 074 112 011, AFS Licence 238367	Appointed as sub-custodian to provide custody services to us in relation to direct shares and ETFs. They will hold those assets on trust for us and we will in turn hold the interest in those assets for you. The role of the sub-custodian is to hold, maintain and deal with assets in accordance with directions received from us. The directions we give the sub-custodian will be based on instructions that we receive from you.
FNZ Australia Pty Ltd (ABN 67 138 819 119)	Administrator of Vanguard Personal Investor.
UBS Securities Australia Ltd (ABN 62 008 586 481, AFS Licence 231098)	Provides brokerage services for the placement and settlement of any direct shares and ETFs.
Australia and New Zealand Banking Group Limited ABN 11 005 357 522 (ANZ)	Banking deposit provider for all payment services associated with depositing and withdrawing money in and out of your Vanguard Cash Account.

ANZ has consented to being named in this Guide in the form and context in which their name is included and have not withdrawn their consent.

# Key features and benefits at a glance

Vanguard Personal Investor is an online investment platform, providing investors with a range of low-cost investment options, all in the one place.



## **Comprehensive range of investment options**

- Access to Vanguard's low-cost managed funds and Vanguard exchange traded funds (ETFs), as well as selected ASX listed direct shares.



## **Manage your investments anytime, anywhere with easy and convenient online access**

- Buy and sell investments online through Vanguard Online or the Vanguard Australia mobile app.
- Access your transaction information, portfolio holdings and valuations at any time.
- View and download reports and statements, including annual tax statements.



## **An easy way to build your portfolio with Auto Invest**

- Make regular automated investment contributions into our wide range of managed funds and ETFs, from \$200.
-



## Low and competitive platform fees

INVESTMENT OPTION	BROKERAGE FEES		ACCOUNT FEE
	BUY	SELL	
Vanguard managed funds	N/A	N/A	N/A
Vanguard ETFs	\$0	\$9.00 flat rate per trade	N/A
ASX listed direct shares	\$9.00 flat rate per trade	\$9.00 flat rate per trade	0.10% p.a. Account Fee on ASX listed direct shares.

Please refer to the 'Fees and other costs' section in this Guide for further information.



## Low investment minimums

INVESTMENT OPTION	MINIMUM INITIAL INVESTMENT	MINIMUM ADDITIONAL INVESTING	AUTO INVEST
Vanguard managed funds	\$500	No minimums	\$200 per cycle
Vanguard ETFs	\$500	\$500	
ASX listed direct shares	\$500	\$500	N/A



## Cash management made easier

- Your Vanguard Personal Investor Account comes with an integrated Vanguard Cash Account, a centralised cash hub for investing, settling your transactions, receiving investment income and paying withdrawals.



## Consolidated reporting

- Access to comprehensive consolidated investment and tax reporting.

# Opening a Vanguard Personal Investor Account

## Account types available on Vanguard Personal Investor

Vanguard Personal Investor is currently available for

- Individual investors over 18 years old,
- Joint investors,
- Trustees of self-managed super funds (SMSFs),
- Australian registered proprietary companies,
- Trustees of the following trust types
  - Discretionary, Family, Testamentary, Foundation, Registered Charities, certain Special Disability Trusts and Unit Trusts, and
- Adult investors who would like to set up an account for the benefit of a minor under the age of 18 years (please refer to the *Vanguard Personal Investor Guide Part B – Investor Guide for Vanguard Personal Investor Kids Accounts* for more information).

The above is subject to certain eligibility requirements set out on our website at [vanguard.com.au/personal/invest-with-us/account-types/individual](https://vanguard.com.au/personal/invest-with-us/account-types/individual). At our discretion, we may waive the eligibility requirements and accept account types other than those listed above.

You do not need to have a financial adviser to open a Vanguard Personal Investor Account.

If you are a Power of Attorney (POA) and want to open an individual account and operate the account on behalf of an investor, please contact us.

## How to apply for a Vanguard Personal Investor Account

To apply for a Vanguard Personal Investor Account, please visit our website at [vanguard.com.au/personal](https://vanguard.com.au/personal).

# How a Vanguard Personal Investor Account works

## Vanguard Online

Vanguard Personal Investor is an online investment platform, where you can buy and sell investments, view your account valuation, transaction history and investment holdings. You can log in to Vanguard Online at [vanguard.com.au/personal](https://vanguard.com.au/personal).

## Vanguard Australia mobile app

The Vanguard Australia mobile app (mobile app) can be used for most transactions, viewing a snapshot of your account valuation, investment holdings and accessing statements.

## Vanguard Cash Account

When you open a Vanguard Personal Investor Account, a Vanguard Cash Account is automatically created for you. The Vanguard Cash Account is a centralised cash hub that holds your cash balance and is used to settle your investment transactions. These transactions include the funding of investment purchases, proceeds of investment sales, dividends and distributions received from your investments as well as money deposited or withdrawn by you.

## About your Vanguard Cash Account

- All money received in relation to transactions on your investments will be paid into or out of your Vanguard Cash Account.
- There is no minimum balance required for your Vanguard Cash Account. However, it is important that you retain sufficient balance in your Vanguard Cash Account to cover fees and other costs applicable to your account. Please refer to the 'Fees and other costs' section for additional information.
- The money in your Vanguard Cash Account is held on deposit with Australia and New Zealand Banking Group Limited ABN 11 005 357 522 (**ANZ**), an authorised deposit-taking institution. However, on expiry of our agreement with ANZ, we may at our discretion invest the funds in your cash account with another authorised deposit-taking Institution.
- All transfers of money into and out of your Vanguard Cash Account are made at your direction, subject to the Terms and Conditions outlined in this Guide.

## Depositing money into your Vanguard Cash Account

- Payments you make into your Vanguard Personal Investor Account will be deposited into your Vanguard Cash Account. Once money has cleared in your Vanguard Cash Account, you can invest in managed funds, ETFs or direct shares listed on the Investment Menu.

## Ways to deposit money into your Vanguard Cash Account:

HOW TO DEPOSIT	MINIMUM DEPOSIT AMOUNT	SETTLEMENT TIMEFRAMES
<b>Electronic Funds Transfer (direct credit)</b>  Electronic funds transfer transactions can be made from your external bank account using your Vanguard Cash Account's BSB and Account Number. These are initiated at your bank.	No minimum	Generally, within same day and up to 2 business days, subject to the processing times of your financial institution.
<b>BPAY®</b>  BPAY transfers can be made from your external banking account using a BPAY Biller Code and your Customer Reference Number (CRN) for your Vanguard Cash Account.	A minimum transaction amount of \$10 applies to all BPAY transactions.	Generally, within same day and up to 2 business days, subject to the processing times of your financial institution.
<b>Direct debit</b>  Initiated from Vanguard Online, you can authorise us to direct debit from your linked Australian bank account.  Debiting from an account not in your name and without sufficient authority is strictly prohibited.	No minimum	Money transferred via direct debit can take up to 5 business days to settle.

### Withdrawing money from your Vanguard Cash Account

- There is no minimum withdrawal amount. Any balance showing as 'available cash' in your Vanguard Cash Account can be withdrawn and transferred to your linked Australian bank account.
- All cash withdrawals made before 4:00pm (AET) on a business day will be processed that day. Withdrawals made after this time will be processed the next business day. Withdrawals can generally take up to 3 business days from the date they are processed to clear. These processing times are subject to your banking institution.
- Unless required by law we do not allow payments to bank accounts other than to your linked Australian bank accounts. Generally, we will not process payments to third-party bank accounts or international bank accounts. We may make payments through other forms at our discretion.
- We will not withdraw any part of your money in your Vanguard Cash Account except at your direction (other than to deduct fees and charges). By opening a Vanguard Personal Investor Account and accepting our Terms

and Conditions, you direct us to facilitate the payment of fees and costs from your Vanguard Cash Account in accordance with this Guide and the Terms and Conditions. Please see the 'Fees and other costs' section for further details.

### Conditions/limitations on your Vanguard Cash Account

- Deposits into the Vanguard Cash Account will only be accepted in Australian dollars (AUD) from an Australian bank account. Vanguard may, at its discretion accept other forms of payment which may be subject to different payment minimums.
- Your Vanguard Cash Account cannot be used to make BPAY payments or direct credit payments to other institutions or retailers.
- As at the date of this Guide, New Payments Platform (NPP) payments cannot be facilitated for deposits into your Vanguard Cash Account and attempts to transfer money via NPP will be rejected. We intend to enable NPP deposit payments into your Vanguard Cash Account in late 2023 and will notify you online when it is available.



- In general, we do not allow your Vanguard Cash Account balance to fall below zero. However, if this occurs and your balance remains below zero we may sell investments from your portfolio to cover any outstanding liabilities. We will ask you to deposit money into your Vanguard Cash Account or sell investments of your choosing to cover the outstanding liabilities before we sell any investments on your behalf.
- If you do not deposit money into your Vanguard Cash Account to cover your outstanding liabilities in the time specified, we will sell units from your largest managed fund holding first. If you do not hold any managed funds, we will sell from your largest listed security holding (ETFs or direct shares).
- In limited circumstances we may be required to pay the amounts to an account other than your Vanguard Cash Account for example as directed by a court order, regulatory body or authority, liquidator, or administrator.

## Auto Invest

Auto Invest allows you to make regular automated investment contributions via direct debit from your linked Australian bank account into one or more managed fund and ETF investment options.

### Setting up an Auto Invest plan

You can set-up an Auto Invest plan through Vanguard Online or the mobile app, by:

- Selecting the amount you want to invest (minimum \$200 per cycle)
- Select the cycle frequency of either fortnightly, monthly, or quarterly
- Choose the start date of your direct debit. You can set-up Auto Invest for a specific period or until cancelled by you
- Choose the investment option(s) you wish to automatically invest in and the amount you want to allocate to each investment.

### Additional information on Auto Invest

- There is no minimum investment amount into each investment option with Auto Invest, as long as the total amount is \$200 per cycle. However, as ETFs can only be

bought in whole units, to invest you must have allocated sufficient cash to buy at least 1 whole unit. Any residual cash after your Auto Invest ETF buy transaction will remain in your Vanguard Cash Account and will automatically be invested in the next Auto Invest cycle based on the ETF investment allocation that you have made.

- Our third-party brokerage service provider will generally seek to execute all Auto Invest ETF transactions at a time-weighted average price on the relevant day or other appropriate pricing approach as agreed between Vanguard and the broker from time to time. All Auto Invest ETF transactions for the same ETF on the same day will receive the same buy price.
- Auto Invest transactions will typically be executed 4 business days after your scheduled regular deposit date (this is the time it takes for direct debit funds to be cleared by your bank).
- The Product Disclosure Statement for each investment option is available to you when you set-up Auto Invest. Please take time to review and understand the investment option(s) you select. You should also regularly check our website for any updates and for the latest information on the investment option(s) you have selected.
- You can update, pause or cancel your Auto Invest plan at any time. If you update, pause or cancel your Auto Invest plan on the date of your next direct debit, the direct debit will typically still proceed and then your plan will be updated thereafter.
- If you have Auto Invest set-up for an investment option that is subsequently removed from the Investment Menu, we will contact you to let you know of your options. If you don't take any action, we may deposit your allocated contribution to that investment into your Vanguard Cash Account.
- Auto Invest is currently not available for ASX listed direct shares.
- Please refer to the Terms and Conditions section in this Guide for more information on Auto Invest.

# Investment options

Vanguard Personal Investor offers access to Vanguard managed funds, Vanguard ETFs and selected ASX listed direct shares. The range of available investments will vary from time to time. Please refer to the Investment Menu on our website at [vanguard.com.au/personal](https://vanguard.com.au/personal). You should consult the relevant PDS, TMD or disclosure document of each investment option (where applicable) before making an investment decision.

## Investment Selection Policy

The investments available through Vanguard Personal Investor are selected in accordance with our Investment Selection Policy. Investment options are periodically assessed by Vanguard's Product Governance Committee to ensure all investment options meet the requirements of our Investment Selection Policy. This policy sets out the requirements that determine whether an investment option should be added, removed or restricted. There are policies in place to manage any conflict of interest that may arise when adding or removing investments available through Vanguard Personal Investor, including managed funds and ETFs for which Vanguard is also the responsible entity.

