

# Fortlake Funds

## Product Disclosure Statement

This Product Disclosure Statement can be used by investors investing through a master trust, IDPS or wrap account.



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## Responsible Entity contact details

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### About the Product Disclosure Statement (PDS)

This is a PDS for the Fortlake Funds issued by Colonial First State Investments Limited ABN 98 002 348 352, AFSL 232468 (CFSIL). CFSIL or its licensed related entities to which it has delegated investment management or administration functions in relation to this product are referred to in this PDS as 'CFSIL', 'the Responsible Entity', 'we', 'our' or 'us'.

The issue of this PDS is authorised solely by CFSIL. Apart from CFSIL, no other CFS entities are responsible for any statement or information contained within the PDS.

You should also read the Reference Guide – Complex Funds, available at [cfs.com.au/complex](http://cfs.com.au/complex) or by calling 13 13 36, which contains statements and information incorporated by reference which are taken to be included in the PDS.

If any part of the PDS (such as a term or condition) is invalid or unenforceable under the law, it is excluded so that it does not in any way affect the validity or enforceability of the remaining parts.

Colonial First State (CFS) is Superannuation and Investments HoldCo Pty Limited ABN 64 644 660 882 and its subsidiaries which include CFSIL. CFS is majority owned by an affiliate of Kohlberg Kravis Roberts & Co. L.P. (KKR), with the Commonwealth Bank of Australia ABN 48 123 123 124 AFSL 234945 (CBA) holding a significant minority interest.

### No guarantee

The investment performance and the repayment of capital of CFSIL products is not guaranteed. Investments in Fortlake Funds are subject to investment risk, including loss of income and capital invested. Past performance is no indication of future performance.

### Consent to be named

The investment manager of the funds available has given, and not withdrawn, its consent to be referenced in this PDS in the form and context in which it is included. The investment manager is acting as investment manager only for the relevant funds. It is not issuing, selling, guaranteeing, underwriting or performing any other function in relation to the funds.

### Updated information

In this PDS, we may change any of the terms and conditions, subject to compliance with the Constitution and laws and, where a change is material, we will notify you in writing within the timeframes provided for in the relevant legislation.

Updated information that is not materially adverse can be obtained electronically via our website at [cfs.com.au/products-updates](http://cfs.com.au/products-updates) or from your financial adviser. You can obtain a paper copy of this PDS (and any supplementary documents), free of charge, by contacting us.

### Rights

CFSIL can at any time remove an adviser or refuse to record or deal with an adviser nominated on your account.

CFSIL reserves the right to outsource any or all of its investment management functions, including to related parties, without notice to investors.

CFSIL is not bound to accept an application.

Units in the funds cannot be issued unless you complete the application form attached to or accompanied by either a paper or an electronic copy of the PDS.

### Eligibility

The offer made in this PDS is available only to persons who are receiving the PDS within Australia and accepting the offer within Australia. It is also available to New Zealand investors, who should refer to 'Information for New Zealand investors' in this PDS.

### General advice warning

The information provided in this PDS is general information only and does not take account of your individual objectives, financial or taxation situation or needs. You should assess whether the product is appropriate for you and/or consider obtaining financial advice relevant to your personal circumstances before investing.

### Target Market Determination

The Target Market Determinations (TMD) for our financial products can be found at [cfs.com.au/tmd](http://cfs.com.au/tmd) and include a description of who the financial product is appropriate for.

# About CFS

At CFS, we've been helping Australians with their investment needs since 1988.

We've become one of Australia's leading financial services organisations that provides investment, superannuation and pension products to individual, corporate and superannuation fund investors. Our investment management expertise spans Australian and global shares, property, fixed interest and credit, cash and infrastructure.

Our business has been built on people who exercise good judgement and are acknowledged as leaders in their respective fields of expertise. We've succeeded by doing the small things well, and we're absolutely dedicated to the financial wellbeing of our investors.

CFS' consistent and disciplined approach to investing has been recognised by many awards within the investment management industry.

For further information about CFS, refer to the 'About Us' section at [cfs.com.au/aboutus](https://cfs.com.au/aboutus).

## The funds offered in this PDS

Fund name	
Fortlake Real-Income Fund	ABN 18 497 928 814 ARSN 645 064 991 APIR TAL0590AU
Fortlake Real-Higher Income Fund	ABN 34 625 329 773 ARSN 645 065 818 APIR TAL0284AU

## The investment manager – Fortlake

Fortlake Asset Management Limited  
ABN 30 643 640 939 CAR #001283388 (Fortlake) is the investment manager for the funds.

Fortlake is a specialised operation of experienced fixed-income and global markets professionals offering institutional-grade capabilities.

The team emphasises risk management, capital protection, and preserving investors' real purchasing power through a robust investment process that focuses on highly liquid assets and employs a quantitative process.

Adopting a proven approach to fixed-income portfolio management, Fortlake caters to diverse asset pools, unlocking opportunities in the broader market.

# About the funds

When you invest in one of the Fortlake Funds, your money is combined with other investors' money in a managed investment scheme. Each fund is a separate managed investment scheme.

## What is a managed investment scheme?

A managed investment scheme (also called a managed fund) pools the money of many individual investors. This money is then professionally managed according to the fund's investment objective. By investing in a managed investment scheme and pooling your money with other investors, you can take advantage of investment opportunities that you may not be able to access as an individual investor.

When you invest in a managed investment scheme, you are allocated a number of 'units' based on the entry unit price at the time you invest. Your units represent the value of your investment, which will change over time as the market value of the assets in the fund rises or falls.

## Who are the parties involved?

CFSIL is the responsible entity for each of the funds identified in this PDS.

Fortlake is the investment manager for each of the funds.

## Features and benefits

### Professional investment management

The funds are offered to you by CFSIL through an alliance with Fortlake, a highly specialised investment manager with deep knowledge and experience in fixed interest investments. Fortlake's investment methodology is designed to produce returns and protect investors against inflation risk.

### Diversification

Managed funds can help manage investment risk by spreading your money across different investments. This approach is called diversification.

### Fast and personal service

Our brand is synonymous with service excellence. We understand that our success depends on our ability to provide you with great service – every time.

We have some of the most dedicated and highly trained people in the market, and we constantly aim for exceptional service.

### FirstNet makes it easy

If you are a direct investor, you can access up-to-date information on your investments at any time via our secure online portal, FirstNet.

### FirstNet e-Post

e-Post is the fast and secure way for direct investors to submit **original forms** and requests via FirstNet. You will receive an instant email confirmation when you submit your request and a reference number.

### Minimums relating to your investment

Initial investment <sup>1</sup>	\$25,000 per fund
Account balance	\$10,000 per fund
Regular investment plan <sup>1</sup>	\$500 per fund per month
Additional investment amount	No minimum
Withdrawal amount <sup>2</sup>	No minimum

1 We may accept amounts less than the minimum at our discretion.

2 Subject to minimum account balance requirements.

Refer to 'Account management' for more details.

### Summary of fees and costs

Contribution fee	Nil
Ongoing annual fees and costs	Management fees and costs: 0.72–1.104% p.a. (estimated) Performance fees: N/A Transaction costs: 0.00% p.a. (estimated)
Buy/sell spread	0.05–0.10% per transaction
Adviser service fee	Agreed between you and your financial adviser.

All fees disclosed include the net effect of GST and any related GST credits. Refer to the 'Fees and other costs' section which outlines all fees that apply to the funds. Please read this information carefully before investing.

# Investment information

## How the funds are managed

Fortlake is the investment manager for each of the funds.

We have an investment management agreement in place with the investment managers. The agreement sets out how the funds will invest, including an appropriate benchmark, acceptable investments and investment ranges for investment management.

Investment managers are subject to initial and ongoing reviews to ensure they can meet their obligations under the investment management agreement. They are required to report to us on certain obligations under the investment management agreement and we closely monitor investment performance.

## Fortlake's investment process

Investors have the benefit of accessing Fortlake's specialised investment process. Fortlake utilises a Trade Meritocracy Framework (TMF) to build its portfolio, which includes the following stages:

### Stage 1 – Universe and Opportunity Set

Fortlake identifies a shortlist of potential investments (the investment universe) that fit each fund's investment parameters. This process involves analysing a range of investment instruments and forming a view as to their relative merits (including any discount to their intrinsic value), based on their risks and potential return, commensurate with each fund's target return. Once Fortlake has completed this analysis, it uses this data to optimise capital allocation and weight the portfolio.

### Stage 2 – Factor Audit

Once the investment universe is defined, each of the potential investments is subject to further analysis and modelling through repeated simulation. This stage involves scrutinising the performance of the potential investments across a range of factors. Such factors may include macroeconomic factors or investment specific factors like volatility or momentum. Potential investments are ranked across each factor to identify opportunities and areas for further optimisation. The factors used in this stage may change over time and are evaluated regularly by Fortlake to ensure effectiveness.

### Stage 3 – Implementation Review

Once the investments and allocations have been confirmed, Fortlake considers the most effective means of implementing the investment. For example, in some circumstances, it may elect to trade in a bond directly, and in others, it may elect to instead trade via a derivative. In determining this, Fortlake will have regard to the potential merits and risks associated with each approach.

### Stage 4 – Execution Review

Once the most appropriate means of implementation has been identified, Fortlake determines the optimal means of executing the trade. This includes an evaluation of the potential trading counterparties, informed by their previous knowledge and experience with the counterparties.

### Stage 5 – Post Execution Review

When Fortlake executes a trade (and thereafter), it analyses how the market responds to its trade. It uses this data to develop a profile on counterparty firms and the market, which it uses to better inform trading strategy and counterparty selection in the future.

### Stage 6 – Live Monitor

Each portfolio is then subject to ongoing monitoring and evaluation from a risk management perspective by Fortlake. The data collected at this stage is used to evaluate the sufficiency of the model and identify further areas of optimisation.

## Geographic exposure of the funds

Each of the funds provide investors access to a diversified portfolio of Investment Grade fixed interest investments.

