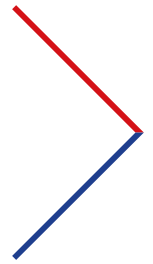


Product Update

CFS Edge Investments

8 April 2024



This Product update contains updated information, applicable to each of the following:

- CFS Edge Investments Investor Directed Portfolio Service Guide (IDPS Guide), Issue No 2023/2 dated 8 November 2023
- The Supplementary IDPS Guide (SIDPS Guide), dated 9 December 2023
- The Other Important Information brochure (OII), dated 8 November 2023.

This Product update must be read together with the relevant IDPS Guide and SIDPS Guide. These documents, as well as our Financial Services Guide (FSG), are available free of charge:

- on our website, cfs.com.au/cfsedge under 'Offer documents'
- from your adviser, or
- by calling us on 1300 769 619.

Unless otherwise specified, terms used in the IDPS Guide (and SIDPS Guide, if applicable) have the same meaning in this Product update.

Updates to the CFS Privacy Policy, Anti-money laundering and counter-terrorism and financing laws conditions, and further clarification for what can occur when investment income is received into your CFS Edge account

The changes outlined in this update inform where there's been an update to the CFS Privacy Policy for the methods used when validating security on your account. We're also replacing the wording which refers to the Anti-money laundering and Counter-Terrorism financing laws to improve existing processes and strengthen our obligations to foreign or domestic regulators and other government authorities. For CFS Edge Investments, we're also clarifying how investment income can be applied to your account. The inclusion of a new 'investment income' section is in addition to what had already been disclosed in the CFS Edge Investments IDPS Guide for conditions that can affect your investments.

Update to CFS Privacy Policy

We have made an important update to our Privacy Policy to include the way we use customer mobile numbers and email addresses for Multi-Factor Authentication (MFA) security validation purposes. MFA is when you use two or more pieces of information to verify your identity when you access your account. We are making these changes to further protect your personal data, and add an extra layer of protection against unauthorised access to your account. The updated Privacy Policy came into effect on 1 March 2024. You can view this change in section 5 of our Privacy Policy online at cfs.com.au/privacy or you can contact us to request a copy.

In the IDPS Guide, in the section 'How we invest your money', the below section is inserted directly after 'Investing through CFS Edge Investments':

Investment income

When investment income is received into your CFS Edge account, it can either be:

- 1 converted from a unit distribution/dividend allocation and paid to your cash account or
- 2 reinvested as additional units back into the investment, without conversion to your cash account – referred to as a Dividend (or Distribution) Reinvestment Plan (DRP)
- 3 Paid to an external bank account.

When you choose to reinvest income, via a DRP or your investment strategy, this is known as 'income reinvestment'.

DRP is a plan offered by a company or fund manager that allows you to automatically reinvest your dividends into additional shares of the company or reinvest your distribution into additional units in the same managed fund. CFS Edge permits a DRP facility wherever this can be offered by the eligible company or managed fund. Generally, there is no brokerage or other transaction costs payable to acquire additional shares or units via a DRP. When you elect to participate in a DRP via CFS Edge, it means you do not receive a cash dividend/distribution.

The default treatment for all eligible investment income received is to pay it directly into your cash account. Your minimum cash balance setting will determine whether income received is automatically reinvested according to your investment strategy for amounts above the minimum. When you nominate to automatically reinvest cash that has been converted from a unit distribution or dividend payment in your cash account, back into the same listed security or managed fund via your investment strategy, brokerage and/or transaction costs may be applicable. Also, depending on your cash account settings, income reinvestment can occur as a proportion of your cash dividend/distribution entitlement, or for the whole amount.

You should be aware that not all managed funds or listed securities offer a DRP and pay income at different times throughout each year and at different frequencies. We may also exercise our discretion to refuse participation in a DRP as we deem appropriate. If a DRP is offered for a listed security, they can be subject to suspension or be withdrawn at any point in time by the company.

Please refer to the 'Investing (How do I...)' and 'Minimum cash balance' sections of the Other Important Information brochure for more information and the relevant disclosure document or prospectus to determine whether DRP is available for your chosen investment and any conditions that may apply.

In the Other Important Information brochure, the section 'Anti-money laundering and counter-terrorism financing laws' is deleted and replaced with the following:

Anti-money laundering and counter-terrorism financing and Sanction laws

We are required to comply with the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth).

This means:

- we and/or your adviser on our behalf may be required to carry out a procedure to identify you (and, if relevant, the identity of other persons associated with your account), verify the identification information, and accordingly hold such information.
- we and/or your adviser on our behalf may from time to time require additional information from you to assist with this process.
- instructions for completing the identification process form part of your adviser's KYC responsibility at the time of completing your application.

We are also obliged under this legislation to report certain information about investors to relevant regulatory and/or law enforcement agencies (including but not limited to the Australian Transaction Reports and Analysis Centre, AUSTRAC, the Australian Financial Complaints Authority, and the Australian Taxation Office) and we may be prevented by this legislation from telling you. Where legally permitted or obliged to do so, we may also disclose information gathered to our related bodies, or to other third parties.

We may be unable to transact with you or other persons (both an initial or ongoing service) in certain circumstances. This may include actions such as delaying, blocking, freezing, or refusing to process a transaction, or ceasing to provide you with a product or service, if we have reasonable grounds to believe or suspect potential breaches of Australian and/or international laws or sanctions.

You acknowledge and agree that we will not be liable to you for any loss of income and principal invested if we're required to take one or more of these actions.

We may be required to disclose customer information by law; for example, under Court Orders or Statutory Notices pursuant to taxation or social security laws or under laws relating to sanctions, money laundering or terrorism financing, or as required to comply with our obligations to foreign or domestic regulators and other government authorities.

We may send customer information overseas if:

- it is necessary to complete a transaction; or
- we outsource certain functions overseas; or
- we are required to under domestic or foreign law.

Please refer to our Privacy Policy for more information.

Need more information?

Please speak with your adviser if you would like more information about these changes, or call us on 1300 769 619, Monday to Friday, 8.30am to 6pm (Sydney) time.