Most Vanguard Australia managed funds and ETFs are available for investment via Vanguard Personal Investor. The arrangements between Vanguard as the responsible entity for these funds and ETFs and Vanguard as operator of Vanguard Personal Investor are on arm's length terms. The menu of available direct shares will generally be composed of the largest 300 securities by market capitalisation listed on the ASX. Investment options may be added or removed at any time at Vanguard's sole discretion. Generally, if you hold an investment that is subsequently removed from the Investment Menu you may be able to continue to hold that investment in Vanguard Personal Investor until such time as we advise the investment is required to be liquidated or transferred. However, you will not be able to purchase additional units/shares in that investment if it is no longer available on the Investment Menu.

## Investing in managed funds

Managed funds provide a cost-effective way for investors to access professionally managed investments. Your money is pooled with other investors so you can invest in assets that may otherwise be difficult or not cost-effective to access directly. When you invest in a managed fund you are buying units in that fund and the fund owns the underlying investments.

### Buying and selling managed funds

- You can buy or sell managed funds through Vanguard Online or the mobile app, provided you satisfy the minimum investment amount requirement. Orders made prior to 1:00pm (AET) on a business day will be processed that day and orders made after 1:00pm (AET) will be processed the next business day. We may alter this cut off time in the future and inform you of the change via Vanguard Online.
- You must have sufficient funds available for investment in your Vanguard Cash Account to pay for the managed funds. If you have insufficient funds at the time you submit your purchase order, your order will not be processed and will be cancelled.
- A minimum purchase amount of \$500 applies to the initial purchase of any managed fund (unless you are using Auto Invest where there is no minimum initial purchase amount per managed fund). If you are adding to an existing fund you already hold, there is no minimum investment amount. There is no ongoing minimum holding that must be maintained for managed funds.
- Sales of managed funds can be for either
  - a nominated dollar amount (to the nearest whole dollar),
  - a nominated number of units for partial withdrawals (this option is not currently available via the mobile app); or
  - the full amount of your managed fund holding.

- Proceeds from the sale of managed funds will be paid to your Vanguard Cash Account. The timeframe for payment will depend on the fund you are selling. Please refer to the relevant fund PDS or disclosure document for withdrawal timeframes. Sell trades may be delayed where the fund is closed or otherwise unavailable for investment.
- Instructions to buy or sell managed funds are subject to the terms and conditions of the relevant fund. We will make the PDS for each fund available to you when you make the purchase. The PDS will detail the type of assets the fund holds, how the investments will be managed and the types of risk associated with the fund, so that you can compare your risk tolerance and investment objectives with that of the fund to determine if it meets your needs. Please take the time to review and understand the investment options you select.
- We do not accept any responsibility for any movement in prices that occur during any delay in processing a purchase or withdrawal request for a managed fund.
- At Vanguard's discretion we may reject or cancel your instruction to purchase or sell managed funds. We will notify you promptly if this occurs and let you know the reason.
- There may also be reasons relating to security or financial crime, anti-bribery and corruption, terrorism or terrorism financing and sanction risks that may cause a delay, rejection, or cancellation of your instruction to buy or sell managed funds.

### **Cancelling managed fund transaction orders**

- You can cancel a pending managed fund order through Vanguard Online or the mobile app before the cut off time of 1:00pm (AET) on the day the order was placed. If the order was placed after the cut off time or on a non-business day, the cancellation must be made before 1:00pm (AET) the next business day. We may alter this cut off time in the future and inform you of the change via Vanguard Online.
- If you wish to amend an instruction, you will need to cancel the instruction and resubmit.

### **Distributions from managed funds**

- Any distribution you receive from a managed fund will automatically be reinvested in further units of the same fund (if permitted by the fund), subject to you providing Vanguard with your Tax File Number (TFN), Australian Business Number (ABN) or tax exemption.
- If you would prefer to have these distributions paid to your Vanguard Cash Account, please contact us via secure message. It is intended that in future you will be able to change your distribution election via Vanguard Online and we will notify you when it is available via a website update.
- Distribution reinvestment is subject to the terms and conditions outlined in the PDS of the relevant fund. If you do not provide us with your Tax File Number (TFN), Australian Business Number (ABN) or reason for exemption, or if you are not an Australian resident for tax purposes, distribution reinvestment will not be available. Instead, distributions will be paid to your Vanguard Cash Account less any applicable withholding tax.
- We recommend that you consider checking before each distribution date, for the funds you have invested in, whether there is a new PDS available for the fund, and if there is that you read the latest version of the PDS.

### **Transferring managed fund investments to your Vanguard Personal Investor Account**

- As at the date of issue of this Guide, transfers of managed fund investments into your Vanguard Personal Investor Account is not available. Vanguard intends to offer this in future and may permit transfers in exceptional circumstances. If you wish to transfer your Vanguard Personal Investor holdings onto another platform, please contact us.

## Investing in Exchanged Traded Funds (ETFs) and Direct Shares

LISTED SECURITIES	DESCRIPTION
<b>ETFs</b>	An ETF is a managed fund traded on a stock exchange and are available for various asset classes including equities, fixed interest, listed property and cash.
<b>Direct Shares</b>	Shares are an ownership interest in a corporation or financial asset. Shares of Australian listed public companies are available to the public generally via the ASX or other exchanges. The value of direct share investments is determined by the company's share price, which generally will move up and down on a daily basis depending on a range of factors.

Please note, Vanguard Personal Investor is currently unable to facilitate the holding of certain types of securities such as Chess Depositary Interests (or "CDI's") and may be required to remove securities from the Investment Menu from time to time where corporate actions such as restructuring, mergers or takeovers modify the legal structure of the corporation and result in a change in listing status. In these circumstances, we may need to sell your securities or advise you to transfer or sell the securities that are no longer available on the Investment Menu.

### Buying and selling ETFs and direct shares

- The following does not apply to the purchases of ETFs through Auto Invest. Please refer to the 'Auto Invest' section for further information.
- You can buy and sell ETFs and direct shares listed on the Investment Menu via Vanguard Online or mobile app. We will buy or sell ETF(s) and direct share(s) on your behalf as instructed by you and provide you with a transaction confirmation once the order is executed in the market.
- A minimum transaction amount of \$500 (excluding brokerage) applies to all ETF and direct share purchases. The minimum sell order is the value of one unit as sell orders are rounded to the nearest unit. If you hold less than \$500 of any ETF or direct share, it may be difficult to sell the remaining amount. There is no maximum transaction amount.
- Purchase orders can take the form of a market order or a limit order.

TYPES OF ORDERS	DESCRIPTION
<b>Market orders</b>	Market orders are placed as ASX Market Orders and will typically be executed immediately.  Market orders placed when the market is closed will be rejected.
<b>Limit orders</b>	Limit orders allow you to specify the maximum price you wish to pay to buy a security, or the minimum price you will accept to sell a security.  The price you specify for a limit order must be within a 3% tolerance of the last traded price for the relevant share or ETF. (That is, it must be no more than 3% less than or greater than the last traded price).  Limit orders can be set to be "good for a day" or "good for four weeks" and will expire at the end of the respective period if it is not completed. If a limit order or sell order is placed when the market is closed it will be processed at the next available trading time.

- You can only buy securities where the estimated total value of the purchase (including brokerage) is less than or exactly equal to the amount of cash available for investment in your Vanguard Cash Account. For market orders an additional 5% of the estimated trade value may be reserved to cover potential share price movements between when you submit your order and when the order is executed in the market. Once your order is executed, your Vanguard Cash Account will reflect the actual settlement amount required.
- Orders to buy or sell ETFs or shares will generally settle within 2 business days after they have been executed. The proceeds of the sale of ETFs and direct shares (net of brokerage) will be deposited into your Vanguard Cash Account.
- For information on fees and costs, please refer to the 'Fees and other costs' section.

### Cancelling or amending an order for ETFs or direct shares

- You can cancel a pending ETF or direct share order through Vanguard Online or the mobile app. Due to the live nature of exchange traded investments, we cannot guarantee that your cancellation instruction will be processed before your order is executed in the market.

- If you wish to cancel an order that has been partially filled, only the remaining unfilled portion of the order can be cancelled.
- If you wish to amend an existing order, you will need to cancel that order and resubmit.
- From time to time, Vanguard or our broker may reject orders. In general, we will reject an order where the price you have requested is not sufficiently close to the current market price or where the size of your order is too large relative to the volume of the security available for purchase.
- We may also reject or cancel orders where the trading on the security is halted or suspended or where the listing exchange is closed. You will be notified of the reason for a rejected or cancelled order.

### **Distributions from ETFs**

- You may receive distributions from the ETFs you hold in your Vanguard Personal Investor Account. These will be paid to your Vanguard Cash Account.
- You can elect to have your cash distributions automatically reinvested into the same ETFs via Vanguard Online.
  - If you have elected to automatically reinvest your ETF cash distributions, the cash distributions will generally be reinvested 1-2 business days after it has been paid into your Vanguard Cash Account.
  - An automatic reinvestment will only occur if the ETF cash distribution is still available in your Vanguard Cash Account, and you have not withdrawn the amount or invested it through another transaction prior to the automatic reinvestment occurring.
  - As ETFs can only be bought in whole units, automatic reinvestment will only occur if your ETF cash distribution is sufficient to buy at least 1 whole unit. Any residual cash after your automatic reinvestment of ETF cash distribution will remain in your Vanguard Cash Account.
  - The unit price at which distributions are reinvested may differ from the price that would apply if you participated directly in the distribution reinvestment plan (DRP).

### **Dividends from direct shares**

- You may receive dividend payment from the direct shares you hold in your Vanguard Personal Investor Account. Dividend payments will be paid into your Vanguard Cash Account.
- Dividend reinvestments from ASX direct shares are not currently available.

### **Corporate actions**

A corporate action is an event carried out by a listed entity that may have a material impact on its shareholders or creditors. Corporate actions can be either mandatory or voluntary. Mandatory corporate actions are automatically applied to the investments involved (e.g. dividends) while voluntary corporate actions require an investor's response to be applied.

Participation in voluntary corporate actions is not currently available through Vanguard Personal Investor. You should consider this limitation before choosing to invest in direct shares. Please see the section 'How investing in Vanguard Personal Investor is different to investing directly' in this Guide for further information.

### **Transferring ETFs and direct shares investments to your Vanguard Personal Investor Account**

- As at the date of issue of this Guide, transfers of ETFs and Direct Shares investments into your Vanguard Personal Investor Account is not available. Vanguard intends to offer this in future and may at its discretion permit transfers in exceptional circumstances. If you wish to transfer your Vanguard Personal Investor holdings onto another platform, please contact us.



# Managing your Vanguard Personal Investor Account

## Updating your account

- You can change your Vanguard Online password, update your email and residential address through Vanguard Online.
- To update your Australian mobile phone number or change your name in our records, please contact us.
- For the security of your account, when you update your Australian mobile number or linked Australian bank account, we may need to freeze withdrawals from your account whilst verifying changes.
- When you change information on your account, we may also ask you for further information to verify the changes. Any refusal or delays with providing this information could result in your account being restricted.

## Security on your account

- Your Australian mobile phone number provides important security for your Vanguard Personal Investor Account. To maintain the security and integrity of your account, we will ask you to authenticate yourself for certain transactions and when you update your account details. In these circumstances, we will send you an SMS verification code to your Australian mobile number for authentication.
- There are certain scenarios such as possible fraud or where we see unusual account activity, we may restrict or freeze access to your account. This includes suspending or restricting any transactions to the account. If your access is restricted, you will not be able to view or access your account online. If your account is frozen, please contact us by phone.

## Authorities on your account

For each account type, the following persons can access, operate, transact, and update account details. It is important to note that for accounts with multiple account holders, any one account holder can transact and update account details on behalf of all account holders.

### ACCOUNT TYPE

<b>Individual</b>	Only the named account holder, or their legally authorised representative(s).
<b>Joint</b>	Both joint account holders including their legally authorised representative(s).
<b>SMSF</b>	Trustees and/or directors of corporate trustees of SMSFs, including their legally authorised representative(s).
<b>Company</b>	Company officers including their legally authorised representative(s).
<b>Trust</b>	Trustees and/or company officers of corporate trustees (e.g. directors/company secretary), including their legally authorised representative(s).
<b>Minor (Kids)</b>	Only the named adult account holder, or their legally authorised representative(s), can operate the account. The child listed on the account cannot operate the account or give instructions in relation to the account.