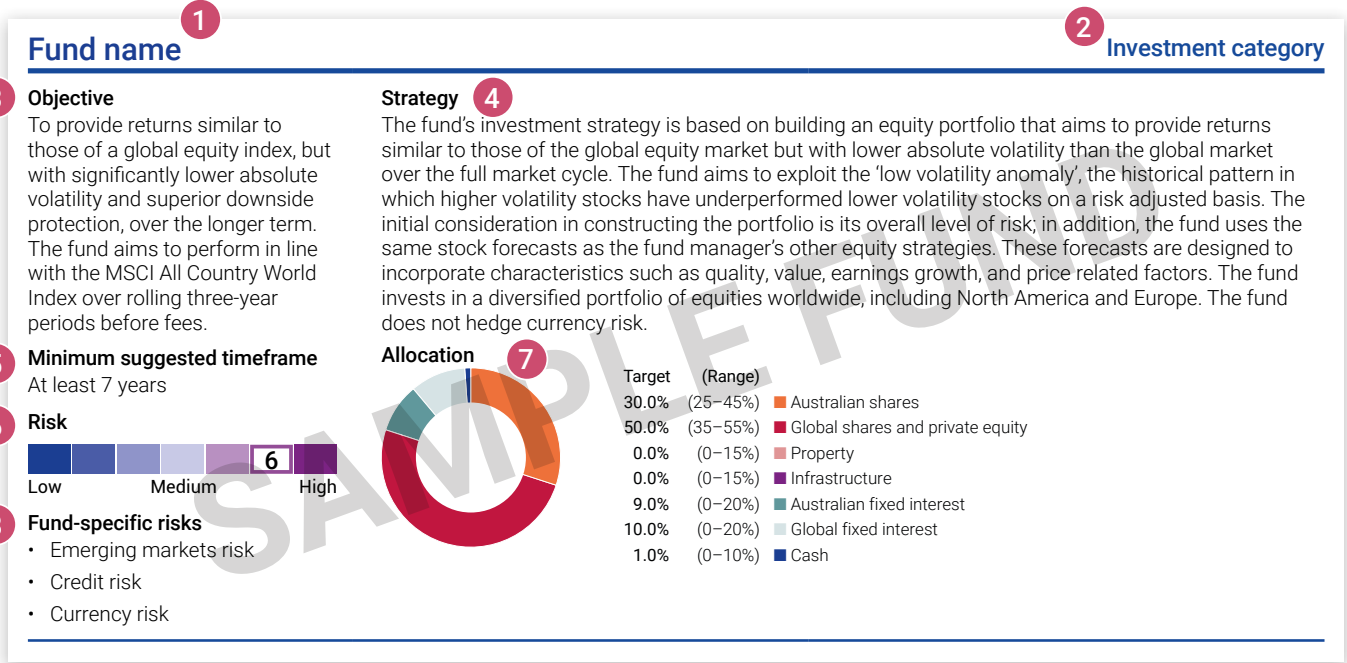
The funds may invest in corporate bonds or other debt instruments issued by foreign corporations. These fund will typically have geographical exposures of:

Geographic location	Gross exposure range
North America	7.5%
UK/EMEA	7.5%
Asia Pacific (predominantly Australia)	85%

We note that these geographical allocations are guidelines only and may vary at Fortlake's discretion having regard to the best interests of investors and the investment strategy of each fund.

# Understanding the fund information

A fund information table, such as the example below, provides information about each fund to help you make an informed investment decision.



An explanation of each section of the fund information table is provided below.

1	Fund name	This is the fund name.				
2	Investment category	<p>The investment category is designed to be a guide to the typical range of assets in which the fund generally invests. There are no mandatory or standard industry investment categories, so investors should always read the full details about a fund. Refer to the table below for the investment category definitions for the funds.</p> <table><tr><th>Investment category</th><th>Description</th></tr><tr><td>Diversified fixed interest</td><td>Funds invested in global fixed interest securities (or a combination of global and domestic)</td></tr></table>	Investment category	Description	Diversified fixed interest	Funds invested in global fixed interest securities (or a combination of global and domestic)
Investment category	Description					
Diversified fixed interest	Funds invested in global fixed interest securities (or a combination of global and domestic)					
3	Objective	The fund's overall objective and the term in which the investment manager aims to achieve it.				
4	Strategy	Describes the overall strategy of the fund and how money within the fund is invested.				
5	Minimum suggested timeframe	<p>Each fund has a minimum suggested timeframe. Investment professionals will have differing views about the minimum investment period you should hold various investments, and your own personal circumstances will also affect your decision. Your financial adviser can help you determine your investment timeframe.</p> <p>If you are mainly concerned about protecting your capital over a relatively short period of time, then a secure, cash-based investment may be the most suitable. However, if you want the value of your investment to increase over a longer period, then growth assets like shares and property are likely to feature prominently in your investment portfolio.</p>				

## 6 Risk

We have adopted the Standard Risk Measure (SRM), which is based on industry guidance to allow investors to compare funds that are expected to deliver a similar number of negative annual returns over any 20-year period (as outlined in the table on the right). The SRM for each fund is also a measure of the risk objective of the expected variability of the return of the fund.

The SRM is not a complete assessment of all forms of investment risk; for instance, it does not detail what the size of a negative return could be or the potential for a positive return to be less than an investor may require to meet their objectives.

Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return.

Investors should still ensure they are comfortable with the risks and potential losses associated with their chosen fund(s).

Risk band	Risk label	Estimated number of negative annual returns over any 20-year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to Medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to High	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

## 7 Allocation

The asset allocation refers to the proportion of a fund that is invested in each asset class such as shares, property securities, fixed interest and cash. The asset allocation will vary at different points in time. The target allocation (also known as strategic asset allocation) reflects the proportion of each asset class that an investment manager aims to hold within the fund. The range reflects the minimum and maximum amount that may be held in each asset class at any point in time.

The actual asset allocations can move above and below the target asset allocation. While usually remaining within any ranges provided, actual asset allocations may temporarily move outside the ranges due to movements in asset values. If this occurs, we will work with the investment manager to rebalance the allocations as soon as practicable.

## 8 Fund-specific risks

Fund-specific risks refers to the additional risks a particular fund may be exposed to. Please refer to the 'Risks of investing' tables.

You should regularly review your investment decision with your financial adviser because your investment needs or market conditions may change over time. The minimum suggested investment timeframe and SRM should not be considered personal advice.



## Fund information

### Fortlake Real-Income Fund

Diversified fixed interest

#### Objective

The fund aims to target strong returns above the RBA cash rate over rolling three-year periods after fees, taxes and inflation, commensurate with a high level of risk.

#### Minimum suggested timeframe

At least 3 years

#### Risk



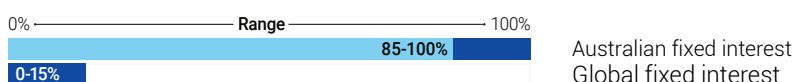
#### Fund-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Short selling risk
- Term risk

#### Strategy

The fund invests mainly in investment-grade corporate bonds, inflation derivatives, credit derivatives, interest rate derivatives, bank bills, Negotiable Certificates of Deposit and other deposit products. The fund may also use derivatives to gain exposure to non- Australian interest rates. The fund's investment strategy utilises a variety of institutional techniques, including a combination of inflation hedges, overlays, arbitrage strategies and short-to-medium term investment-grade bond opportunities to generate real returns above the RBA cash rate. The fund aims to hedge currency risk.

#### Allocation



This fund has been identified as a 'complex' fund. More information is provided in the Reference Guide – Complex Funds, available online at [cfs.com.au/complex](https://cfs.com.au/complex) or by calling 13 13 36.

### Fortlake Real-Higher Income Fund

Diversified fixed interest

#### Objective

The fund aims to target strong returns above the RBA cash rate over rolling three-year periods after fees, taxes and inflation, commensurate with a high level of risk.

#### Minimum suggested timeframe

At least 3 years

#### Risk



#### Fund-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Term risk

#### Strategy

The fund invests mainly in investment-grade corporate bonds, asset backed securities, inflation derivatives, interest rate derivatives, bank bills, Negotiable Certificates of Deposit and other deposit products. The fund may also use derivatives to gain exposure to non- Australian interest rates. The fund's investment strategy utilises a variety of institutional techniques, including a combination of inflation hedges, overlays, arbitrage strategies and short-to-medium term investment-grade bond opportunities to generate real returns above the RBA cash rate. The fund aims to hedge currency risk.

#### Allocation



This fund has been identified as a 'complex' fund. More information is provided in the Reference Guide – Complex Funds, available online at [cfs.com.au/complex](https://cfs.com.au/complex) or by calling 13 13 36.



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## Additional investment information

### Do the funds borrow?

The funds do not borrow except for short-term arrangements for settlement purposes or if an emergency or extraordinary situation arises.

Borrowing can only occur in line with a fund's investment strategy. If a fund borrows, this is detailed in the strategy of the fund.

### What is short selling, a short position and a long position?

**Short selling** is selling a security you do not own. By short selling a security, a fund attempts to profit from a decrease in the value of the security. Generally, short selling involves borrowing a security from another party to make the sale with the intention of repaying the borrowed security at a later date with an equivalent security purchased at a lower price. A fund may use short selling as a strategy to try to improve returns and to manage risk.

A **short position** is a net position in a security that profits from a decrease in the value of the security. This can be achieved by short selling.

A **long position** is a net position in a security that profits from an increase in the value of the security. Generally, an investor adopts long positions by buying securities.

If a fund uses short selling, it is detailed in the strategy of the fund.

### Investment and labour standards or environmental, social or ethical considerations

Except as disclosed below, as the Responsible Entity, we don't specifically take into account labour standards or environmental, social or ethical considerations for the purpose of selecting, retaining or realising the funds. We do not directly manage the investments however we do have a robust governance process for assessing the capabilities of each investment manager. This process includes consideration of an investment manager's approach to assessing the effect that climate change and environmental, social, governance (ESG) issues may have on the investments of each fund.

Each investment manager may have its own policy on the extent to which labour standards or environmental, social or ethical considerations are

taken into account in their investment process and some funds do take one or more of these factors into account.

Due to the labour, environmental and social risks associated with the production of tobacco and manufacture of controversial weapons<sup>1</sup>, we do not allow investment managers to invest in securities issued by companies who operate in these industries. While we make every endeavour to exclude these companies, there may, from time to time, be a small level of unintended exposure due to lack of data, corporate activity, indirect exposure, exposure through index derivatives, ETFs or third party pooled unit trusts. If we find that the fund holds an excluded security, we will instruct the relevant manager to sell down in an orderly manner. However, the ability of CFSIL to sell down positions with respect to investments in unlisted assets is limited and subject to a number of factors given the nature of the asset class, the indirect way in which investments are held and governance of such investments.

### What investments can the funds hold?

The Constitution of each fund allows us a great deal of discretion about what investments can be held. The strategy of each fund outlines the intended investments. If we decide to change, we will advise you as soon as is practical.

We may need to comply with substantial holding or other restrictions on individual securities from time to time, for example, if holdings within an individual security exceed a certain percentage. The restriction will be lifted if and when capacity becomes available.

### What is the meaning of allocation?

Each fund invests in direct assets according to the fund's objectives. Allocation refers to how a fund is ultimately invested in other funds, direct assets, sectors and/or pools. The day-to-day allocations may vary slightly from those shown.

A reference to Australian shares or companies may include, for example, units in trusts listed on the ASX and/or investments in companies listed on an overseas stock exchange if they are also listed on the ASX. Property securities can include infrastructure investments and trusts or companies involved in property-related activities. Within their allocations to listed securities, a fund may purchase unlisted securities on the basis that the securities will list in the future.

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<sup>1</sup> Controversial Weapons Manufacturers are defined as any company engaged in the manufacture of chemical and biological weapons, cluster munitions (Cluster Munitions Manufacturers definition excludes 'Delivery Platforms'), antipersonnel landmines, depleted uranium ammunition, non-detectable fragments, incendiary weapons (Incendiary Weapons are defined as per 'The Convention on Certain Conventional Weapons of 1980 under Protocol 3'), and blinding lasers.

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Further details on the securities a fund can hold are outlined in the Strategy and Allocation sections of the relevant fund information table.

## **Inter-funding**

We may invest directly or indirectly in other managed investment schemes.

## **Changes to the funds**

CFSIL may, without prior notice to investors, change the investment objective and/or strategy; add, close or terminate a fund; or change an investment manager.

Any change would be considered in light of the potential negative or positive impact on investors.

We will notify existing investors in affected funds of any material change as soon as practicable.

Updated information that is not materially adverse can be obtained by calling Investor Services on 13 13 36 or by visiting [cfs.com.au/product-updates](https://cfs.com.au/product-updates). A paper copy of the updated information will be provided free of charge on request.

## **Are there any other benefits to CFSIL?**

The funds receive banking and treasury-related services from CBA in the normal course of business and pay normal commercial fees for them. We may derive monetary or administrative benefits from CBA as a consequence of maintaining bank accounts with CBA and through performing administration services for CBA products.

# Risks of investing

## What is risk?

Understanding investment risk is the key to successfully developing your investment strategy. Before you consider your investment strategy, it is important to understand that:

- all investments are subject to risk
- there may be loss of principal, capital or earnings
- different strategies carry different levels of risk depending on the assets that make up the strategy
- assets with the highest long-term returns may also carry the highest level of short-term risk.

When considering your investment, it is important to understand that:

- the value of funds will go up and down
- returns are not guaranteed
- you may lose money
- previous returns don't predict future performance

- laws affecting investments may change
- the appropriate level of risk for you will vary depending on your age, investment timeframe, where other parts of your money are invested and how comfortable you are with the possibility of losing some of your investment in some years.

Different investments perform differently over time. Investments that have provided higher returns over the longer term have also tended to produce a wider range of returns. These investments are generally described as more risky, as there is a higher chance of losing money, but they can also give you a better chance of achieving your long-term objectives. Investments that have provided more stable returns are considered less risky, but they may not provide sufficient long-term returns for you to achieve your long-term goals. Selecting the investments that best match your investment needs and timeframe is crucial in managing this risk.

Your financial adviser can help you understand investment risk and design an investment strategy that is right for you.

## General investment risks

These are the general risks associated with investing.

Counterparty risk	This is the risk that a party to a transaction such as a swap, foreign currency forward or stock lending fails to meet its obligations such as delivering a borrowed security or settling obligations under a financial contract.
Distribution risk	In some circumstances, the frequency or rate of distribution payments may vary or you may not receive a distribution. This is more likely to occur when a fund employs extensive currency hedging or uses derivatives.
Environmental, social and governance (ESG) and climate risk	<p>The value of individual securities may be influenced by ESG factors. These risks may be real or perceived and may lead to financial penalties and reputational damage. For example, environmental risks include waste and pollution, resource depletion and land use. Social risks are where the investment may be impacted by social, labour and human rights risks and include health and safety. Governance risks can impact sustainability of an investment and cover business practices such as board diversity and independence, voting procedures, transparency and accountability.</p> <p>Climate change poses a risk to the environment, the broader economy and valuation of an investment. Climate change risks can be typically split between physical and transition risks.</p> <ul style="list-style-type: none"><li>• Physical risks refer to the direct impact that climate change has on our physical environment. For example, a company's revenue may be reduced due to weather events and this may reduce the value of the company's shares.</li><li>• Transition risks refer to the wider set of changes in policy, law, markets, technology and prices that may be necessary for the transition to a low carbon economy.</li></ul>

Legal, regulatory and foreign investment risk	This is the risk that any change in taxation, corporate or other relevant laws, regulations or rules may adversely affect your investment. For funds investing in assets outside Australia, your investment may also be adversely impacted by changes in broader economic, social or political factors, regulatory change and legal risks applicable to where the investment is made or regulated.
Liquidity risk	Liquidity risk refers to the difficulty in selling an asset for cash quickly without an adverse impact on the price received. Assets such as shares in large listed companies are generally considered liquid, while 'real' assets such as direct property and infrastructure are generally considered illiquid. Under abnormal or difficult market conditions, some normally liquid assets may become illiquid, restricting our ability to sell them and to make withdrawal payments for investors without a potentially significant delay.
Management risk	All funds have an investment manager to manage your investments and there is a risk that the investment manager will not perform to expectation. Management risk may arise from the use of financial models by the investment manager to simulate the performance of financial markets. The performance of financial markets may differ to that anticipated by the financial models.
Market risk	Investment returns are influenced by the performance of the market as a whole. This means that your investments can be affected by factors such as changes in interest rates, investor sentiment and global events, depending on which markets or asset classes you invest in and the timeframe you are considering.
Securities lending risk	<p>The funds may lend out or transfer their securities under securities lending transactions. If a fund engages in securities lending, there is a risk that the borrower may become insolvent or otherwise become unable to meet, or refuse to honour, its obligations to return the loaned assets. In this event, the fund could experience delays in recovering assets and/or accessing collateral which may incur a capital loss. Funds investing any collateral received as part of the securities lending program are also subject to the general investment risks, and in some cases credit risk.</p> <p>In addition, some funds may borrow securities under securities lending arrangements as part of their investment or borrowing strategies. A fund that is involved in these strategies is also exposed to short selling risk. Where a fund has been identified as having short selling risk, it will also be exposed to securities lending risk.</p>
Security and investment-specific risk	Individual securities like mortgages, shares, fixed interest securities or hybrid securities can be affected by risks specific to each investment or security. For example, the value of a company's shares can be influenced by changes in company management, its business environment or profitability. These risks can also impact on the company's ability to repay its debt.

## Fund-specific risks

The relative importance of a risk to the fund and whether or not a fund-specific risk is applicable may change from time to time. The fund can have exposure to a fund-specific risk at or after the date of this issue, and this may not be reflected in the fund information table.

Credit risk	Credit risk refers to the risk that a party to a credit transaction fails to meet its obligations, such as defaulting under a mortgage, a mortgage-backed security, a hybrid security, a fixed interest security or a derivative contract. This creates an exposure to underlying borrowers and the financial condition of issuers of these securities.
Currency risk	<p>Investments in global markets or securities which are denominated in foreign currencies give rise to foreign currency exposure. This means that the Australian dollar value of these investments may vary depending on changes in the exchange rate.</p> <p>Funds which have significant currency risks adopt different currency management strategies. These strategies may include currency hedging, which involves reducing or aiming to remove the impact of currency movements on the value of the investment. Information on the currency management strategy for each fund with a significant currency risk is set out in that fund's strategy description.</p> <p>Different funds have different currency management strategies; please consult your financial adviser on the best approach for you.</p> <p>For more information about currency risk, refer to the 'Additional information about currency risk' later in this section.</p>

Derivatives risk	<p>Derivatives are contracts between two parties that usually derive their value from the price of a physical asset or market index. They can be used to manage certain risks in investment portfolios or as part of an investment strategy. However, they can also increase other risks in a portfolio or expose a portfolio to additional risks. Risks include: the possibility that the derivative position is difficult or costly to reverse; that there is an adverse movement in the asset or index underlying the derivative; or that the parties do not perform their obligations under the contract.</p> <p>In general, investment managers may use derivatives to:</p> <ul style="list-style-type: none"> <li>• protect against changes in the market value of existing investments</li> <li>• achieve a desired investment position without buying or selling the underlying asset</li> <li>• leverage a portfolio</li> <li>• manage actual or anticipated interest rate and credit risk</li> <li>• alter the risk profile of the portfolio or the various investment positions</li> <li>• manage currency risk.</li> </ul> <p>Derivatives may be used in a fund to provide leverage and may result in the effective exposure to a particular asset, asset class or combination of asset classes exceeding the value of the portfolio. The effect of using derivatives to provide leverage may not only result in capital losses but also an increase in the volatility and magnitude of the returns (both positive and negative) for the fund.</p> <p>As financial instruments, derivatives are valued regularly, and movements in the value of the underlying asset or index should be reflected in the value of the derivative. Information on whether a fund uses derivatives, such as futures, options, forward currency contracts and swaps, is outlined in that fund's strategy description.</p>
Short selling risk	<p>Some of the funds in the PDS use short selling or can be exposed to underlying funds that engage in short selling. Short selling means the fund sells a security it does not own to try and profit from a decrease in the value of the security. This is generally done by borrowing the security from another party to make the sale. The short sale of a security can greatly increase the risk of loss, as losses on a short position are not limited to the purchased value of the security.</p> <p>Short selling strategies involve additional risks such as:</p> <ul style="list-style-type: none"> <li>• <b>Liquidity risk</b> In certain market conditions, a fund that adopts a short selling strategy may not be able to reverse a short position because the security it needs to buy may not be available for purchase in a reasonable timeframe or at all. In this event, losses may be magnified.</li> <li>• <b>Leverage risk</b> While short selling can often reduce risk, it is also possible for a fund's long positions and short positions to both lose money at the same time.</li> <li>• <b>Prime broker risk</b> When short selling is employed, the assets of the fund are generally held by the prime broker (which provides the broking, stock lending and other services). As part of this arrangement, assets may be used by or transferred to the prime broker under a securities lending arrangement which will also expose the fund to securities lending risk. There is a risk that the prime broker does not return equivalent assets or value to the fund (for example, because of insolvency). This would have a substantial negative impact on the value of your investment. This risk is managed by having arrangements with large, well-established and globally operating prime brokers. If you would like details of our prime broker, please contact us.</li> </ul> <p>If a fund uses short selling, this is detailed in the strategy description of the relevant fund information table. Refer to 'What is short selling, a short position and a long position?' in the Investments information section for more information.</p>

You should read all the information about the investment risks and diversification before making an investment decision. The material relating to investments may change between the time you read the PDS and the day you sign the application form.

All funds are subject to some or all of these risks, which can also vary from time to time.

You should consult your financial adviser before making a decision to invest. Your financial adviser is required to be qualified in understanding the risk and return associated with the wide range of funds available to you and can help you make decisions regarding these funds.

## Additional information about currency risk

### How is currency risk managed?

Changes in the value of the Australian dollar lead to a difference between the foreign currency returns or the value of the global investments held by a fund, and those returns or values expressed in Australian dollars. This is known as foreign currency risk. Currency is not an asset class and therefore does not give a fund either natural long-term growth or an income stream. Rather, currency exposure gives rise to a source of potential volatility of returns – both positive and negative.

Financial instruments can be used to reduce currency risk – this is known as hedging. Hedging is a process where exposure to one currency can be reduced or removed by entering into a transaction that offsets that exposure. If a fund is unhedged, then any foreign currency investments the fund holds are fully exposed to movements in the Australian dollar, which can have a positive or negative effect on the value of the fund.