## Power of Attorney

As an account holder, you can appoint a Power of Attorney to act severally on your behalf in a legal capacity. Your Power of Attorney can operate and transact on your account, and update your personal details except for changing your Vanguard Online password. To appoint a Power of Attorney, please contact us.

Please note, for an individual Vanguard Personal Investor Account, a Power of Attorney can apply to open an account for an individual investor. To apply, please contact us.

## Closing your Vanguard Personal Investor Account

Your Vanguard Personal Investor Account may be closed in any of the following circumstances (among other circumstances):

- If you request the closure of your account.
- If you have overdue account fees and no other assets in your account that could be sold to cover the fees.

- If you are in breach of the IDPS Contract.
- If you have provided false information on your account.
- We are required to close your account to meet our regulatory obligations.
- We suspect there is a breach of AML/CTF obligations or other relevant sections of the IDPS Guide.

Please refer to the Terms and Conditions outlined in this Guide for more information on account closures.

### **How to close your account**

- To close your Vanguard Personal Investor Account, please contact us.
- You will need to sell or transfer your assets out of your Vanguard Personal Investor Account. Any outstanding investment income payable to you must be received and settled before we can close your account. We can also arrange for your assets to be transferred to a new IDPS, provided the IDPS accepts them.
- The remaining balance of your Vanguard Cash Account will then be transferred to your Australian linked bank account and the closure of your Vanguard Personal Investor Account will be finalised.
- Alternatively, if you are withdrawing for short term needs, you can simply withdraw your funds and choose to keep your Vanguard Personal Investor Account open with a zero balance. You will not incur any fees for a zero balance account.
- We will not charge a fee to close your account, however you will be liable for any outstanding fees, charges or taxes payable in respect to the investments you held in your Vanguard Personal Investor Account.

- Please note, there may be delays in closing your account if your assets cannot be sold, for example due to restrictions on withdrawals from a managed fund or where we are required by law. We will normally transfer your assets in accordance with your instructions, provided the receiving asset register will accept the transferee as owner of the asset. For example, for some managed funds, all asset owners must qualify as a 'wholesale client' (as defined in the Corporations Act) and for these funds if you are not a wholesale client the asset would have to be transferred to another IDPS rather than directly to you or sold.



# Investing through Vanguard Personal Investor is different to investing directly

Investing through Vanguard Personal Investor is different to investing directly. You, as the investor, should understand how your rights differ under the different structures.

	INVESTING THROUGH VANGUARD PERSONAL INVESTOR	INVESTING DIRECTLY
<b>Access to your investments</b>	You can invest in the range of Vanguard managed funds, ETFs and ASX listed direct shares that are listed as available for purchase on our Investment Menu.	Some managed funds may not be available for you to invest in directly or they may have prohibitive minimum purchase amounts. All exchange traded products and shares available for direct (retail) investment are available to you.
<b>Ownership of your unlisted investments</b>	<p>Vanguard is the custodian of Vanguard Personal Investor and holds your Vanguard Cash Account and any unlisted assets (managed funds) you hold, on your behalf.</p> <p>You have beneficial ownership of your investment and Vanguard will hold legal title to your investments as your agent and bare trustee.</p> <p>Your rights are determined by reference to the Vanguard Personal Investor Deed Poll (the rules of Vanguard Personal Investor) and the <i>Vanguard Personal Investor – Investor Guide</i>.</p> <p>As your agent and bare trustee, Vanguard is legally obliged to hold your investments in safe keeping on your behalf and for your benefit.</p>	You as the investor are both the legal and beneficial owner of all your investments and hold all rights attached to ownership.
<b>Ownership of your listed investments</b>	<p>JPMorgan has been appointed as the sub-custodian to hold any listed securities (ETFs and direct shares) in your Vanguard Personal Investor Account on your behalf.</p> <p>JPMorgan holds legal ownership of these listed securities subject to Vanguard's direction, and you (the investor) retain beneficial ownership.</p>	You as the investor are both the legal and beneficial owner of all your investments and hold all rights attached to ownership.
<b>Consolidated reporting</b>	You will have access to comprehensive consolidated reporting on all investments held in your Vanguard Personal Investor Account.	You will receive separate reporting for each product issuer that you hold investments with.
<b>Online communications</b>	Your investment communications will all be available online or sent to you electronically. For communications regarding direct shares, you can access these via the issuer website or the ASX website.	You will receive communications from each product issuer or registry provider which may or may not be online.
<b>Cooling-off rights</b>	<p>As you are not the registered holder of the investments in your Vanguard Personal Investor Account, you are not entitled to any cooling off rights for those investments.</p> <p>The unavailability of cooling off rights may be particularly important for any investments that have restricted withdrawal rights. Some products may also have exit fees that would not have applied if cooling off rights were able to be exercised.</p>	You may be entitled to a 14 day cooling off period for some financial products if you are a retail investor. This means you have a right to cancel your investment and receive a refund from the product issuer (less fees, taxes and adjusted for market movements).

	INVESTING THROUGH VANGUARD PERSONAL INVESTOR	INVESTING DIRECTLY
<b>Withdrawal rights</b>	<p>As you are not the registered owner of the investments in your Vanguard Personal Investor Account, withdrawal rights are not available to you directly. Where a PDS or other disclosure document is found to be defective, or a condition of the offer is not met (for example, if a minimum subscription requirement is not satisfied), or a new circumstance arises that is materially adverse from the point of a prospective investor, the product issuer may be required to either refund the investment or give investors the option of electing to withdraw their application and receive a refund.</p> <p>Where practicable Vanguard will notify you of any communication received from a product issuer in respect of an investment you have applied for through Vanguard Personal Investor that gives you the option of electing to withdraw your application and receive a refund and provide any accompanying disclosure documents. If you wish to exercise those rights we'll generally act on any instruction received from you provided the instruction is received by the required cut-off time.</p>	<p>Withdrawal rights available under the Corporations Act will generally be available to you.</p> <p>You will be notified directly by the product issuer if the product issuer is required to give you the option of electing to withdraw your application and receive a refund.</p>
<b>Voting rights</b>	<p>Vanguard holds your investments in custody and as you are not the registered holder, you do not have any direct voting rights in relation to your investments held through Vanguard Personal Investor.</p>	<p>As the legal and beneficial owner you are entitled to exercise any voting rights and directly participate in investor proposals.</p> <p>You can also attend member general meetings.</p>
<b>Corporate actions</b>	<p>As a sub-custodian is the registered holder of all listed securities (ETFs and direct shares) and Vanguard is the registered holder of all unlisted securities (managed funds), certain corporate actions can have different consequences compared to investors holding securities directly. You may not be eligible for certain benefits that can result from holding an investment directly and you are unable to participate in voluntary corporate actions.</p> <p>For managed funds, Vanguard will offer all investors the opportunity to participate in distribution reinvestment plans offered by the product issuer and we will generally act on your instructions to participate or not in these plans, provided they are received by the nominated cut-off time.</p> <p>With respect to listed securities such as ETFs and direct shares, Vanguard does not currently offer the ability to reinvest dividends/ distributions nor does it offer to ability to participate in other voluntary corporate actions. However, for Vanguard ETFs we do offer investors the option to have your cash ETF distributions automatically reinvested. Please refer to the 'Investing in Exchanged Traded Funds (ETFs) and Direct Shares' section in this Guide for more information.</p>	<p>As a retail investor who holds both legal and beneficial ownership of your investments, you are entitled to participate in any corporate actions that are offered to you by the product issuer.</p>
<b>Corporate notices</b>	<p>As a sub-custodian is the registered holder of all listed securities and Vanguard is the registered holder of all unlisted securities, you will not normally receive notices of meetings and other communications from the issuers of investments held through Vanguard Personal Investor.</p> <p>Please contact us if you wish to receive copies of these communications from the underlying investment issuer, either electronically or via post.</p> <p>Instead, any material changes or events will be communicated to you through Vanguard Personal Investor.</p>	<p>As legal owner you will receive notices of meetings and other communications from share registries and managed fund product providers.</p>

# Risks of investing

All investments carry some level of risk. It is important to understand the potential risks associated with investing and to assess these risks against your investment goals and appetite for risk. Investment risk will vary depending on the type and nature of the investment. You should undertake your own assessment of the risks of each investment option before making an investment choice.

Risks of investing through Vanguard Personal Investor include, but are not limited to:

RISK	DESCRIPTION
<b>Service interruption risk</b>	Vanguard Personal Investor is an online investment service. There may be times when the service is not available or operates with limited functionality and you may not be able to buy or sell your investments or transfer money to or from your Vanguard Personal Investor Account in a timely manner. We have appropriate controls in place to mitigate these risks and may provide alternative means of transacting or transferring money, however Vanguard is not responsible for any loss incurred should you be unable to perform transactions during a period of service interruption.
<b>Operational risk</b>	There is a risk that Vanguard, or another service provider, will fail to adequately administer or report accurately in relation to your investment in Vanguard Personal Investor. There is also a risk that circumstances beyond Vanguard's control may impact Vanguard's operation of Vanguard Personal Investor. Such occurrences may include strikes, industrial disputes, fires, war, civil disturbance, terrorist acts, state emergencies and epidemics in Australia or in other countries.

Risks specific to the investment options available through Vanguard Personal Investor that should be considered:

RISK	DESCRIPTION
<b>Market risk</b>	Is the possibility that the value of an investment will decline. Financial markets tend to move in cycles, with periods of rising prices and periods of falling prices due to varying factors such as economic, social, environment, technological or political conditions as well as market sentiment. Market risk can have a different impact on different investments. It is important to note that the value of your investment can be directly or indirectly impacted and that you may not get back what you invested.
<b>Security specific risk</b>	An investment in or exposure to a specific company or managed investment can be impacted by unforeseen changes in that company's or managed investment's operations, or business environment. Information on the security specific risk for each managed fund or ETF investment option is set out in the relevant PDS.
<b>Currency risk</b>	Investments in global markets or securities which are denominated in foreign currencies give rise to foreign currency exposure. This means that the value of these investments will vary depending on changes in the exchange rate. Information on the currency risk for each managed fund or ETF investment option is set out in the relevant PDS.
<b>Interest rate risk</b>	Changes in interest rates can either directly or indirectly impact the value and or the returns of your fixed interest investments. Generally, fixed interest security values may fall when market interest rates rise. Conversely, when market interest rates fall, fixed income security values may rise. The degree of change varies depending on the term of the fixed interest securities. Longer-term fixed interest securities are generally more impacted by interest rate risk than short-term securities.
<b>Liquidity risk</b>	Is the risk that you may not be able to convert an investment you hold into cash at short notice without a loss of capital, due to a lack of market depth, disruptions in the market place or the closure of a managed fund. Where relevant, information on the liquidity risk for each managed fund or ETF investment option is set out in the relevant PDS.

RISK	DESCRIPTION
<b>Operational risk</b>	In respect of managed funds and ETFs, there is a risk that circumstances beyond the control of the fund may impact the operation of the fund. Such occurrences may include strikes, industrial disputes, fires, war, civil disturbance, terrorist acts, state emergencies and epidemics in Australia or in the countries where the underlying securities are held.
<b>Other investment risks</b>	Please refer to the PDS or disclosure document for each managed fund or ETF investment you acquire through Vanguard Personal Investor for an explanation of the risks and taxation treatment relevant to that investment. Please undertake your own assessment of risks associated with any direct shares you may wish to acquire.

# Fees and other costs

## DID YOU KNOW?

**Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example reduce it from \$100,000 to \$80,000).**

**You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.**

**You may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.**

## TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** Moneysmart website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a managed funds fee calculator to help you check out different fee options.

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets in your Vanguard Personal Investor Account.

Taxes are set out in the 'Tax information' section.

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

Fees and costs for particular investment options are set out in the PDS or other disclosure document for that investment.