Whether a fund is hedged or unhedged is disclosed under each fund's strategy. The extent to which a fund is hedged depends on the underlying objectives and risk characteristics of the fund. The extent of hedging may also vary over time depending on the value of the Australian dollar. The cash asset allocation limits disclosed for a fund that hedges its currency exposure may not include cash held as collateral to back these hedges.

In funds that hedge currency risk, movements in the Australian dollar can impact the size of distributions that you receive. Generally, a rising Australian dollar will produce gains on the currency hedge and increase the distribution, while a falling Australian dollar will produce currency losses that reduce the distribution.

### How does currency hedging affect my fund?

	When the Australian dollar (AUD) falls against foreign currencies	When the Australian dollar (AUD) rises against foreign currencies
Without hedging	Generally, the fall in the AUD will increase the AUD value of underlying investments that are not denominated in AUD.	Generally, the rise in the AUD will decrease the AUD value of underlying investments that are not denominated in AUD.
With hedging	Generally, currency hedging will offset some or all of the benefit arising from the fall in the Australian dollar. The increase in the AUD value of underlying investments not denominated in AUD will be partially or fully offset by currency hedging.	Generally, currency hedging will offset some or all of the impact arising from the rise in the Australian dollar. The decrease in the AUD value of underlying investments not denominated in AUD will be partially or fully offset by currency hedging.

The impact on the fund of the fall or depreciation against a specific foreign currency may also be offset by other factors.

### Investment funds and currency management

Funds with non-AUD denominated securities have different strategies in managing currency risk and they can be broadly grouped in terms of their management approach under the following headings.

#### Not hedged

The general investment philosophy in constructing these portfolios is that an active currency hedging strategy is not used and could be a source of additional risk rather than return. In most cases, these portfolios will not have any currency hedging in place.

#### Partially hedged

Some investment managers may apply different levels of hedging at different times, possibly dependent on the value of the AUD. For example, they may apply hedging only after the AUD has depreciated to a significant extent and when they believe it is fundamentally undervalued. The degree of hedging undertaken may range from 0% to 100% of the portfolio. The degree of hedging would also depend upon whether the fund is single sector or multi-sector. Multi-sector funds typically have a mix of hedged and unhedged assets.



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## Fully hedged

Currency movements can disguise the return from the underlying investments and consequently some funds aim to hedge the currency exposure. These funds generally aim to fully hedge their currency exposures to the AUD at all times, within certain permissible tolerances to allow for factors such as the change in value of the underlying assets and how often a currency hedge is adjusted.

## Active currency management

Some funds may implement currency positions to try to create additional return through currency movements. This approach may create currency exposures additional to those arising from the underlying positions and these exposures may or may not add to the portfolio's return. There is a risk that the additional currency exposures will reduce return.

## Additional disclosure required for hedge funds and other complex funds

Hedge funds and funds with certain hedge fund characteristics can pose more complex risks for investors than traditional managed investment schemes. This can arise due to their diverse investment strategies, in many cases involving the use of leverage and complex and offshore structures.

The Australian Securities and Investments Commission (ASIC) has identified some characteristics that distinguish hedge funds from other managed investment schemes in its Regulatory Guide 240, such as the use of leverage, derivatives and short selling, charging performance fees, or funds that have complex investment strategies or structures.

Where a fund exhibits two or more of the characteristics defined, ASIC requires responsible entities to provide additional reporting and disclosure.

We will provide this additional reporting and disclosure for the Fortlake Real-Income Fund and Fortlake Real-Higher Income Fund.

We will report against the following benchmarks as required by ASIC:

- Valuation of assets: information about whether assets which are not exchange-traded are valued by an independent administrator or an independent valuation service provider, and
- Periodic reporting.

Where we can't provide all the components of the periodic reporting benchmark, we will explain why we can't and the types of information which will be provided instead so that you can monitor the investment performance of your fund.

In addition, for each fund, we will provide the Disclosure principles in the Reference Guide – Complex Funds, available at [cfs.com.au/complex](https://cfs.com.au/complex). This information will be updated from time to time, in accordance with our legal obligations.

## Are there any other risks you should be aware of?

When investing, there is the possibility that your investment goals will not be met. This can happen because of the risks discussed previously. It can also happen if your chosen investment strategy is not aligned to your objectives and investment timeframe.



# 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.

**Note:** Although we are required by law to include this wording, the fees are not subject to negotiation unless specified in this PDS.

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 of the managed investment scheme as a whole.

Taxes are set out in another part of this document.

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 the funds are set out in the 'Fees and costs summary' below. These fees do not include any fees that may be charged by the platform operator where an investment is made via a platform product.

## Fees and costs summary

### Fortlake Funds

Type of fee or cost	Amount <sup>1</sup>		How and when paid
Ongoing annual fees and costs <sup>2</sup>			
<b>Management fees and costs</b> The fees and costs for managing your investment	Fortlake Real-Income Fund	0.72% p.a. (estimated)	The Management fees and costs include a Responsible Entity (RE) fee of 0.24% p.a. <sup>3</sup>  Unless otherwise stated in the PDS, the management fees and costs are expressed as a percentage of the total average net assets of the fund.  The management fees and costs are reflected in the daily unit price and payable monthly or as incurred by the fund.  Refer to the 'Management fees and costs' section for further details.
	Fortlake Real-Higher Income Fund	1.104% p.a. (estimated) From 1 May 2025, expected to reduce to 1.084% p.a. (estimated)	

Type of fee or cost	Amount <sup>1</sup>		How and when paid
<b>Performance fees</b> Amounts deducted from your investment in relation to the performance of the product	N/A		N/A
<b>Transaction costs</b> The costs incurred by the scheme when buying or selling assets	Fortlake Real-Income Fund Fortlake Real-Higher Income Fund	0.00% p.a. (estimated) 0.00% p.a. (estimated)	These costs are deducted from the underlying assets of the fund and are reflected in the daily unit price for that fund. Depending on the cost, they may be deducted daily, monthly or at some other time.
	Refer to the table in the 'Transaction costs' section for the transaction costs that apply to each fund.		
Member activity related fees and costs (fees for services or when your money moves in or out of the product) <sup>4</sup>			
<b>Establishment fee</b> The fee to open your investment	Nil		N/A
<b>Contribution fee<sup>5</sup></b> The fee on each amount contributed to your investment	Nil		N/A
<b>Buy/sell spread</b> An amount deducted from your investment representing costs incurred in transactions by the scheme	Fortlake Real-Income Fund Fortlake Real-Higher Income Fund	0.05% of the transaction. 0.10% of the transaction.	This cost is payable each time you add to, withdraw from or switch to/from a fund.
	Refer to the 'Buy/sell spreads' section for more information. These spreads may change without notice to you to reflect changing market conditions. Refer to the 'Product Update' section of our website at <a href="https://cfs.com.au/product-updates">cfs.com.au/product-updates</a>		
<b>Withdrawal fee<sup>5</sup></b> The fee on each amount you take out of your investment	Nil		N/A
<b>Exit fee<sup>5</sup></b> The fee to close your investment	Nil		N/A
<b>Switching fee<sup>5</sup></b> The fee for changing investment funds	Nil		N/A

<sup>1</sup> All figures disclosed include the net effect of GST and any related GST credits.

<sup>2</sup> The fees and costs are estimates based on expected costs.

<sup>3</sup> This fee is effective from 1 May 2025. Before 1 May 2025, the RE fee is 0.20% p.a. We estimate that the operating expenses paid from the funds will reduce by approximately 0.04% p.a. for Fortlake Real-Income Fund and 0.06% p.a. for Fortlake Real-Higher Income Fund. From 1 May 2025, when we implement the increase in the RE fee, we estimate that total management fees and costs will be 0.72% p.a. for Fortlake Real-Income and 1.084% p.a. for Fortlake Real-Higher Income.

<sup>4</sup> Other service fees may apply including an Adviser Service Fee. Please refer to "What is paid to your adviser?" for further details.

<sup>5</sup> Even though switching fees and exit fees are not charged, buy/sell spreads apply to most funds (refer to 'Buy/sell spreads' for further details).

## Example of annual fees and costs for the Fortlake Real-Income Fund

This table gives an example of how the ongoing annual fees and costs for this product can affect your investment over a 1-year period. You should use this table to compare this product with other products offered by managed investment schemes.

EXAMPLE – Fortlake Real-Income Fund		BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING YEAR
Contribution fees	0.00%	For every additional \$5,000 you put in, you will be charged \$0
<b>PLUS</b> Management fees and costs <sup>1</sup>	0.72% p.a.	<b>And</b> , for every \$50,000 you have in the Fortlake Real-Income Fund, you will be charged or have deducted from your investment \$360 each year
<b>PLUS</b> Performance fees	0.00%	<b>And</b> , you will be charged or have deducted from your investment \$0 in performance fees each year
<b>PLUS</b> Transaction costs	0.00%	<b>And</b> , you will be charged or have deducted from your investment \$0 in transaction costs.
<b>EQUALS</b> Cost of Fortlake Real-Income 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>\$360<sup>2</sup></b> <b>What it costs you will depend on the fund you choose and the fees you negotiate.</b>

<sup>1</sup> This includes the RE fee of 0.20%.

<sup>2</sup> This example assumes the additional \$5,000 was invested at the end of the year and therefore does not impact the fees charged for the year.

These figures are inclusive of the net effect of GST and any related GST credits. Additional fees may apply.

**Establishment fee:** \$0

**And**, if you leave the managed investment scheme early, you may also be charged **exit fees** of 0% of your total account balance.

**Note** that this is just an example. In practice, the actual investment balance of an investor will vary daily and the actual fees and expenses we charge are based on the value of the fund, which also fluctuates daily.

Buy/sell spreads also apply. Refer to 'Buy/sell spreads'.

## Cost of product for 1 year

The cost of product gives a summary calculation about how ongoing annual fees and costs can affect your investment over a 1-year period for all funds. It is calculated in the manner shown in the Example of annual fees and costs.

The cost of product assumes a balance of \$50,000 at the beginning of the year with a contribution of \$5,000 during the year. (Additional fees such as an establishment fee or an exit fee may apply: refer to the Fees and costs summary for the relevant fund.)

You should use this figure to help compare this product with other products offered by managed investment schemes.

Fund name	Cost of product
Fortlake Real-Income Fund	\$360
Fortlake Real-Higher Income Fund	\$552

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## Additional explanation of fees and costs

### Management fees and costs

Management fees and costs include RE and management fees, investment expenses and custody fees. Management fees and costs are deducted from the performance of each fund (i.e. they are not charged directly to your account). These costs may be incurred directly by the fund or within an underlying investment vehicle. They do not include contribution fees, transaction costs, performance fees or additional service fees. The management fees and costs for each fund are an estimate based on the previous financial year. They are expressed as a percentage of each fund's net assets and, together with any applicable buy/sell spreads, are outlined in the 'Fees and costs summary' table.

RE fees and Management fees are the fees payable under the Constitution of a managed investment scheme for the management of the fund. Management fees are calculated from gross assets of the fund. For details of the maximum management fees allowed under the Constitution, refer to 'Increases or alterations to the fees'.

### Increases or alterations to the fees

We may vary the fees set out in the 'Fees and costs summary' table at any time at our absolute discretion, without your consent, within the limits prescribed in each fund's Constitution. If the variation is an increase in a fee or charge, we will give you at least 30 days prior written notice.

The Constitution of each fund provides for a maximum Responsible Entity fee of 1.00% p.a. (excluding GST) and a maximum management fee of 5.00% p.a. (excluding GST).

**Note:** The maximums are provided for your information and are not the current fees charged. The current fees are shown in the 'Fees and costs summary' table.

### Transaction costs

Transaction costs are the costs of buying and selling assets directly or indirectly held by a fund and may include brokerage (and other related Broker costs), buy/sell spreads of any underlying funds, settlement costs (including custodian charges on transactions), clearing costs and stamp duty on an investment transaction.

If the amount payable to acquire an investment exceeds the price for which it would be disposed of at that time, the difference is also a transaction cost.

Transaction costs are shown net of amounts recovered by buy/sell spreads charged and are an additional cost where they have not already been recovered by the buy/sell spreads charged.

Transaction costs are an additional cost to you, but no part of a transaction cost (including the buy/sell spread) is paid to us or an investment manager. Transaction costs are usually paid for from the assets directly or indirectly held by a fund at the time of the transaction.

### Buy/sell spreads

For most funds, there is a difference between the unit price used to issue and redeem units and the value of the fund's assets. This difference is due to what is called the buy/sell spread.

When you (or any person you have authorised) invest, switch or withdraw all or part of your investment in a fund, we use the buy/sell spread to pay for the transaction costs incurred as a result of the transaction. We use the buy/sell spread to allocate transaction costs to the investor transacting rather than other investors in the fund.

A fund's buy/sell spread is set to reflect the estimated transaction costs the fund will incur as a result of investor transactions. The buy/sell spread that applies to each fund is shown in the 'Fees and costs summary' table.

**Note:** The buy/sell spreads are not paid to us or the investment manager. They are paid to the fund and can be altered at any time, and may be altered without prior notice to you.

**Buy/sell spread example:** If you make a \$50,000 investment in or withdrawal from the Fortlake Real-Income Fund (which charges a 0.05% spread), you will incur a buy/sell spread of \$25.

### Other transaction costs

Not all transaction costs are funded from the buy/sell spread. One reason for this is that a fund may buy or sell assets even though there have been no investor transactions. Additional transaction costs may be incurred either in the fund or in underlying funds and these will reduce the returns of the fund.

The 'Gross transaction costs' for each fund, for the 12 months to 30 June 2024, the 'Costs recovered' and the 'Net transaction costs' which reduces the returns on the funds are set out in the following table.

## Transaction costs

The figures in the following table are inclusive of the net effect of GST and any related GST credits. Note: Past costs are not a reliable indicator of future costs. Future costs may differ.

Gross and net transaction costs are estimates based on the costs incurred in the previous financial year.

Fund name	Gross transaction costs (% p.a.)	–	Costs recovered (% p.a.)	=	Net transaction costs (% p.a.)
Fortlake Real-Income Fund	0.10%		0.10%		0.00%
Fortlake Real-Higher Income Fund	0.10%		0.10%		0.00%

## Other operating expenses and abnormal costs

The Constitution for each managed investment scheme allows for the ongoing operating costs, charges, expenses and properly incurred outgoings (such as registry, trust accounting, investment, audit, regulatory, production of the offer documents and taxation advice) and other administration costs, charges and expenses to be paid directly from the fund. Alternatively, the responsible entity is entitled to recover these costs from the fund. The Constitution does not place any limit on these costs that can be paid from each fund.

Abnormal costs (such as costs of unitholder meetings, recovery and realisation of assets, changes to the Constitution and defending or pursuing legal proceedings) are paid out of the fund. These costs are incurred fairly infrequently. Where the recovered expenses affect your account, they are reflected in the fees and costs shown.

## Additional information for direct investors

### What is paid to your adviser?

The adviser recommending this product may receive from us certain non-monetary benefits allowed under law (soft dollar). Under our obligations pursuant to the *Corporations Act 2001* and the Financial Services Council Code of Practice, we keep a record of soft dollar payments which we are entitled to make to dealer groups or advisers.

Dealer groups and other licensees who have an arrangement with us may receive remuneration from us to the extent that it is permitted under law. This remuneration will be paid out of the fees we derive from you that are indicated in the 'Fees and costs summary' table in a given year. If these amounts are paid, they are paid by us from our revenue and are not an extra amount paid from the fund, nor are they

a further amount you pay. Refer to the CFSIL Financial Services Guide for further information on related party remuneration.

### Adviser service fee

You can arrange for the cost of advice services provided by your adviser to be deducted from your account by setting up an adviser service fee (ASF). An ASF can be deducted monthly as an ongoing or fixed term arrangement, or as a one-off arrangement.

Where an ASF is deducted from your account it must be:

- consented to by you in writing and provided to us
- a reasonable amount for the advice and services provided to you.

Your adviser must provide you with a detailed summary of the fees you've agreed to pay.

CFSIL has complete discretion to decline a request to pay adviser service fees, including in order to comply with its obligations under any applicable law.

In the event where the rights of your adviser and/or their licensee have been assigned or novated to another person or entity, the agreed fees and payments of these fees may transfer to that person or entity.

You can generally choose the fund from which your ASF is deducted. Where you do not nominate a fund or the fund you nominate has insufficient funds to pay the fee, we will generally deduct the fee from the most conservative fund you hold at the time the fee is deducted. ASFs are typically deducted within the first five business days of the following month.

One-off adviser service fee

A one-off adviser service fee is charged as a set dollar amount. You can choose to have this one-off fee deducted proportionately from all funds in which you're invested or from one specified fund. Where the fee is deducted from all your funds, it will be based on the investment weighting of your account as at the day the fee is deducted.

Ongoing or fixed term adviser service fee

An ongoing or fixed term adviser service fee, which is deducted monthly, can be charged as:

- a percentage of your account value, and/or
- a set dollar amount.

You can't arrange for both an ongoing and a fixed term fee to be deducted at the same time. Where the fee is charged as a percentage of your account balance, the fee deduction will occur at the beginning of each month and will generally be calculated based on the number of days in the previous month that the fee was applied to your account. If you request for a specific dollar amount to be deducted each month, that amount will thereafter be deducted at the beginning of each month until the fee arrangement ends or is terminated. Pro-rata fee calculations are not applied to fixed dollar fee arrangements. No deduction will occur after the arrangement ends or is terminated, except where the arrangement ends on the last day of the month.

In the event where your adviser changes the ongoing or fixed term adviser service fee arrangement from a percentage of your account balance to a fixed dollar amount or vice versa, this will affect the amount of adviser service fee you pay for that month. However the total adviser service fees for the duration of the fixed dollar fee arrangement with your adviser remain the same.

The following table outlines the calculation of adviser service fees in the month where there is a change of adviser service fee arrangement.

Example – Balance of \$50,000 and new ASF request received on 15 June 2023

	ASF changed from fixed dollar amount to percentage of account balance	ASF changed from percentage of account balance to fixed dollar amount
Existing ASF	\$30 per month	1% of the account balance p.a.
New ASF	1% of the account balance p.a.	\$30 per month
Total ASF deducted for the month of June 2023	<p><b>\$0</b> for the fixed dollar amount fee for the month of June.</p> <p>Note: no deduction will occur if the arrangement ends or is terminated, except where the arrangement ends on the last day of the month.</p> <p><b>PLUS</b></p> <p><b>\$22.22</b> for the percentage based fees deducted for the 16 days from 15–30 June 2023.</p> <p><b>Total: \$22.22</b></p>	<p><b>\$20.83</b> for the percentage based fees deducted for the 15 days from 1–15 June 2023.</p> <p><b>PLUS</b></p> <p><b>\$30</b> for the fixed dollar amount fee for the month of June.</p> <p>Note: no deduction will occur if the arrangement ends or is terminated, except where the arrangement ends on the last day of the month.</p> <p><b>Total: \$50.83</b></p>

**Note:** This example is for illustration purposes only and assumes the daily account balance does not change. In practice, the actual percentage based fees are calculated daily and will vary based on the account balance which also fluctuates daily.

An ongoing or fixed term adviser service fee may only be deducted from one specified fund.

Where you agree to pay an ongoing or fixed term adviser service fee this will continue to be deducted from your account until:

- the term of the arrangement ends and, if an ongoing fee arrangement, you do not renew your arrangement, or
- you or your adviser ask us to stop the fee arrangement.

We recommend speaking to your adviser before making changes to the ASF as this may affect the advice and services they provide to you.

Any ongoing or fixed term adviser service fee will be paid to the current adviser listed on your account. You can change your adviser or renegotiate your adviser service fee with your adviser at any time by providing a new written consent.



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## **Your written consent to deduct the fees from your account**

To set-up an adviser service fee on your account, we must be provided with a completed adviser service fee form. This form requires you to consent to the amount of the adviser service fee that is to be deducted from your account and to which adviser the fee is to be paid (through their dealer group).

The form must contain the frequency and amount of adviser service fees you will pay from your account in the next 12 months, or a reasonable estimate of these fees if it is not a set dollar fee. Your adviser is required to provide you with written communication of the advice services to be provided to you before you consent to the payment of adviser service fees. In addition to the form provided to us, details of the adviser service fee must also be disclosed to you by your adviser in a Statement of Advice or other related advice documentation, such as a Record of Advice.

Where you do not consent to an ASF, your adviser can't arrange for it to be deducted from your account. Your consent for an ongoing adviser service fee must be renewed annually through your adviser. The fee arrangement will terminate on the 'end date' you and your adviser provide to us on an adviser service fee form, if you do not provide prior consent to renew the fee.

CFSIL sets guidelines for the amount of adviser service fees deemed reasonable to be released from your account based on your account balance. Where your fees are outside of these set guidelines they may be reduced or removed. We will notify you and your adviser if this occurs. You and your adviser may discuss an alternative means for payment.

You should discuss the services your adviser will provide to you as a result of the fees you pay. If you have any queries in relation to the advice or services received, your adviser is best placed to assist you with these.

If you want to know how much you are paying in fees to your adviser, you can visit FirstNet to view your transaction history. Alternatively, you can contact us or your adviser directly.

## **Additional information for indirect investors**

If you are holding one or more of the funds via a platform product, the following information applies.

### **Commissions and other payments**

Platform operators may receive remuneration from us to the extent that it is permitted under law. This remuneration will be paid out of the fees we derive from you that are indicated in the 'Fees and costs summary' table in a given year. If these amounts are paid, they are paid by us from our revenue and are not an extra amount paid from the fund, nor are they a further amount you pay.