## Fees and costs summary

### Vanguard Personal Investor

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>Ongoing annual fees and costs</b>		
<p><i>Management fees and costs</i></p> <p>The fees and costs for managing your investment</p> <p>The fees and costs charged by Vanguard Personal Investor:</p> <ul style="list-style-type: none"> <li>relate only to gaining access to the investment options through the platform; and</li> <li>does not include the fees and costs that relate to investing in the investment options</li> </ul>	<p><b>Account Fee:</b></p> <p>Vanguard Managed Funds, Vanguard ETFs and Vanguard Cash Account: Nil.</p> <p>All other investments: 0.10% p.a. of the value of your investment in the option(s).</p>	<p>There is no Account Fee on the value of Vanguard Managed Funds, Vanguard ETFs and Vanguard Cash Account balance.</p> <p>An Account Fee of 0.10% p.a. is calculated daily on the value of your account balance excluding your Vanguard Managed Funds, Vanguard ETFs and Vanguard Cash Account balance. This fee is deducted quarterly in arrears from your Vanguard Cash Account. At the date of this Guide, the only "other investments" available are ASX-listed direct shares.</p>
	<p><b>Interest retained on the Vanguard Cash Account:</b></p> <p>We retain part or all of the interest earned in the omnibus cash account.<sup>1</sup></p> <p>The interest rate retained for the previous financial year ending 30 June 2022, was 0.50% p.a. of the value of your Vanguard Cash Account.<sup>2</sup></p>	<p>The Interest retained on the Vanguard Cash Account is the difference between the amount of interest earned on the pooled cash held in the omnibus accounts at our authorised deposit-taking institution and the interest we credit to your Vanguard Cash Account (if any). This amount is calculated daily on the value of your Vanguard Cash Account balance and is received monthly by Vanguard before the Vanguard Cash Account Interest Rate to investors is declared (if any). It is not an amount that is deducted from your account.</p> <p>For financial year ending 30 June 2023, we anticipate the Interest rate retained on the Vanguard Cash Account is estimated to be 1.10% p.a., and for the financial year ending 30 June 2024, the interest rate retained is anticipated to range between an estimate of 4.00% and 4.50% p.a.<sup>1</sup></p>
<p><i>Performance fees</i></p> <p>Amounts deducted from your investment in relation to the performance of Vanguard Personal Investor</p>	Nil	Not applicable
<p><i>Transaction costs</i><sup>3</sup></p> <p>The costs incurred by Vanguard Personal Investor when buying or selling assets</p>	<p>Vanguard Managed Funds: N/A</p> <p>Vanguard ETFs: There is no brokerage fee for buy trades. A flat \$9.00 brokerage fee applies to sell trades.</p> <p>Direct Shares: A flat \$9.00 brokerage fee applies to buy and sell share trades.</p>	Transaction costs (brokerage fees) are deducted from your Vanguard Cash Account as and when they are incurred.

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>Member activity related fees and costs (fees for services or when your money moves in or out of Vanguard Personal Investor)</b>		
<i>Establishment fee</i> The fee to open your investment	Nil	Not applicable
<i>Contribution fee</i> The fee on each amount contributed to your investment	Nil	Not applicable
<i>Buy-sell spread<sup>4</sup></i> An amount deducted from your investment representing costs incurred in transactions by Vanguard Personal Investor	Nil	Not applicable
<i>Withdrawal fee</i> The fee on each amount you take out of your investment	Nil	Not applicable
<i>Exit fee</i> The fee to close your investment	Nil	Not applicable
<i>Switching fee</i> The fee for changing investment options	Nil	Not applicable

1. We retain part or all of the interest earned on the Vanguard Cash Account. As at the date of this Guide, from 01 July 2023, we will retain all the interest earned on the Vanguard Cash Account. This may change in future. Please refer to the 'Interest retained on the Vanguard Cash Account' section under the heading 'Additional explanation of fees and costs' for further information.
2. The interest retained on the Vanguard Cash Account reflects the actual amount incurred for the last financial year and may include Vanguard's reasonable estimates where Vanguard was unable to determine the exact amount or information was not available at the date of this Guide. Cash deposits held by Trust and Company accounts in the Vanguard Cash Account are held in the non-retail omnibus account, therefore the interest rate retained is at a lower rate.
3. Other transaction costs may apply and will depend on the investment options you choose. Please refer to the PDS or other disclosure documents for the investment option for further details.
4. We do not charge a buy-sell spread on your Vanguard Personal Investor Account, however you may incur costs for the investment options you choose. Please refer to the PDS or other disclosure documents for the investment option for further details.

The total fees and costs payable by an investor will include the costs of holding a Vanguard Personal Investor Account as well as fees and costs of any investments chosen by you.

It is important that you understand the fees and costs of any investment chosen by you, and that those fees and costs will be in addition to the fees charged by us for your Vanguard Personal Investor Account, together with transaction costs incurred on your behalf.

The fees and costs of the investments chosen by you will generally be set out in the PDS or other disclosure document for the investment.



## Examples of annual fees and costs for a Vanguard Personal Investor Account (excluding fees and costs of the investment option)

This table gives an example of how the ongoing annual fees and costs in a balanced investment option held in your Vanguard Personal Investor Account can affect your investment over a 1-year period. You should use this table to compare this product with other investor directed portfolio services.

### EXAMPLE: Vanguard Balanced Index Fund

#### – Balance of \$50,000 with a contribution of \$5,000 during the year\*

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>Contribution Fees</b>	Nil	For every additional \$5,000 you put in, you will be charged \$0.
<b>PLUS</b> <i>Management fees and costs</i>	<b>Account Fee:</b> Nil. <b>Interest retained on the Vanguard Cash Account:</b> 4.50% p.a. <sup>1</sup>	<b>And,</b> for every \$50,000 you have in the Vanguard Balanced Index Fund you will be charged or have deducted from your investment <b>\$22.50<sup>2</sup></b> each year
<b>PLUS</b> <i>Performance fees</i>	Nil	<b>And,</b> you will be charged or have deducted from your investment <b>\$0</b> in performance fees each year
<b>PLUS</b> <i>Transaction costs<sup>2</sup></i>	\$0	<b>And,</b> you will be charged or have deducted from your investment <b>\$0</b> in transaction costs
<b>EQUALS</b> Cost of Vanguard Balanced Index Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of: <b>\$22.50<sup>2</sup></b>  <b>What it costs you will depend on the investment option you choose and the fees you negotiate.<sup>3</sup></b>

\* The amounts of \$50,000 and \$5,000 are prescribed by legislation for use in this example. The example assumes the \$50,000 is invested for the full year, the value of the investment is consistent over the year and the additional \$5,000 is invested at the end of the year, and therefore management fees and costs are associated with the initial \$50,000 only. The dollar amount varies due to rounding.

The example also assumes a Vanguard Cash Account balance of \$500, with the balance of \$49,500 invested in the Vanguard Balanced Index Fund. The assumption is on the basis that investors can be expected to normally maintain a cash balance in their Cash Account to cover the Account Fee and any applicable brokerage, however there is no required minimum balance.

1. We retain part or all the interest earned on the Vanguard Cash Account. As at the date of this Guide, from 01 July 2023, we will retain all the interest earned on the Vanguard Cash Account. This may change in future. The example assumes the interest rate retained of 4.50% p.a. for illustration purposes. Please refer to the 'Interest retained on the Vanguard Cash Account' section under the heading 'Additional explanation of fees and costs' for further information.
2. The example only shows the fees and costs that relate to accessing investments using Vanguard Personal Investor and does not include the fees and costs of the investment options, such as management fees and costs, transaction costs and buy-sell spreads. Please refer to the PDS or other disclosure documents for the investment option for further details. Refer to the following examples that illustrate the combined effect of the fees and costs.
3. You cannot negotiate to pay lower fees on Vanguard Personal Investor.

The fees and costs charged by Vanguard Personal Investor relate to the platform and access to investment options only, and do not include the fees and costs that relate to investing in the managed funds, ETFs and direct shares that are available through Vanguard Personal Investor. Additional fees and costs will be charged by the issuers of the managed funds, ETFs and direct shares in which you decide to invest.

The following examples show the combined effect of the fees and costs for Vanguard Personal Investor and the fees and costs for a managed fund, ETF or direct share that is available through Vanguard Personal Investor. These examples are for illustrative purposes only.

**Example A: Example of total annual fees and costs for a mixed \$50,000 portfolio with a contribution of \$5,000 during the year\***

This table gives an example of how the ongoing annual fees and costs for a range of investment options held in your Vanguard Personal Investor Account can affect your investment over a 1-year period. You should use this table to compare this product with other investor directed portfolio services.

This example assumes an investment of \$50,000 in a portfolio\* comprised of:

- \$500 Vanguard Cash Account
- \$20,000 Vanguard High Growth Index Fund
- \$20,000 Vanguard Australian Shares Index ETF
- \$9,500 Direct Shares

EXAMPLE A – MIXED PORTFOLIO	CALCULATION	FEE AMOUNT
<i>Management fees and costs</i>		
Account fee on Vanguard investments and Vanguard Cash Account	Nil x \$40,500	\$0.00
+ Account fee on all other investments ( <i>including direct shares</i> )	0.10% x \$9,500	\$9.50
+ Interest retained on the Vanguard Cash Account	4.50% <sup>1</sup> x \$500	\$22.50
+ Management fees and costs of Vanguard High Growth Index Fund	0.29% <sup>2</sup> x \$20,000	\$58.00
+ Management fees and costs of Vanguard Australian Shares Index ETF	0.10% <sup>2</sup> x \$20,000	\$20.00
+ Management fees and costs of Direct Shares	N/A	N/A
		<b>\$110.00</b>
<i>Performance fees</i>		
	Nil	\$0.00
<i>Transaction costs</i>		
Transaction costs of the Vanguard Cash Account	N/A	N/A
+ Transaction costs of Vanguard High Growth Index Fund	0.00% <sup>3</sup> x \$20,000	\$0.00
+ Transaction costs of Vanguard Australian Shares Index ETF	0.00% <sup>3</sup> x \$20,000 <i>There is no brokerage fee for ETF buy trades<sup>4</sup></i>	\$0.00 <sup>4</sup>
+ Transaction costs of Direct Shares	<i>A flat brokerage fee applies to both buy and sell Direct Share trades<sup>5</sup></i>	\$9.00 <sup>5</sup>
		<b>\$9.00</b>
<b>EQUALS</b> Cost of portfolio	<p>If you had an investment of \$50,000 at the beginning of the year invested in the portfolio outlined above and you put in an additional \$5,000 during that year, you would be charged fees and costs of:</p> <p><b>\$119.00 p.a.</b></p> <p><b>What it costs you will depend on the investment option you choose and the fees you negotiate.<sup>6</sup></b></p> <p>This represents 0.22% of the total price of \$55,000 you paid to acquire the investments through Vanguard Personal Investor.</p>	

Footnotes appear over page

\* The example assumes the \$50,000 is invested for the full year, the value of the investment is consistent over the year and the additional \$5,000 is invested at the end of the year, and therefore management fees and costs and transaction costs are associated with the initial \$50,000 only. The dollar amount varies due to rounding.

The example also assumes a Vanguard Cash Account balance of \$500, with the balance of \$49,500 invested. The assumption is on the basis that investors can be expected to normally maintain a balance in the Vanguard Cash Account to cover the Account Fee and any applicable brokerage, however there is no required minimum balance. Additional fees may apply, such as a buy spread on acquiring an investment in a managed fund, or a sell spread on withdrawing from a fund.

1. We retain part or all the interest earned on the Vanguard Cash Account. As at the date of this Guide, effective 01 July 2023, we will retain all the interest earned on the Vanguard Cash Account. This may change in future. The example assumes the interest retained of 4.50% p.a. for illustration purposes. Please refer to the 'Interest retained on the Vanguard Cash Account' section under the heading 'Additional explanation of fees and costs' for further information.
2. These are the management fees and costs for these investment options at the date of this Guide and may change. Please refer to the PDS or other disclosure documents for the investment options for further details.
3. These are the transaction costs for these investment options as at the date of this Guide and may change. Please refer to the PDS or other disclosure documents for the investment options for further details.
4. There is no brokerage fee to buy Vanguard ETFs. A flat \$9.00 brokerage fee applies to sell trades.
5. A flat \$9.00 brokerage fee applies to buy and sell Direct Share trades. If you acquire Direct Shares in multiple transactions, you will be charged a brokerage fee for each trade.
6. You cannot negotiate to pay lower fees on Vanguard Personal Investor.