Your adviser may also receive remuneration from the platform operator in a variety of ways for the provision of services. Details of this remuneration will be in the offer documents for the master trust or wrap account and the Financial Services Guide and Statement of Advice which your financial adviser must give you.

### **Differential fees**

We may issue units to certain investors such as sophisticated, professional or wholesale investors with reduced management fees and costs. Such arrangements would be subject to individual negotiation, compliance with legal requirements and any applicable ASIC instruments.



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# How managed investment schemes are taxed

General taxation information has been provided for you in this PDS. However, because the Australian taxation system is complex and different investors have different circumstances, you should consider seeking professional taxation advice before investing in the funds.

CFSIL is also not a registered tax (financial) adviser under the *Tax Agent Services Act 2009*, and you should seek tax advice from a registered tax agent or a registered tax (financial) adviser if you intend to rely on this information to satisfy the liabilities or obligations or claim entitlements that arise, or could arise, under a taxation law.

You may be required to pay tax in relation to your investment in a fund (generally income or capital gains tax). However, you may be able to claim some tax credits or receive the advantage of some tax concessions.

Some tax information has been provided for you below. However, although every care is taken, it is never possible to rule out the risk that on a subsequent review, taxation liabilities of each fund could increase, or the benefit of concessions reduce.

Because investors can move into and out of a fund at different points in time, there is a risk that taxation liabilities in respect of gains that have benefited past investors may have to be met by subsequent investors.

This tax information is current as at 16 December 2024.

The levels and basis of tax may change in the future. We, or your platform operator, will send you all the information you need each year for you to complete your tax return.

## Attribution Managed Investment Trusts (AMITs)

The managed funds which you can invest in through your account are generally structured as Managed Investment Trusts (MIT).

Our eligible Managed Investment Trusts (MITs) have elected into a taxation regime called the Attribution Managed Investment Trust (AMIT) regime. A MIT that has elected into this regime is also referred to as an AMIT.

Under the AMIT regime, we will attribute income and tax offsets to you on a fair and reasonable basis. You will generally be assessed on this income and may be entitled to claim the tax offsets attributed to you.

The AMIT regime also provides you with the ability to adjust the cost base of your interest in the AMIT upwards or downwards where amounts attributed to you differ to the amounts that you have received as a cash distribution. This attribution information will be provided to you in an annual Tax Return Information Statement. This statement will detail member components of assessable income, capital gains, tax credits and other relevant information you should include in your tax return. If you are an indirect investor, your platform operator will provide you with this information. Refer to 'Accessing information on your account' for more details.

For more information, refer to the 'Modifications to the constitutions – AMIT' flyer at [cfs.com.au/managed-investment-trust](https://cfs.com.au/managed-investment-trust)

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## Will you be liable to pay tax on income attributed to you from a fund?

You may be liable to pay tax on the income attributed, depending on your total level of taxable income and your income tax rate. This is the case whether the money is actually paid to you or reinvested. Any tax you pay depends on what makes up the attributed income.

Some types of attributed income are as follows:

- income (such as dividends and interest)
- net capital gains (from the sale of the fund's investments)
- tax credits (such as franking credits attached to dividend income and credits for tax paid on foreign income).

Amounts attributed to you will be shown on your annual Tax Return Information Statement.

## Will you be liable for tax when you switch or withdraw money from a fund?

You may, depending on your total level of taxable income and your income tax rate. Australian residents are generally subject to capital gains tax on gains when they switch or withdraw from a fund or transfer units to another person or entity. Depending on the type of taxpayer you are defined as and how long you have held your units, you may be entitled to a capital gains tax concession which can reduce the liability by up to 50% if you are an individual or trust, or 33.33% if the investment is held by a complying superannuation entity.

## Quoting a Tax File Number (TFN) or an Australian Business Number (ABN)

### Australian residents only

Under law (*Taxation Administration Act 1953* (Cth)) we can collect your TFN. You are not required by law to quote your TFN. However, without your TFN or appropriate exemption information, we are required to withhold tax at the highest marginal tax rate (plus Medicare and other applicable levies) on income attributed to you. We will only use your TFN for lawful purposes (which are subject to legislative changes).

### Non-residents

Non-residents may be subject to withholding tax on attributed income. The exact amount cannot be determined in advance because it varies depending upon the type of income. Generally, for the funds offered in this document, non-residents will not be subject to Australian tax on capital gains arising at redemption. However, non-residents seeking to invest should obtain tax advice on their specific circumstances.

### Withholding

We may be required to withhold an amount from any payment to you to meet our obligations under foreign or domestic law, including those imposed pursuant to sections 1471 to 1474 of the United States Internal Revenue Code 1986 (FATCA).

# Account management

## Direct vs indirect investment in a fund

In this PDS, you will see references to direct and indirect investors.

Where you invest directly, you become a unitholder in the fund and you must complete the application form attached to or accompanied by either a paper or an electronic copy of the PDS.

You can also invest indirectly, via a platform such as a master trust, investor directed portfolio service or wrap account. Where you invest indirectly, the platform operator becomes a unitholder in the fund. Rather than receiving reports or other documentation relating to the fund directly from CFSIL, your platform operator will provide them. Matters relating to your investment in the fund (including how to invest, cooling off rights, complaints, etc.) should be directed to your platform operator.

The information in this section applies to direct investors in the funds.

If you are investing via a platform, contact the platform operator for the information relevant to you. Ensure you complete the documents which the platform operator requires for you to invest in or withdraw from a fund, or to cancel a request. The platform operator can also provide you with information about your investment in the funds.

## Establishing and transacting on your account

To make it easy for you to keep up-to-date and transact, we provide you with a number of transaction options:



### Online

Login to FirstNet via [cfs.com.au](https://cfs.com.au)



### Phone

Call 13 13 36 (toll free)



### Direct credit and BPAY® via your phone and internet banking

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account.

More info: [bpay.com.au](https://bpay.com.au)



### Mail

Colonial First State  
Reply Paid 27  
Sydney NSW 2001



The easiest way to monitor and transact on your account is to use our secure online portal, FirstNet.

Before transacting on your account, you should be aware of the following information. We also recommend you speak to your financial adviser to discuss your needs before making a transaction.

**All transactions** – A completed request (which includes a correctly completed form, together with any information we may ask for to establish your identity), received in our office on a NSW business day prior to 3pm (Sydney time), will be processed as at the date of receipt of the completed request.











**Debit requests** – A request to debit funds from your nominated account will be submitted to your bank on the day we process your transaction. We may not be able to process your transaction if prior transactions exist on the same day.










**Regular investments** – Unless a fund is suspended, restricted or unavailable, regular investments are accepted in accordance with the PDS current at the time of the relevant investment. A copy of the current PDS is available free of charge on request. We may terminate this facility if the direct debit fails three times in any 12-month period. **Note** that any changes to this facility must be received prior to the last business day prior to the 19th of the month for the change to take effect for that month.

**Withdrawals** – We reserve the right to delay a transaction where there may be a concern over its legitimacy or for the security of our investors. If a transaction is delayed, you will receive the unit price that applies on the day your request is processed.

## Guide to transacting on your account

The table below provides you with information on all aspects of transacting.

Information I need to know	Transaction options	Things you need to do or be aware of
<b>How do I set up my account?</b>		
<p>A minimum initial investment amount of \$25,000 per fund applies.</p> <p>A minimum account balance of \$10,000 per fund also applies.</p> <p>Completed applications received on a NSW business day prior to 3pm (Sydney time) will be processed using that day's unit price.</p>	 	<p>If you are investing directly, complete the application form, sign it and send it to us via mail or e-Post.</p> <p>We will require information to establish your identity. In certain circumstances, your application may be delayed or we may be unable to process your application to set up an account.</p>
<b>How do I make regular investments from my bank account?</b>		
<p>A minimum amount of \$500 per month applies. Funds are drawn from your bank account on the first NSW business day after the 19th of each month and valued using the unit price for that NSW business day.</p> <p>You can choose to have your regular investment automatically increased each year by a percentage based on the Consumer Price Index (or 3%, whichever is greater). Please nominate this on the application form.</p> <p>We will notify you in writing prior to the increase in August each year. If you opened your account between February and August, the first increase will happen in the August of the following year.</p>	  	<p>To use any of these options, you will have previously provided a direct debit request to allow us to draw from your Australian financial institution account.</p> <p>Call us on 13 13 36 to obtain an <i>Additional and Regular Investment Form</i> or look for the form on our website.</p> <p>We will allocate your regular investments as per your previous instructions, unless you tell us otherwise.</p>
<b>How do I make additional investments to my account?</b>		
<p>No minimum amount applies.</p> <p><b>You should tell us the funds into which you wish to make your additional investment.</b></p> <p>In extraordinary circumstances where a fund is suspended, restricted or unavailable, additional investments may not be processed, or may incur a significant delay.</p>		<p>If you wish to make additional investments using direct credit from your bank account, refer to the details below.</p> <p>BSB: 062-778</p> <p>Account number: Last 9 digits of your account number</p> <p>Account name: First name Surname</p> <p>Note: Over the counter branch deposits cannot be accepted.</p>
	 <p>Phone and internet banking</p>	<p>Refer to your Australian financial institution for payment of funds. You will need to quote the relevant biller code.</p> <p>Biller code: 625285</p> <p>Reference number: 1+ account number</p>
	 	<p>To use these options, you need to have previously supplied us a direct debit authorisation, as we need to withdraw from your Australian financial institution account.</p>
		<p>Mail us an <i>Additional and Regular Investment Form</i> or letter, accompanied by the <i>Direct Debit Request Form</i>.</p>

Information I need to know	Transaction options	Things you need to do or be aware of
<b>How do I make a withdrawal?</b>		
<p>No minimum withdrawal amount applies, subject to minimum account balance requirements.</p> <p>Withdrawals can be paid to your previously nominated bank account or by cheque.</p> <p>Withdrawal requests received on a NSW business day prior to 3pm (Sydney time) will be processed using that day's unit price and in normal circumstances generally paid within seven working days.</p> <p>In extraordinary circumstances, withdrawals could be suspended or restricted. See the 'Withdrawals' section under 'How are your transactions processed?' for further details.</p>	  	<p>Please provide us with a signed written request or a completed <i>Withdrawal Form</i>, available from our website or by calling 13 13 36.</p> <p>Bank details are to be provided on a signed request. Payments can only be made to an Australian financial institution.</p> <p>Cheque withdrawal requests can only be accepted if we receive a request signed by the investor(s) or an authorised person (e.g. Power of Attorney).</p>
<b>How do I change my personal details?</b>		
<p>Please contact us on 13 13 36 and advise your change. Alternatively, you can complete a <i>Change of Details Form</i>, available on our website, or change your details via FirstNet.</p>	  	<p>Certain types of changes will require a signed written request, accompanied by certified documentation.</p>
<b>How do I cancel a request?</b>		
<p>Please provide us with a signed written request or contact us by phone before 3pm on the day of the receipt of the original request.</p>	  	<p>A signed written request may be required subsequent to your phone advice.</p>

## Transactions and unit pricing

### How are your transactions processed?

#### Applications

To ensure that your application is processed efficiently, it is important that you complete all sections of the application form and provide us with all documentation we request (refer to the application form checklist in the application forms section).

In the event that certain information is not provided, the following will apply:

- If no fund or an invalid fund is selected for deducting the adviser service fee, we will deduct from the first fund invested in.
- Unless otherwise specified, additional deposits and applicable fees will be invested in line with your most recent transaction and/or a regular investment plan.

In certain situations, after receiving your application form (and related information) and application monies, we may not be able to proceed, for whatever reason, with your request, and issue the product immediately, until the required information is received. In these situations we shall:

- attempt to contact you and/or your financial adviser (if applicable)
- hold your application monies in a non-interest bearing account until we receive the required information.

Funds are held for a maximum period of 30 days (in a non-interest bearing account) commencing on the day we receive the funds. After this period your application monies will be returned to the source of payment.

At the time we process your application, your original application monies will be divided by the applicable unit price, to determine the number of units to be issued to you.

The unit price you receive is the unit price which applies on the day we receive your completed application, provided the request is received before 3pm (Sydney time) on any NSW business day. Completed applications received after 3pm will receive the following day's entry unit price. For funds received electronically, either by direct debit, EFT, **BPAY** or transfers from another institution, the unit price used will be the one effective the date the funds are received in our bank account.

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In extraordinary circumstances, we may suspend or restrict applications and we may also reject applications at our discretion.

## Switches

A switch is treated as a withdrawal from one fund and an investment into another. Funds are withdrawn at the exit unit price and the new units invested at the entry unit price. These two transactions are completed on the same business day, unless your switch is from or into a suspended, restricted or unavailable fund. In this case, your switch may not be processed and, if any payment is to be made, then the exit price used to calculate this payment will be the one determined at the time the payment is made.

If your switch request includes an investment into a suspended, restricted or unavailable fund, we will contact you to confirm your transaction.

If you request a transaction of a specific dollar amount from your account, market volatility could impact the funds available. If there are insufficient funds to process your transaction, we will contact you to discuss alternatives such as switching by percentage or units. This could result in a delay in actioning your transaction. If you are submitting this transaction online, we require 10% of your balance to remain in the option/s to ensure we can process your transaction.

When switching, you must ensure that you have a copy of the current PDS, which you should retain for future reference.

Switching may have capital gains tax implications.

## Withdrawals

**This is a complex area and has tax implications. If you need further explanation regarding any of the terms used in this section, you should discuss this with your financial adviser.**

Withdrawals cannot be processed until application monies are cleared and all necessary documentation is provided.

We reserve the right to delay a transaction where there may be a concern over its legitimacy or for the security of our investors. If a transaction is delayed, you will receive the unit price that applies on the day your request is processed.

In the event that certain information is not provided, the following will apply:

- If no payment method is selected, a cheque will be provided.
- Payments can only be made to Australian financial institutions. Overseas accounts will not be

accepted. If a request is made to transfer funds to an overseas account, a cheque will be provided.

When we receive your completed withdrawal request, together with any documentation that we may require to establish your identity, the proceeds are calculated at the next determined exit unit price. In extraordinary circumstances, we may suspend withdrawals.

Withdrawals are normally processed within seven working days of receiving a request from you. Longer periods may apply from time to time.

Unless the fund is suspended, restricted or unavailable, you can withdraw from the fund in accordance with our normal processes.

Where a fund is suspended, restricted or unavailable, we may not process withdrawal requests. Further, where a fund is not liquid, we cannot allow investors to withdraw from the fund unless we make an offer to withdraw. There is no obligation for us to make such an offer and if we do, investors may only be able to withdraw part of their investment. Any decisions whether to process withdrawals or partial withdrawals will be made in the best interests of investors as a whole, and if any payment is to be made, then the exit price used to calculate this payment will be the one determined at the time the payment is made.

If you request a transaction of a specific dollar amount from your account, market volatility could impact the funds available. If there are insufficient funds to process your transaction, we will contact you to discuss alternatives such as withdrawing by percentage or units. This could result in a delay in actioning your transaction. If you are submitting this transaction online, we require 10% of your balance to remain in the option/s to ensure we can process your transaction.

## Transaction cut-off times

If we receive your completed transaction request in our office before 3pm (Sydney time) on a NSW business day, we will process your transaction using that day's unit price.

If we receive your completed transaction request after the cut-off time shown above, we will process your transaction using the following business day's unit price.

## Transaction processing and unit prices

We calculate unit prices each NSW business day. If your complete investment or withdrawal request is received by the relevant cut-off time, you will receive the next determined unit price.



The next determined unit price for any NSW business day is calculated at the close of trading of all markets on that day. Therefore, the next determined unit price is not known until the following business day. It is important to consider this when making your transaction request.

**Note:** If you ask for a unit price or investment valuation, we can provide a historical unit price or investment valuation only.

## How are unit prices calculated?

When you invest, you are allocated a number of units in each fund you have selected. Each of these units represents an equal part of the market value of the portfolio of investments that the fund holds. As a result, each unit has a dollar value, or 'unit price'.

The unit price is calculated by taking the total market value of all of a fund's assets on a particular day, adjusting for any liabilities and then dividing the net fund value by the total number of units held by all investors on that day. Although your unit balance in the fund will stay constant (unless there is a transaction on your account), the unit price will change according to changes in the market value of the investment portfolio or the total number of units issued for the fund. We determine the market value of each fund based on the information we have most recently available.

We may exercise certain discretions that could affect the unit price of units on application or withdrawal in a fund. The types of discretions that we may exercise, in what circumstances, our policies on how we exercise the discretions and the reasons why we consider that our policies are reasonable, are set out in our Unit Pricing Permitted Discretions Policy. If we exercise a discretion in a way that departs from the policies set out in our Unit Pricing Permitted Discretions Policy, we are required to keep a record of this in a Register of Exceptions. You can obtain a copy of our Unit Pricing Permitted Discretions Policy or Register of Exceptions, or both, free of charge, by calling us on 13 13 36.

## What is the difference between entry and exit unit prices?

There may be a difference between the entry and exit unit price for a fund quoted on any business day. This difference relates to the fund's buy/sell spread.

So existing investors do not continually bear the transaction costs resulting from new investments or withdrawals that you make, all investors pay a set, average amount (a 'buy/sell' spread) when they transact. This is calculated according to the particular types of investments a fund holds. Not all new

investments or withdrawals cause transaction costs to be incurred by a fund; for example, where an investment does not incur any significant costs, or when a new investment coincides with a withdrawal by someone else. However, to be consistent, we generally apply buy/sell spreads to all new investments and withdrawals from a fund. Refer to the 'Fees and costs summary' for the buy/sell spreads that apply to each fund.

## Unit pricing adjustment policy

There are a number of factors used to calculate unit prices. The key factors include asset valuations, liabilities, debtors, the number of units on issue and, where relevant, transaction costs. When the factors used to calculate the unit price are incorrect, an adjustment to the unit price may be required. We generally use a variance of 0.30% in the unit price before correcting the unit price.

If a unit pricing error is greater than or equal to this variance, we will:

- compensate your account balance if you have transacted on the incorrect unit price or make other adjustments as we may consider appropriate, or
- where your account is closed, we will send you a payment if the amount of the adjustment is more than \$20.

These tolerance levels are consistent with regulatory practice guidelines and industry standards. In some cases, we may compensate where the unit pricing error is less than the tolerance levels.

## Accessing up-to-date information on your account

After you invest, we will ensure that you are kept informed about your investment by sending you relevant information, as shown below. From time to time we may still need to send you letters in the post. You can vary your nominated email address or change your communication preferences, at any time, either via FirstNet, by writing to us or by contacting Investor Services on 13 13 36.

## When you transact on your account

A confirmation for each investment, switch or withdrawal (excluding regular investments).

## Yearly

A statement showing your transactions and the value of your investment at the end of June each year.



## Yearly

A tax statement (if applicable) providing information to assist you in preparing your tax return.

## Periodically

Educational and promotional material may be sent from time to time which provides you with information on general investing and our products. You can elect not to receive this material by changing your communication preferences in FirstNet or by writing to us.

## Annual reports

An annual report detailing the financial position and performance of the funds over the last financial year will be made available on [cfs.com.au/annualreports](https://cfs.com.au/annualreports), by 30 September each year. If you would prefer to have a copy emailed or mailed to you, please contact us.

## Where can you obtain the latest information about the fund?

It is important that you keep up-to-date with the latest information on the funds.

Information on the funds, their performance and historical unit prices can be obtained by:

- visiting [cfs.com.au](https://cfs.com.au)
- phoning Investor Services on 13 13 36 for the cost of a local call within Australia.

A paper or electronic copy of the most recent information will be sent to you free of charge on request.

## How do you access information on your investment?

To find out current information and/or manage your investment, you can:

- Use FirstNet Investor to access your investment easily – online at [cfs.com.au](https://cfs.com.au)

A Member ID (OIN) and password for access to FirstNet will be sent to you shortly after your investment is received (you can elect not to receive this on the application form).

FirstNet Investor is our secure online portal which provides you with personalised information about your investments, as well as the ability to make changes to your account and transact online.

With FirstNet Investor, you can:

- access your account balance and transaction history
- update some of your personal details
- change your password
- view tax and distribution information (if applicable).

Call Investor Services and request a copy of 'Access your account anytime – 24/7'.

- Call Investor Services on 13 13 36

You can speak to an Investor Services representative Monday to Friday – for our contact centre operating hours, refer to [cfs.com.au/contactus](https://cfs.com.au/contactus)

- Email us at [contactus@cfs.com.au](mailto:contactus@cfs.com.au)

## How to access information on your investment

	FirstNet <sup>1</sup> <a href="https://cfs.com.au">cfs.com.au</a>	Investor Services 13 13 36	Email <a href="mailto:contactus@cfs.com.au">contactus@cfs.com.au</a>
General enquiries			
Product information	●	●	●
Performance figures	●	●	●
Unit prices	●	●	●
Annual (financial) reports	●	●	●

	FirstNet <sup>1</sup> cfs.com.au	Investor Services 13 13 36	Email contactus@cfs.com.au
<b>Account enquiries</b>			
Portfolio information	●	●	
Details of account facilities	●	●	
Transaction history (including recent transactions and statements)	●	●	

<sup>1</sup> To enquire and transact, you will need to be registered and log in using your Member ID (OIN) and password. Transaction access is automatically given to investors (unless you elect not to receive this on the application form). You will be required to provide us with an Australian financial institution account to enable the transaction facility.

## Receiving income

Any income that you receive from your investment will be in the form of distributions. Your distribution may include income such as interest, dividends and realised capital gains.

Distributions are based on the number of units you hold in a particular fund, in proportion to the number of units held by all unitholders, at the distribution date. You must hold units on the day prior to any distributions being paid in order to be eligible for a distribution. Distributions are not pro-rated for investors who were not unitholders for the whole period. The type of income you receive depends on the asset classes in which each fund invests.