### Example B: Example of total annual fees and costs for a mixed \$50,000 portfolio with a contribution of \$5,000 during the year\*

This table gives an example of how the ongoing annual fees and costs for a range of investment options held in your Vanguard Personal Investor Account can affect your investment over a 1-year period. You should use this table to compare this product with other investor directed portfolio services.

This example assumes an investment of \$50,000 in a portfolio\* comprised of:

- \$500 Vanguard Cash Account
- \$24,750 Vanguard Australian Shares Index ETF
- \$24,750 Direct Shares

EXAMPLE B – MIXED PORTFOLIO	CALCULATION	FEE AMOUNT
<i>Management fees and costs</i>		
Account fee on Vanguard investments and Vanguard Cash Account	Nil x \$25,250	\$0.00
+ Account fee on all other investments (including direct shares)	0.10% x \$24,750	\$24.75
+ Interest retained on the Vanguard Cash Account	4.50% <sup>1</sup> x \$500	\$22.50
+ Management fees and costs of Vanguard Australian Shares Index ETF	0.10% <sup>2</sup> x \$24,750	\$24.75
+ Management fees and costs of Direct Shares	N/A	N/A
		<b>\$72.00</b>
<i>Performance fees</i>	Nil	\$0.00
<i>Transaction costs</i>		
Transaction costs of the Vanguard Cash Account	N/A	N/A
+ Transaction costs of Vanguard Australian Shares Index ETF	0.00% <sup>3</sup> x \$24,750	\$0.00
	<i>There is no brokerage fee for ETF buy trades<sup>4</sup></i>	\$0.00 <sup>4</sup>
+ Transaction costs of Direct Shares	<i>A flat brokerage fee applies to all Direct Share trades<sup>5</sup></i>	\$9.00 <sup>5</sup>
		<b>\$9.00</b>
<b>EQUALS</b> Cost of portfolio		
If you had an investment of \$50,000 at the beginning of the year invested in the portfolio outlined above and you put in an additional \$5,000 during that year, you would be charged fees and costs of: <b>\$81.00 p.a.</b>		
<b>What it costs you will depend on the investment option you choose and the fees you negotiate.<sup>6</sup></b>		
This represents 0.15% of the total price of \$55,000 you paid to acquire the investments through Vanguard Personal Investor.		

- \* The example assumes the \$50,000 is invested for the full year, the value of the investment is consistent over the year and the additional \$5,000 is invested at the end of the year, and therefore management fees and costs and transaction costs are associated with the initial \$50,000 only. The dollar amount varies due to rounding.
- The example also assumes a Vanguard Cash Account balance of \$500, with the balance of \$49,500 invested. The assumption is on the basis that investors can be expected to normally maintain a balance in the Vanguard Cash Account to cover the Account Fee and any applicable brokerage, however there is no required minimum balance. Additional fees may apply, such as a buy spread on acquiring an investment in a managed fund, or a sell spread on withdrawing from a fund.
1. We retain part or all of the interest earned on the Vanguard Cash Account. As at the date of this Guide, effective 01 July 2023, we will retain all the interest earned on the Vanguard Cash Account. This may change in future. The example assumes the interest rate retained of 4.50% p.a. for illustration purposes. Please refer to the 'Interest retained on the Vanguard Cash Account' section under the heading 'Additional explanation of fees and costs' for further information.
  2. These are the management fees and costs for these investment options at the date of this Guide and may change. Please refer to the PDS or other disclosure documents for the investment options for further details.
  3. These are the transaction costs for these investment options as at the date of this Guide and may change. Please refer to the PDS or other disclosure documents for the investment options for further details.
  4. There is no brokerage fee to buy Vanguard ETFs. A flat \$9.00 brokerage fee applies to sell trades.
  5. A flat \$9.00 brokerage fee applies to buy and sell Direct Share trades. If you acquire Direct Shares in multiple transactions, you will be charged a brokerage fee for each trade.
  6. You cannot negotiate to pay lower fees Vanguard Personal Investor.

## **Additional explanation of fees and costs**

### **Account Fee**

The Account Fee of 0.10% p.a. only applies to non-Vanguard investments (currently, directly held ASX listed shares) and is charged by Vanguard for performing the functions as operator of Vanguard Personal Investor, including reporting, custodial and settlement services. The Account Fee of 0.10% p.a. is calculated daily on the value of your non-Vanguard investment account balance. This fee is deducted quarterly in arrears from your Vanguard Cash Account.

The Account Fee does not include any expense incurred in acquiring or disposing of investments on your behalf such as brokerage fees for trading ETFs or direct shares. The Account Fee applies for any period you hold non-Vanguard investments in your Vanguard Personal Investor Account.

If your Vanguard Cash Account has insufficient money to pay the Account Fee, we will notify you to deposit money into your Vanguard Cash Account or we may sell some of your assets. If there are no other assets in your account or the assets cannot be sold, we reserve the right to close your account or suspend activity on your account. If your account is suspended, please contact us by phone.

### **Interest retained on the Vanguard Cash Account**

All amounts in your Vanguard Cash Account are held in an omnibus account at our authorised deposit-taking institution. The pooled cash held in the omnibus account earns interest at a rate negotiated by us with the authorised deposit-taking institution. We may retain some or all of that interest. The amount we retain is the 'Interest retained on the Vanguard Cash Account' referred to in this Guide.

As at the date of this Guide, from 01 July 2023, we will retain all interest earned on the pooled cash held in the omnibus account at our authorised deposit-taking institution. In future, we may decide to retain only part of the interest earned by the pooled cash in the omnibus account. Where we retain part of the interest, the interest you earn will be credited to your Vanguard Cash Account and the interest rate will be published on our website at [vanguard.com.au/personal](https://vanguard.com.au/personal). The amount we retain is deducted from the interest earned

on the pooled cash before interest is allocated to investors at the declared rate (if any). This amount we retain is not deducted from your account.

As at the date of this Guide, the Interest rate retained on the Vanguard Cash Account for the previous financial year ending 30 June 2022 was 0.50% p.a. For the current financial year ending 30 June 2023, we anticipate the Interest rate retained on the Vanguard Cash Account to be an estimate of 1.10% p.a. For next financial year ending 30 June 2024, the Interest rate retained on the Vanguard Cash Account is anticipated to range between an estimate of 4.00% and 4.50% p.a. This is based on the Reserve Bank of Australia (RBA) official cash rate, the interest rate paid by our authorised deposit taking institution and amount of interest that Vanguard determines to retain and accordingly may vary from time to time.

### **Fees and costs of investments**

The investment returns of Vanguard Managed Funds and ETFs are net of management fees and other costs (including indirect costs) that apply. Some funds have performance fees in addition to the management fee. The method for calculating the performance fees varies between the managed funds and the details are included in the PDS or other disclosure document of the relevant managed fund.

Unlisted managed funds may charge investors an estimate of the transaction costs that the fund will incur to buy or sell its underlying assets. This buy/sell spread is incorporated into the price paid to purchase or sell units and the amount of the spread accrues to the fund.

For further information regarding the fees and other costs for each managed fund, refer to the PDS or other disclosure document for the relevant managed fund or ETF.

### **Transaction costs deducted from your Vanguard Personal Investor Account**

Transaction costs payable in respect of ETFs and directly held ASX listed shares acquired through Vanguard Personal Investor are the brokerage fees paid at the time of purchase or sale. They are added to the buy or sell value of any order for ETFs or direct shares. The total amount is deducted from your Vanguard Cash Account at the time of purchase or sale.

There are no transaction costs charged in respect of depositing or withdrawing money in your Vanguard Cash Account or buying or selling managed funds accessed via Vanguard Personal Investor.

Transaction costs are an additional cost to you if you trade in ETFs or direct shares, and are not recovered under a buy/sell spread as there is no buy/sell spread charged in respect of Vanguard Personal Investor.

The table below summarises the transaction costs applicable in respect of Vanguard Personal Investor.

TRANSACTION COSTS	BUY FEE AMOUNT	SELL FEE AMOUNT
Deposit into or withdraw money from your Vanguard Cash Account	Nil	Nil
Buy or sell units in managed funds	Nil	Nil
Brokerage on Vanguard ETFs	\$0.00	\$9.00 flat fee per trade. Deducted from the proceed of your sell order at the time of execution
Brokerage on direct shares	\$9.00 flat fee per trade. Added to the total purchase price.	\$9.00 flat fee per trade. Deducted from the proceed of your sell order at the time of execution

### Transaction costs of investment options

Transaction costs arise from trading activity to execute the investment strategy for a managed fund or ETF such as settlement and clearing costs, and which are not the result of investors buying or selling units in the managed fund or ETF, are incurred at the time the fund undertakes the trading activity and included in the fund's unit price.

Such indirect transaction costs are not deducted from your Vanguard Personal Investor Account, but they are additional costs of investing. Further information on transaction costs for each managed fund and ETF available through Vanguard Personal Investor is provided in the PDS or other disclosure document for the relevant managed fund or ETF.

### Goods and Services Tax (GST)

All the fees and costs described in this Investor Guide are inclusive of any GST and net of any reduced input tax credits (RITCs) that may be claimed, stated at the current rate charged under the *A New Tax System (Goods and Services Tax) Act 1999*.

If at any time in the future the Australian Government changes the rate of GST, the fees and costs deducted from your account may change.

### Charging fees and costs

We may recover fees, costs, charges and expenses in relation to your account and investments held in your Vanguard Personal Investor Account from your Vanguard Cash Account, set off these amounts against any amounts payable by us to you, or sell down any of your assets to meet these amounts. We may also terminate your IDPS contract or suspend your use of Vanguard Personal Investor if any fees, costs, charges and expenses remain unpaid.

### Changes to fees and costs

We reserve the right to change our fees at any time or introduce new fees. We will give you at least 30 days written notice prior to increasing any fee or introducing new fees.

### Reduced Account Fees

At Vanguard's discretion, we may charge a reduced Account Fee to certain investors.

### Adviser fees

Additional fees may be paid or payable by you to a financial adviser. Please refer to the relevant Statement of Advice provided by your financial adviser for information about fees payable to your financial adviser.

# Tax information

## Taxation

The tax information contained in this Guide is based on our understanding of Australian tax laws effective as at the date of this Guide. It is provided for general information only and is not intended to provide an exhaustive or definitive statement as to all the possible tax outcomes for investors. Please note that we do not provide tax advice. As each investor's circumstance is different, we recommend you seek professional tax advice concerning the particular tax implications of investing through Vanguard Personal Investor.

The tax information provided in this Guide relates to Australian tax residents who hold their investments on capital account for income tax purposes and who are not exempt from taxation and does not consider any non-Australian tax consequences. Investors who fall outside these categories (for example, investors who are non-residents, hold their units on revenue account or as trading stock or who have made a fair value or financial reports election under the taxation of financial arrangement (or "TOFA") rules), should seek independent professional advice in relation to their specific circumstances.

You should be aware that the Australian Taxation Office (ATO) is continuing to review the treatment of bare trusts and similar arrangements such as an IDPS which may impact the taxation treatment of this Product. We will inform you to the extent there are material changes impacting your account.

## Taxation on Income

Investments in your Vanguard Personal Investor Account can derive income, such as distributions from managed funds and ETFs and dividends from direct shares. As you remain the beneficial owner of the investments in your account, the income tax consequences of investing should generally be the same as if you held the investments directly.

Generally, income received from investments in managed funds, ETFs and direct shares held by you in your Vanguard Personal Investor Account will form part of your assessable income, including any franking credits and/or foreign income tax offsets. This is the case regardless of whether the money is actually paid to your Vanguard Cash Account or reinvested.

## Franking Credits

Your income derived from investments may include franking credits attached to franked dividends in respect of Australian shares. Subject to relevant qualification requirements (including a 45-day holding period), these franking credits will need to be included in your taxable income and, depending on your circumstances, may be available to offset your tax liability. You may also be entitled to a refund if the franking credits exceed your total income tax liability.

## Foreign Income

Income received from sources outside Australia may be subject to tax in the country of source. Australian tax resident investors may be entitled to claim a foreign income tax offset against their Australian tax liability in respect of this tax.

## Capital Gains

Taxable capital gains from the disposal of investments or received as part of a managed fund or ETF distribution will generally form part of your assessable income.

Depending on your circumstances, you may be eligible for a Capital Gains Tax (CGT) discount if the investments are held for at least 12 months before disposal. You should obtain professional tax advice about the availability of a CGT discount.

Any capital loss arising on disposal of your investment may be able to be offset against capital gains arising in that year or subsequent years.



## Disposal of Securities

Where you have purchased the same security over multiple transactions, these securities will be allocated to "parcels". The method for allocating the sales against parcels will be defaulted to First In First Out (FIFO); under this method the first parcel purchased will be deemed to be the first parcel sold.

## Asset transfers

Where available, the process for transferring an investment that you currently hold outside of this IDPS into your Vanguard Personal Investor Account will vary depending on the investment. Where there is no change in beneficial ownership there should be no capital gains tax implications because of the transfer, however this will be dependent on your own individual circumstances and we recommend you seek independent professional tax advice.

## Annual Tax Statements

Following the end of each financial year you will receive an Annual Tax Statement to assist you with completing your annual income tax return. We will notify you when this is available online.

Where there have been assets transferred from outside of this IDPS into your Vanguard Personal Investor Account, we will rely on the tax parcel information you supplied at the time of the transfer. Any capital gains or losses from a disposal of these transferred assets will be calculated and shown on your Annual Tax Statement using that information.

## Non-residents

If you are not a resident of Australia for tax purposes, then certain distributions that are paid to you from an Australian source may be subject to withholding tax.

## Quoting your Tax File Number (TFN), TFN exemption or Australian Business Number (ABN)

Collection of your TFN is authorised and its use and disclosure are strictly regulated by Commonwealth tax laws and the *Privacy Act 1988*. You may quote a TFN, ABN or claim a TFN exemption when completing your application. If you choose not to quote a TFN, ABN or TFN exemption, we will be required to deduct tax at the prescribed rate (at the date of this Guide this was the highest marginal tax rate plus any applicable levies).

## US Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS)

FATCA is a US law which impacts investors worldwide. FATCA attempts to minimise US income tax avoidance by US persons investing in foreign assets, including through their investments in foreign financial institutions. FATCA requires reporting of US persons' direct and indirect ownership of non-US accounts and non-US entities to the US Internal Revenue Service (IRS).

Similarly, the Organisation for Economic Cooperation and Development (OECD) has established a Common Reporting Standard (CRS), which requires participating jurisdictions to obtain information from their financial institutions and exchange it with other participating jurisdictions as of 1 July 2017.

Under FATCA, the Australian Government has entered into an Inter-Governmental Agreement (IGA) with the Government of the United States of America for reciprocal exchange of taxpayer information. Under the IGA, financial institutions operating in Australia report information to the ATO rather than the IRS. The ATO may then pass the information on to the IRS.

We may request certain information or documents from you as is necessary to verify your identity and FATCA and CRS status. We may disclose this information to the ATO (who may share this information with other tax authorities) as necessary to comply with FATCA, CRS or applicable implementing law or regulation.

## Tax information on Personal Investor Kids Account

Investment income earned on a Personal Investor Kids Account, including any capital gains from the disposal or transfer of investments, is typically taxed to the minor at special minor rates which are higher than the tax rates which apply to adults (unless special circumstances apply). Capital gains tax implications may also arise if investments in the account are transferred to the child at a later time (for example, once they turn age 18 and have their own Personal Investor Account).



# Other important information

## How we communicate with you

### Electronic notifications

To ensure you have the most up to date information about your investments we will send you electronic notifications via email or through Vanguard Online. These notifications will provide you with information such as updates to our services, confirmation of transactions or changes to our fees. Please ensure you keep your contact details up to date. If you prefer to receive information by mail, please contact us.

### Annual Transaction and Annual Tax Statements

Your Annual Transaction Statement and Annual Tax Statement will be available on Vanguard Online after the end of each financial year. We'll notify you when these statements are available online.

## When we may not act on your instructions

We will generally act on your instructions to transact on your Vanguard Personal Investor Account, except for certain circumstances. Please refer to the Terms and Conditions outlined in this Guide for further details.

## Service interruptions

In general, we seek to ensure our online services are available 24 hours a day, 7 days a week, however they may be unavailable from time to time. In the event Vanguard Online or the mobile app is not available, you can contact us on 1300 655 101 from 8:00am to 6:00pm (AET) Monday to Friday. If our online services are not available, Vanguard will not be liable for any loss incurred if you were not able to transact on your account.

## Voting Policy

The *Vanguard Personal Investor Voting Policy* is available free of charge on our website at [vanguard.com.au/personal](https://vanguard.com.au/personal) or on request by calling us on 1300 655 101.

Vanguard holds your investments in custody and as you are not the registered holder, you do not have any voting rights.

## Protecting your Privacy

Vanguard is committed to respecting the privacy of your personal information. Privacy laws regulate, among other matters, the way organisations collect, use, disclose, keep secure and give people access to their personal information. Vanguard's privacy policy states how Vanguard manages personal information. Vanguard collects personal information in the application process and may collect additional personal information while managing your account, in order to:

- provide this product to you,
- comply with our regulatory obligations under the AML/CTF laws throughout the period you are an investor with us and 7 years after you are no longer an investor with us, and
- to establish and manage your investments.

Vanguard may obtain information about the investor or any beneficial owners from third parties if it is believed this is necessary to comply with relevant laws. Vanguard may be required by law to disclose personal information to relevant regulators (whether in or outside of Australia).

If you do not provide the information requested in the application process, Vanguard may not be able to process or accept your application.

To obtain a copy of our privacy policy or to access or update your personal information, visit [vanguard.com.au/personal](https://vanguard.com.au/personal) or call us directly on 1300 655 101.

## Anti-money laundering, counter terrorism financing obligations, sanctions laws and anti-bribery and corruption laws

We are bound by laws concerning the combating of money laundering and the financing of terrorism (including the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth)); as well as meeting sanctions obligations and anti-bribery and corruption laws, or any other relevant laws.

We are required to carry out procedures that verify your identity before providing services to you, and updating this information from time to time thereafter. By entering into a contract with Vanguard you agree that:

- You are not applying for a Vanguard Personal Investor Account under an assumed or false name (i.e. aliases or pseudonyms).
- Any money you invest is not derived from or related to any criminal or illegal activities.
- Any proceeds will not be used in relation to any criminal, terrorism and terrorism financing or other illegal activities.
- You will not initiate, engage in, or effect a transaction that may be in breach of AML/CTF law, Anti-bribery or Corruption or sanctions (or the law or sanctions of any other country) in which Vanguard operates in.
- On request, you will provide us with any identity and additional information we may require to comply with relevant laws or legislation (such as AML/CTF laws or sanctions). This could include, but is not limited to, information about you, your transactions and your related parties, including the source of funds or source of wealth used in connection with the investment.
- We may obtain information about you, your legal personal representative, anyone acting on your behalf, a holder of a beneficial interest in the investment or the source of funds used in connection with the investment from third parties if we believe this is necessary to comply with AML/CTF laws or sanctions obligations.
- To comply with relevant laws and legislation, we may be required to act, including delaying or refusing the processing of any application or any transaction related to your account if we believe or suspect that the application or transaction may breach any obligation or cause us to commit or participate in an offence under any relevant laws, including AML/CTF laws, Anti-bribery and Corruption or sanctions. We will not incur any liability in doing so.
- Where legally obliged to do so (e.g. receipt of a lawful notice from a Commonwealth, State or Territory law enforcement agency), we may disclose the information gathered to regulatory and/or law enforcement agencies or other entities. We may share this information with other members of the Vanguard Group.
- We can close your account without notice in the following circumstances:
  - if we suspect that there is a breach of any of the conditions set out in this section, or
  - there is unsatisfactory or unlawful conduct by you, or
  - if you fail to provide required information and documentation as requested within a stipulated time period, or
  - if we consider that we need to close your account for any other reason in order to manage appropriately any risks to which we are exposed (including the risk of damage to our reputation).

# Terms and Conditions

**WARNING:** There are significant differences between acquiring a financial product directly and acquiring that product through Vanguard Personal Investor. The important differences are explained in this Guide, in the section 'How investing through Vanguard Personal Investor is different to investing directly.'

By investing through Vanguard Personal Investor, you do not have access to some of the rights and entitlements that would otherwise be available to you as a retail investor if you invested in the underlying investment options directly. This includes not having the same rights as direct retail investors or not having access to cooling off rights, withdrawal rights, voting rights and corporate actions as outlined in this Guide. You acknowledge this by entering a contract with Vanguard.

These Terms and Conditions apply to your participation in Vanguard Personal Investor as a client. The terms and conditions of use for Vanguard Online and the Vanguard Australia mobile app apply in addition to these Terms and Conditions.

## 1. Your contract with us

- (a) By opening a Vanguard Personal Investor Account or a Vanguard Personal Investor Kids Account and accepting these Terms and Conditions, you offer to enter a contract with Vanguard. A contract between you and Vanguard is formed when we accept your application.
- (b) Your rights and obligations as a client of Vanguard Personal Investor and our rights and obligations as operator of Vanguard Personal Investor, are governed by:
  - (i) the Deed Poll for Vanguard Personal Investor, which is the document signed by Vanguard to establish and set out the rules of Vanguard Personal Investor; and

- (ii) the terms of the contract between you and Vanguard (the IDPS Contract), which are set out in:
    - (A) the online account application form; and
    - (B) these Terms and Conditions.
- (c) You are bound by the terms of the Deed Poll and your IDPS Contract when we accept your application.
- (d) A copy of the Deed Poll is available from us free of charge on request.
- (e) We may vary the Deed Poll in accordance with the Deed Poll, and we may vary these Terms and Conditions in accordance with clause 19 of these Terms and Conditions.
- (f) If you open a Vanguard Personal Investor Account as trustee of a trust (including an SMSF), you warrant that:
  - (i) you are the trustee of the trust;
  - (ii) the trust deed is valid and enforceable;
  - (iii) you have the power and authority to enter into, and exercise any of the trust's rights and obligations under, the Deed Poll and IDPS Contract on behalf of the trust; and
  - (iv) you are bound by the terms of the Deed Poll and IDPS Contract both personally and in your capacity as trustee.

## 2. Vanguard Personal Investor Kids Account

- (a) In order to open a Vanguard Personal Investor Kids Account:
  - (i) you will need to have an existing Vanguard Personal Investor Account and comply with applicable AML/CTF obligations. An existing Vanguard Personal Investor Account as at the date of this Guide includes Individual, Joint, Trust, SMSF and Company account types;
  - (ii) the child will need to be under 18 years of age as at the date the account is opened; and

- (iii) if there is more than one child, a separate Vanguard Personal Investor Kids Account will need to be opened for each child.
- (b) You acknowledge that the Vanguard Personal Investor Kids Account is legally owned by you. The child named on the Vanguard Personal Investor Kids Account has no entitlement to operate the account. Vanguard will not accept or act upon (subject to law) any instructions from the child in relation to the account.
- (c) You acknowledge that any references to terms such as "as trustee for", "on behalf of", "for the benefit of" and "beneficiary" in this IDPS Guide, these Terms and Conditions or other information provided in respect of the Vanguard Personal Investor Kids Account do not impart a legal trustee/beneficiary relationship as between you and the child in respect of the account.
- (d) You acknowledge that by appointing an Authorised Representative, you agree to be responsible for the actions of the nominated authorised representative(s). You also release, discharge and agree to indemnify Vanguard for any losses, liabilities, actions, proceedings, accounts, claims and demands in respect of any liabilities arising out of this appointment.

### **3. Your responsibilities**

You are responsible for all investment selection decisions and the monitoring of your investments held through your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be).

### **4. How you can provide us with instructions**

- (a) You can provide us with instructions relating to your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account online via Vanguard Online. You can also provide us with limited trading instructions via the mobile app and we may accept instructions by other mechanisms such as telephone or email.
- (b) Joint account-holders agree that either party on the account is authorised to operate the account on behalf of the other account holder – i.e. 'any to sign'. Joint investor accounts are offered as "Joint tenants" under Australian law which means

that the entire account holding is equally and jointly owned by each account holder.

- (c) Trustees and Company Officers of corporate trustees of a trust (including SMSFs) agree that any one signatory on the account is authorised to operate the account on behalf of other signatories to the account – also 'any to sign'.
- (d) Company Officers of companies agree that any one signatory on the account is authorised to operate the account on behalf of other signatories to the account – also 'any to sign'.

### **5. Your Vanguard Cash Account**

- (a) You direct us to hold your money in your Vanguard Cash Account until you make a purchase of investments or make a withdrawal.
- (b) You will ensure that there are sufficient cleared funds in your Vanguard Cash Account before you purchase investment options or process a withdrawal. You agree that we will use the funds in your Vanguard Cash Account to purchase investments, fund withdrawals or pay fees and expenses incurred in your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be).
- (c) You will be responsible for any fees, costs, charges or expenses we incur as a result of funds in your Vanguard Cash Account not being cleared at the time we withdraw them to process a transaction.
- (d) You will ensure that your Vanguard Cash Account is linked to an Australian bank account held in the same name as the Vanguard Personal Investor Account, and that your linked bank account is held with an Australian authorised deposit-taking institution (which may include financial institutions, other than banks, such as a building society or credit union). You acknowledge that you cannot link your Vanguard Personal Investor Account to a third parties' bank account or an international bank account.
- (e) You will ensure that you have an Australian bank account linked to your Vanguard Cash Account at all times.
- (f) You acknowledge that you can generally update your linked Australian bank account details through Vanguard Online. For the

security of your account, you acknowledge that if you update your Australian linked bank account, we will delay the payment of cash withdrawals to this new bank account for up to 30 days. We will continue to process other transactions and instructions normally. In certain circumstances we may also request for additional documentation to verify your new linked bank account details.

## **6. Auto Invest (where selected)**

- (a) You authorise us to deduct (by direct debit) the nominated amount from your linked Australian bank account at the frequency you nominate.
- (b) You acknowledge that under Auto Invest, a regular investment acquisition of a managed fund and ETF may occur without you having been given the current Product Disclosure Statement (PDS) of your chosen investment option(s). You can obtain the latest copy of each PDS on our website.
- (c) You acknowledge that Auto Invest will continue to be made under the regular investment plan until the contribution end date you set up, or until you instruct us otherwise, or the arrangement constituting the regular investment plan is otherwise terminated.
- (d) You will make sure there are enough cleared funds in your linked Australian bank account before each direct debit to enable Auto Invest to continue.
- (e) You acknowledge that your Auto Invest may be cancelled or paused if our attempt to direct debit your linked bank account is dishonoured by your bank.
- (f) You will be responsible for any fees, costs, charges or expenses you incur if your bank dishonours our direct debit request.

## **7. When we may not act on your instructions**

- (a) At Vanguard's discretion we may reject or cancel your instructions in relation to your investments. We will notify you promptly if this occurs and let you know the reason.
- (b) We may not act on your instructions in any of the following circumstances:
  - (i) If we know or suspect that the person giving the Instruction is in breach of the Deed Poll or we doubt the authenticity of the instruction.

- (ii) If we know or suspect, in relation to Vanguard Personal Investor Kids Account, that the child is giving the instruction.
- (iii) If you have not complied with the requirements in respect of the instructions set out in clause 4 of these Terms and Conditions.
- (iv) If acting on them would cause Vanguard to breach any law or the Deed Poll.
- (v) If the instruction is to acquire or accept something which is not an asset in your account, or which is not listed on the Investment Menu or is listed as unavailable to new investors.
- (vi) If acting on them:
  - (A) at the time they are received, is not permitted, or is restricted for any reason (for example, market closure or suspension); or
  - (B) would otherwise be impracticable to execute for any reason;
- (vii) If acting on them would be contrary to relevant market practices.
- (viii) If you do not comply with the rules set out under the section 'Anti-money laundering, counter terrorism financing obligations, sanction laws and anti-bribery and corruption laws' in this Guide.
- (ix) If providing the product or service would cause Vanguard to breach any laws including sanctions, anti-bribery and corruption and/or AML/CTF laws.
- (x) Unless you have made arrangements which Vanguard considers satisfactory for payment of any unpaid amounts or amounts which Vanguard considers will become payable from acting on that instruction.
- (xi) If the Instructions are unclear, ambiguous or Vanguard is otherwise not satisfied as to the meaning of the instruction.
- (xii) If in Vanguard's opinion our possible personal liability arising from acting on that instruction is not excluded or limited to our satisfaction.



## 8. Termination or suspension

- (a) Vanguard may terminate the IDPS Contract and/or suspend activity on your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be), and accordingly you will not be able to undertake any transaction in relation to the account, at any time by reasonable notice to you, or without notice to you in any of the following circumstances:
- (i) there is insufficient balance in your Vanguard Cash Account to cover your fees and:
    - (A) you have not deposited money into your Vanguard Cash Account 30 days after we have given you notice that the deposit payment is required; or
    - (B) there are no other assets in your Vanguard Personal Investor Account, or the assets are not able to be sold;
  - (ii) you are in breach of the IDPS Contract;
  - (iii) we are required to close your account to meet our legal and regulatory obligations;
  - (iv) you have provided false or misleading information to use in relation to your account; or
  - (v) we suspect that there is a breach of any of the conditions set out in this Guide, there is unsatisfactory conduct by you, if you fail to provide required information and documentation as requested within a stipulated time period, or if we consider that we need to close your account for any other reason in order to manage appropriately any risks to which we are exposed (including the risk of damage to our reputation).
- (b) Where Vanguard terminates your IDPS Contract, the process set out in clause 9(b) will apply. If we are unable to deliver, transfer or pay an asset in accordance with your instruction or otherwise obtain instructions from you for the delivery, payment or transfer of an asset, you authorise and instruct Vanguard, at its discretion, to redeem any assets held in your Vanguard Personal Investor Account

and pay the proceeds to your linked Australian bank account. Vanguard is not liable for any loss, cost or expense that may arise, or that you may incur, in connection with any action taken under this clause.

## 9. Closing your account

- (a) You may close your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be) at any time by giving notice to us.
- (b) On closure of your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account, we will sell or transfer your assets out of your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account on the following basis:
- (i) All pending transactions will be settled.
  - (ii) We will transfer your assets in accordance with your instructions, provided the receiving asset register will accept the transferee as owner of the asset. If an asset cannot be transferred to you personally you will need to identify a transferee that is eligible to hold the asset (for example, another IDPS operator).
  - (iii) Once the assets have been sold or transferred, and any outstanding amounts, proceeds from corporate actions or other income payable to you has been received, we will pay the remaining balance of your Vanguard Cash Account (minus any outstanding fees) to your linked bank account, then close your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be).
  - (iv) After the full closure of your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be) you will still be able to access past statements, your transaction history and tax information online. If you are unable to access these online, please contact us.
  - (v) We will not charge a fee to close your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account, however you will be liable for any outstanding fees, charges or taxes payable in respect to the investments

that were held in your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be). You may incur brokerage or other trading costs where assets are sold as part of the account closure process.

#### **10. Transferring managed fund holdings in Vanguard Personal Investor Kids Account**

- (a) The ownership of the Vanguard Personal Investor Kids Account and any holdings in it will not automatically vest to the child named on the account once that child attains the age of 18 years.
- (b) Once the child named on the Vanguard Personal Investor Kids Account attains the age of 18 years or older, you may transfer holdings from the Vanguard Personal Investor Kids Account to the former child, subject to the former child opening a Vanguard Personal Investor Account in their own name and satisfying the eligibility criteria.

#### **11. What we are responsible for**

- (a) We will perform our obligations as set out in your IDPS contract.
- (b) We will maintain adequate measures to ensure we are able to perform our obligations.
- (c) We will not use information obtained via your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account to gain improper advantage.
- (d) We will provide to you on request a copy of all communications required by law to be provided to you.
- (e) We will provide you with access to all necessary disclosure documents in relation to your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be) and their underlying investments.
- (f) We will ensure we maintain accurate records of the investments in your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be), of how transactions have been authorised and by whom.

#### **12. What we are not responsible for**

- (a) We are not responsible for:
  - (i) the accuracy of any information you provide to us or to another party;

- (ii) any consequence to you of us acting on your instructions in accordance with these Terms and Conditions; or
  - (iii) the performance of your investments acquired in Vanguard Personal Investor.

- (b) We do not make any implied recommendations that any investments available on the Investment Menu may be suitable for you.
- (c) We are not liable for any losses to you where we act in good faith and without negligence, default, fraud, dishonesty or where we act in compliance with a regulatory direction or court order with respect to your funds.
- (d) We are entitled to be indemnified from assets we hold on behalf of you for any liability incurred by us in properly performing or exercising any of our powers or duties in relation to your account.

#### **13. How we will communicate with you**

- (a) We will make available to you electronically any relevant notice or information we are required to give you under your IDPS Contract or under the law, subject to clause 13(e) of these Terms and Conditions.
- (b) We will make available to you electronically the following reports, or other reports as required or permitted by law, subject to clause 13(e) of these Terms and Conditions:
  - (i) transaction history;
  - (ii) annual investor statements;
  - (iii) quarterly investor reports, subject to clause 13(d);
  - (iv) online access to information about your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account, as required by law; and
  - (v) annual tax reports.
- (c) The electronic mechanism is Vanguard Online. The terms and conditions of use for Vanguard Online will apply. We will notify you by an agreed mechanism when a notice, information or report, referred to in clause 13(a) and clause 13(b) respectively of these Terms and Conditions, is available to access in Vanguard Online.
- (d) As permitted by law, you agree to obtain information concerning your transactions and holdings through Vanguard Online,



instead of receiving quarterly investor statements. We are responsible for ensuring that all information concerning your transactions and holdings, which is required to be available electronically to an IDPS client who agrees not to receive a quarterly investor statement, is available through Vanguard Online.

- (e) At your request we will send to you, by post, the notices and information and the reports, referred to in clause 13(a) and clause 13(b) respectively of these Terms and Conditions. We will implement a request not later than five business days after you lodge the request (by secure message through Vanguard Online or by phone).

#### **14. Fees, costs, charges and expenses**

- (a) You are responsible for any applicable fees, costs, charges and expenses in relation to your account and investments held in your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (as the case may be).
- (b) If we consider it necessary or desirable, we may:
  - (i) pay the fees, costs, charges and expenses from your Vanguard Cash Account;
  - (ii) set off the fees, costs, charges and expenses against any amounts payable by Vanguard to you;
  - (iii) suspend your use of Vanguard Personal Investor for such time as the fees, costs, charges and expenses remain unpaid; or
  - (iv) sell down any of your assets to meet any the fees, costs, charges and expenses.

#### **15. Custody terms**

##### **15.1 Custody services**

We agree to perform the following custody services for you, as Custodian:

- (a) take custody of the assets invested under your Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account (**Client Assets**), and title documents of the Client Assets, and hold them as trustee for you, or engage the Sub-Custodian to take custody of your Client Assets, and title documents of the Client Assets, and hold them for us as custodian for you;

- (b) arrange for the Client Assets to be held as bare trustee in our name or the name of the Sub-Custodian or in the name of an agent or sub-sub-custodian or a Clearing House, and for this purpose Vanguard and the Sub-Custodian may pool the Client Assets in an omnibus account with assets of other persons, and we must keep records in a way that enables the Client Assets to be identified;
- (c) credit all income and other payments due in respect of Client Assets to the relevant bank account of Vanguard or the Sub-Custodian, and keep records in a way that enables the income and other payments attributable to Client Assets to be identified;
- (d) where necessary or desirable prepare, complete, execute, lodge or file on your behalf in your name, any declarations, affidavits, certificates, statements, transfers or other documents which may be necessary from time to time in the exercise of our duties and obligations under these Custody Terms, or arrange for the Sub-Custodian to do so;
- (e) upon request by you, make reasonable efforts to recover income or payments; and
- (f) keep and maintain records of:
  - (i) the Client Assets held under your Vanguard Personal Investor Account;
  - (ii) all income received in relation to the Client Assets;
  - (iii) any acquisition or disposal of Client Assets, and the amount paid or received for each acquisition or disposal; and
  - (iv) all transactions in Vanguard's or the Sub-Custodian's bank accounts applicable to your Vanguard Personal Investor Account.

##### **15.2 Acknowledgement of custody arrangements**

- (a) We will acknowledge to you, on request, the way Vanguard may hold Client Assets and the arrangements for the appointment of the Sub-Custodian or another person to hold Client Assets.
- (b) You acknowledge that, under the terms of the appointment, Vanguard may, or the Sub-Custodian with Vanguard's consent may:

- (i) appoint and use the services of any other person (including a related party of Vanguard or the Sub-Custodian) as an agent or sub-sub-custodian; and
  - (ii) use any Clearing House.
- (c) We will give you written notice of appointments referred to in clause 15.2(b) of these Terms and Conditions that apply in respect of the Client Assets.

### 15.3 Instructions

You may instruct us in relation to the Client Assets in the manner provided for clause 4 of these Terms and Conditions.

### 15.4 Liability

- (a) Except as set out in clause 15.4(b) of these Terms and Conditions, Vanguard is liable to you if there is a loss to Client Assets due to a failure by Vanguard or the Sub-Custodian or any other person Vanguard has directly or indirectly engaged to hold Client Assets, to comply with Vanguard's duties under this clause 15 or to observe reasonable standards generally applied by providers of custodial or depository services for holding the Client Asset held.
- (b) Vanguard is not liable for a loss to Client Assets resulting from a failure of the Sub-Custodian or any other person Vanguard has directly or indirectly engaged to hold Client Assets if that person is insolvent and Vanguard took reasonable care in engaging that person and monitoring that person's compliance.

### 15.5 Security interests, mortgages, liens or other encumbrances

Vanguard will not take or grant a charge, mortgage, lien or other encumbrance (**Security Interest**) over, or in relation to, Client Assets (other than as arises by lien in the ordinary course of business or by statutory charge) except:

- (a) in accordance with your written instructions; or
- (b) for expenses and outlays properly incurred in providing services under your IDPS Contract, including in connection with the investment and management of the Client Assets or the acquisition, disposal or maintenance of any Client Assets, but Vanguard may not take a Security Interest for any unpaid fees.

### 15.6 Record keeping and reporting

- (a) Vanguard will make available to you on request:
- (i) the records referred to in clause 15.1(f) of these Terms and Conditions;
  - (ii) the verification procedures for the reconciliation and checking of the Client Assets; and
  - (iii) details of how, by whom and when transactions in respect of Client Assets were authorised.
- (b) verification, reconciliation and other checking procedures will be conducted by Vanguard, the administrator and the Sub-Custodian. At the date of this Guide, reconciliations are conducted:
- (i) for cash balances, daily;
  - (ii) for listed direct shares and ETFs, daily; and
  - (iii) for managed funds, monthly.
- (c) Vanguard will report to you on the Client Assets as provided in clause 13(b) of these Terms and Conditions.

### 15.7 Identity of Sub-Custodian and agents

- (a) Vanguard will give you written notice, including contact details, of a new Sub-Custodian or other agent that will hold Client Assets:
- (i) where practicable before appointing the new Sub-Custodian or other agent;
  - (ii) in any event before Client Assets are transferred to the new Sub-Custodian or other agent,
- except where clause 15.7(b) of these Terms and Conditions applies.
- (b) Vanguard may give written notice to you after Client Assets are transferred to a new Sub-Custodian or other agent, where in Vanguard's opinion the appointment must be made before it is practicable to give the notice required under clause 15.7(a) of these Terms and Conditions, in order to preserve or safeguard Client Assets or any Client Asset, or assets of Vanguard's clients generally or a group of them.

### 15.8 Definitions

In clause 15, the following terms have the following meanings:

**Clearing House** means a person who provides facilities for the transfer, clearing or settlement of either securities or futures contracts, in the ordinary course of trading in securities or futures contracts.

**Sub-Custodian** means:

- (a) at the date of your IDPS Contract, JP Morgan Chase, N.A. (Sydney Branch) ABN 43 074 112 011; or
- (b) such other body corporate as Vanguard may appoint from time to time to be the sub-custodian of any Client Assets.

## 16. Termination

On termination of your IDPS Contract, the Client Assets must be transferred to you or as you lawfully direct by instructions in accordance with clause 4 of these Terms and Conditions. The obligations of Vanguard and you when your IDPS Contract is terminated are as set out in clause 8 of these Terms and Conditions.

## 17. Business continuity planning

- (a) Vanguard will always have and maintain a documented business continuity plan (**Business Continuity Plan**) in respect of the custody services, which is reasonable for the nature, scale and complexity of the business, to enable Vanguard to provide the custody services in any contingency for which Vanguard could reasonably plan.
- (b) The Business Continuity Plan must:
  - (i) specify how Vanguard will respond to problems or events (whether occurring internally or externally) which may cause destruction or loss of data, equipment, software, facilities, materials or assets or any interruption or disruption of the custody, so that there is no or minimal disruption to the custody services;
  - (ii) specify how Vanguard will test the measures set out in the Business Continuity Plan; and
  - (iii) specify the backup procedures of Vanguard (including the procedures relating to both software and data).

## 18. Confidentiality of Client Asset information

- (a) Vanguard will not disclose confidential information about your Client Assets to any other person except:
  - (i) disclosure to related parties, agents, service providers and advisers, in the course of providing financial and advisory services to you or that assist Vanguard in conducting our business;
  - (ii) where the law requires or permits us to disclose that information (for example, we may disclose information to government organisations such as the Australian Securities and Investments Commission) or to a party that may be acquiring an interest in Vanguard's business; or
  - (iii) with your consent.
- (b) If you are an individual or individuals, confidential information about your Client Assets is also treated as your personal information and is held by Vanguard in accordance with Vanguard's privacy policy available at [vanguard.com.au/personal](https://vanguard.com.au/personal).

## 19. Varying your IDPS Contract

- (a) Vanguard may, by issuing new or amended Terms and Conditions and notifying you:
  - (i) vary, suspend or terminate services that we provide under Vanguard Personal Investor; or
  - (ii) otherwise vary any provision of these Terms and Conditions.
- (b) If any variation is adverse to you we will give you at least 30 days prior notice.

# Addressing your concerns

## **Complaint about the operation of this IDPS**

If you have a complaint relating to the operation of this IDPS and any accessible Vanguard financial products held through the IDPS, please contact us so that we can work together towards a resolution.

Email: [clientservices@vanguard.com.au](mailto:clientservices@vanguard.com.au)  
Phone: 1300 655 101 (8:00am to 6:00pm AET, Monday to Friday)  
Online: Vanguard Online secure message  
Mail: Vanguard Investments Australia  
GPO Box 1837  
Melbourne VIC 3001

If you have any complaint relating to the financial advice you received, please contact your financial adviser.

Our Complaints Handling Policy is available on our website and in hard copy upon request.

We aim to resolve your complaint as quickly as possible. For most standard complaints, we will provide you with a written internal dispute resolution response within 30 calendar days after receiving your complaint. Complex complaints may have a different maximum timeframe for responding. We will notify you if a different timeframe applies to your complaint.

If you are not satisfied with the outcome of your complaint, you have the right to refer the matter to an external dispute resolution process – the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers. You can make a Complaint to AFCA online, by letter, email or by phone.

It is important to note that time limits apply to some types of complaints lodged with the AFCA.

## **Australian Financial Complaints Authority**

Website: [www.afca.org.au](http://www.afca.org.au)  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Telephone: 1800 931 678 (free call)  
Mail: Australian Financial  
Complaints Authority  
GPO Box 3  
Melbourne VIC 3001

## **Complaint about a specific financial product held through the IDPS**

If you have a complaint about any of the specific financial products held through this IDPS, please refer to the specific product disclosure statement for that financial product (which we can provide to you free of charge upon request) for the details regarding how best to make your complaint.

## **Complaint about any financial advice received in relation to investing in this IDPS**

If you did receive financial advice from licensed financial adviser regarding investing in this IDPS, please contact your financial adviser to determine how to best to make a complaint.

# How to open a Vanguard Personal Investor Account

In order to make an informed investment decision, it is important you read the:

- *Vanguard Personal Investor – Investor Guide* (this document)
- *Vanguard Personal Investor Guide Part B – Investor Guide for Personal investor Kids Account* (if applying).

You should also read the PDS or other disclosure document relating to each investment you wish to purchase through Vanguard Personal Investor. For managed funds and ETFs, these are available on our website at [vanguard.com.au/personal](https://vanguard.com.au/personal).

A copy of the Target Market Determinations (TMD) for Vanguard's financial products can be obtained at [vanguard.com.au](https://vanguard.com.au) free of charge and include a description of who the financial product is appropriate for. You should refer to the TMD of the product before making any investment decisions.

Once you have read these documents you can apply to open a Vanguard Personal Investor Account online at [vanguard.com.au/personal](https://vanguard.com.au/personal).

For queries relating to Vanguard issued investments, please call 1300 655 101.

For queries relating to direct shares, please contact the issuing company directly.

# Glossary

In this Guide the following terms have the following meanings, unless the context otherwise provides:

**Account (Vanguard Personal Investor Account or Vanguard Personal Investor Kids Account):** your Vanguard Personal Investor Account or to your Vanguard Personal Investor Kids Account (as the case may be).

**AFS Licence:** Australian financial services licence

**AML/CTF:** Anti-Money Laundering and Counter-Terrorism Financing

**Application:** the application you initiate to open a Vanguard Personal Investor Account

**ASX:** Australian Securities Exchange

**bank account:** an account with an authorised Australian approved deposit-taking institution

**Cash Account:** your Vanguard Cash Account

**Company Officer:** directors and company secretary of the relevant company

**direct shares:** securities listed on an exchange, for example securities listed on the ASX that can be traded individually by you

**disclosure documents:** a Product Disclosure Statement, this Guide, and other disclosure material in relation to investment products

**ETF:** Exchange Traded Fund

**Guide:** this IDPS guide, comprising *Vanguard Personal Investor – Investor Guide* including Terms and Conditions and *Vanguard Personal Investor Guide Part B – Investor Guide for Vanguard Personal Investor Kids Accounts*

**IDPS:** Investor Directed Portfolio Service

**IDPS Contract:** the terms of the contract between you and Vanguard, which are set out in the online account application form; and the Terms and Conditions set out in this document.

**listed securities:** securities listed on an exchange, for example securities listed on the ASX

**PDS:** Product Disclosure Statement

**Sanctions:** Sanctions impose restrictions on activities that relate to particular countries,

themes of conduct, goods and services, or persons and entities in as in accordance with the laws administered by the Australian Sanctions Office

**secure message:** the messaging service functionality within Vanguard Online.

**security or securities:** financial products such as managed funds, ETFs or direct shares

**shares:** all approved Financial Products as defined in the ASX Settlement Operating Rules

**SMSF:** self-managed super fund

**trade instruction:** an instruction, generally either a buy, sell or transfer instruction you give to Vanguard in relation to your investments, or one given by an authorised representative

**Vanguard, we, us and our:** Vanguard Investments Australia Ltd, the operator of Vanguard Personal Investor

**Vanguard Cash Account:** the cash account you hold as part of your Vanguard Personal Investor Account

**Vanguard Group, Inc.:** the global Vanguard Group, based in Malvern, Pennsylvania, USA

**Vanguard Online:** our secure web-based portal used to access information and transact on your Vanguard Personal Investor Account

**Vanguard Personal Investor:** the IDPS service this Guide relates to (including the IDPS service related to the Vanguard Personal Investor Kids Account)

**Vanguard Personal Investor Kids Account:** an account opened and operated by an adult(s) for the benefit of a child and as further described in Part B of this Guide

**Vanguard Australia mobile app or mobile app:** the Vanguard Personal Investor mobile app that can be used for most types of trades, and to view a snapshot of your account valuation, investment holdings and to access statements

**Website:** Vanguard's website, [vanguard.com.au/personal](https://vanguard.com.au/personal)

**you, your:** the applicant for an account or the holder of an account, or both, as the case may be

# Contact us

**Registered office:**

Level 13  
130 Lonsdale Street  
Melbourne VIC 3000

**Postal address:**

Vanguard Personal Investor  
GPO Box 1837  
Melbourne VIC 3001

**Other:**

Online: Vanguard Online  
secure message

Phone: 1300 655 101

Website: [vanguard.com.au/  
personal](https://vanguard.com.au/personal)

## Vanguard®

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