The funds usually distribute income quarterly (September, December, March and June).

We normally pay distributions within 14 days of the calculation date. The distribution calculation dates are available on [cfs.com.au/distribution-amounts](https://cfs.com.au/distribution-amounts) or by calling Investor Services on 13 13 36. In some circumstances, we may vary the distribution timing and frequency without notice to investors (for example, to take into account days that fall on a public holiday). While the funds aim to distribute at the frequency stated above, from time to time, individual funds may not have enough income to distribute each period.

### What are your distribution choices?

You can choose to have your distributions:

- automatically reinvested, with no transaction costs payable. The additional units are purchased using the net asset value per unit applicable immediately after the distribution, or
- directly credited to your Australian financial institution account.

You may nominate your choice on your application form. If you do not make a choice, then your distributions will be automatically reinvested. If the bank account details you have supplied for your distributions are invalid, then after making reasonable attempts to contact you, we will reinvest the distributions back into your existing funds within 28 days.

In extraordinary circumstances, where a fund is suspended, restricted, or unavailable, we may not permit some or all of the income distributions to be reinvested.

You can change your distribution election at anytime by contacting us or completing a Change of Details form. For an individual investment account, if we receive notification of an investor's death, all distributions will automatically reinvest until we receive further instructions.

### What happens if you invest just before a distribution?

**Please note** that the unit price of a fund will fall by the amount of any distribution immediately after the distribution is paid.

If you or your platform operator invest just prior to a distribution, then that distribution effectively represents a return of your investment.

Depending on your circumstances, this may have certain taxation implications and we recommend that you speak with a financial adviser or tax adviser to determine the impact of the distribution on your investment. Distribution dates should be checked prior to transacting on your account.

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# Other information you need to know

## What is a Constitution?

Each fund is governed by a Constitution. Together with the *Corporations Act 2001* (Cth) and some other laws, the Constitution sets out the terms and conditions under which the fund operates and the rights, responsibilities, powers, discretions and duties of the responsible entity and investors. The Constitution deals with a number of issues including:

- your rights as a holder of units
- the method of dealing with complaints about the fund
- fund termination
- our broad powers to invest, borrow, receive fees and other payments and generally manage the fund.

The Constitution states that your liability is limited to the amount you paid for your units, but the courts are yet to determine the effectiveness of provisions of this kind. It gives us a number of rights, including a number of discretions relating to unit pricing and fund termination. You can obtain a copy of the Constitution and Unit Pricing Permitted Discretions Policy, free of charge, by calling us on 13 13 36.

We may alter the Constitution if we, as the responsible entity, reasonably consider that the amendments will not adversely affect investors' rights. Otherwise, we must obtain investors' approval at a meeting of investors.

We may retire or be required to retire as the responsible entity (if investors vote for our removal).

Your rights to requisition, attend and vote at meetings are mainly contained in the *Corporations Act*.

## Custody

A professional custodian generally holds the assets of each fund. The custodian is appointed by CFSIL and is responsible only to us. It is the custodian's role to hold the assets in the funds on behalf of investors (however, for funds where a prime broker has been appointed, assets will be held by the prime broker).

The custodian may be changed from time to time, and we may change the custodian where we are satisfied that the proposed new custodian meets all regulatory requirements.

You will not be notified of a change in custodian. If the custodian is another company in CFSIL and other CFS entities, then we would have to:

- satisfy ASIC that we are able to separate each fund's assets from our own, and
- satisfy ourselves that holding each fund's assets in this way would be cost-effective for investors.

If you would like details of our custodian, please contact us if you are a direct investor, or contact your platform operator if you are an indirect investor.

## Eligibility of foreign investors

The offer made in this PDS:

- does not constitute an offer in any other country or jurisdiction including the European Union
- cannot be offered or sold within the US, or sold to, or for the account or benefit of, 'US Persons' (as defined in Regulation S of the *US Securities Act 1933*) in the United States
- cannot be offered or sold to European Union citizens residing in the European Union
- is not available to a Sovereign entity, or part of a Sovereign entity group, or a superannuation fund for foreign residents, as defined in the *Income Tax Assessment Act 1997* (Cth).

New Zealand investors should refer to 'Information for New Zealand investors' in this PDS.

## Is there a cooling-off period?

A 14-day cooling-off period will apply to your initial investment in the funds in certain circumstances. If, during the 14-day cooling-off period, you decide that the investment does not meet your needs, then simply advise us, or if you are an indirect investor your platform operator, in writing.

The 14 days start when your transaction confirmation is received by you or if you are an indirect investor, your platform operator, or five days after your units are issued, whichever is earlier.

We will refund your investment, reduced or increased for market movements (and, where relevant, once we have established your identity). We will also deduct any tax or duty incurred and an amount for reasonable transaction and administration costs we incur in relation to your investment in a fund, including determining your application.

As a result, the amount returned to you may be less than your original investment.

## Anti-Money Laundering and Counter-Terrorism Financing laws and Sanctions laws

We are required to comply with these laws, including the need to establish your identity (and, if relevant, the identity of other persons associated with your account) and accordingly hold such information. Instructions for completing the identification process are included with the application forms. Additionally, from time to time, we may require additional information to assist with this process and keep a record.

Where legally obliged to do so, we may disclose the information gathered about you to regulatory and/or law enforcement agencies, and we may not be able to tell you when this occurs. We may be unable to transact with you or other persons. 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. This may impact on your investment and could result in a loss of income and principal invested. We will not incur any liability for any loss suffered if we are required to take one or more of these actions.

## What to do if you have a complaint

If you are investing via a platform, direct complaints to the platform operator who will facilitate dispute resolution on your behalf.

We recognise that even in the best run organisations things can go wrong. If you have a complaint, please tell us. We aim to resolve complaints promptly and we will do all we can to resolve the situation for you.

In resolving your complaint, we will:

- acknowledge your complaint and make sure we understand the issues
- record your complaint and investigate the matters raised
- do everything we can to fix any problems
- keep you informed of our progress
- give you our name, a reference number and contact details so that you can follow up at any time, and
- provide a written resolution letter (for complaints not resolved within five business days), which explains our investigation, decision and reasons for our decision.

We will make every effort to resolve your query as quickly as possible, but no later than 30 days.

Occasionally, there may be delays in responding to your complaint, due to the complexity of the resolution or due to circumstances outside of our control. If this occurs we will let you know about the delay, the reason for the delay and your options, including your right to complain to the external dispute body.

To lodge a complaint, you can contact us by:

Phone	13 13 36 Monday to Friday – for our contact centre operating hours, refer to <a href="https://cfs.com.au/contactus">cfs.com.au/contactus</a>
Email	<a href="mailto:membercare@cfs.com.au">membercare@cfs.com.au</a>
Website	Submit a feedback form ( <a href="https://cfs.com.au/feedback">cfs.com.au/feedback</a> )
Mail	CFS Complaints Resolution Reply Paid 27 Sydney NSW 2001

## External dispute resolution

If at any time you are not satisfied with the handling of your complaint or the resolution we have provided, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

You can contact AFCA by:

Website	<a href="http://www.afca.org.au">www.afca.org.au</a>
Email	<a href="mailto:info@afca.org.au">info@afca.org.au</a>
Phone	1800 931 678 (free call)
Mail	Australian Financial Complaints Authority GPO Box 3 Melbourne VIC 3001

Time limits may apply to complain to AFCA so you should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expires.

## Can you appoint an agent?

Direct investors are entitled to appoint an agent to act on their behalf. This person could be your financial adviser, solicitor, or someone else that you trust to act on your behalf. We will only accept your appointment of an agent if, among other things, we have successfully established the identity of this agent. To do this you will need to complete an *Appointment of Agent Form*.

If you have more than one agent or signatory and you are a non-individual investor (e.g. a company, trust or other entity type), you can appoint a verifying officer to identify your agents or signatories. To appoint a verifying officer, you will need to complete the *Verifying Officer Form*. Copies of these forms can be obtained from our website or by calling 13 13 36.

**Note** that by appointing an agent to act on your behalf, you are giving that person full authority over your account.

## Privacy information

### For indirect investors

We do not normally receive any personal information about you when you invest in the funds via a platform product.

If we do receive any of your personal information, we will deal with it in accordance with our Privacy Collection Notice and Privacy Policy. For a copy of these documents, please visit [cfs.com.au/privacy](http://cfs.com.au/privacy) or contact us. For details on the collection, storage and use of your personal information, contact your platform operator.

### For direct investors

#### Privacy Collection Notice

This Privacy Collection Notice (Notice) summarises how Colonial First State (CFS) uses your personal information (PI). This Notice is issued by CFS. CFS consists of Superannuation and Investments HoldCo Pty Limited ABN 64 644 660 882 and its subsidiaries, which includes Avanteos Investments Limited ABN 20 096 259 979 and Colonial First State Investments Limited ABN 98 002 348 352. CFS provides investment, superannuation, and retirement products to Australians ('CFS', 'we', 'our' or 'us').

CFS collects your PI to operate and administer your super account (including insurance), pension accounts and investments. We may also use your PI to improve our products and services, and keep you informed. If we can't collect your PI, we may not be able to perform these services. PI is collected from you, but sometimes from third parties, including but not limited to your employer and your financial adviser (where applicable). We will only share your PI if it is necessary to perform the above activities, to comply with our legal obligations, if required by a court/tribunal order, or where we receive your permission. Your PI may be accessed overseas by some of our third parties.

#### Privacy Policy

Your PI is important to us. Our Privacy Policy outlines how we manage PI and covers:

- information we collect
- how we use and disclose your information
- keeping your information secure
- accessing, updating, and correcting your information and
- making a privacy complaint.



We may amend this information from time to time, as necessary, so it's important for you to check our website for the most up-to-date Privacy Policy.

If you do not want to receive any direct marketing, including telemarketing, please contact us to opt out. You may also opt out of direct marketing by updating your communication preferences online or by clicking the 'unsubscribe' option on any marketing communications from us. Please note that you are unable to opt out of communications which we are required to send to you by law.

You consent to how we deal with the collection, use and disclosure of your PI when you make an investment in our products or transact with us. This consent continues to operate even though your relationship with us may come to an end, for us to comply with our data retention obligations.

To view the long form Privacy Collection Notice and Privacy Policy please visit [cfs.com.au/privacy](https://cfs.com.au/privacy) You can also obtain a copy of that information, free of charge, by contacting us.

## Managing conflicts of interest

CBA holds an interest in CFS through its significant minority interest in HoldCo.

All related party transactions are conducted on arm's length terms. Accordingly, CFSIL believes that related parties are receiving reasonable remuneration. Any conflict of interest or potential conflict of interest is managed in accordance with CFS's Conflicts Management Policy. CFSIL is the responsible entity, Operator, administrator and custodian of IDPS products and administrator and custodian of superannuation and pension products, and makes its investment decisions in accordance with its systems and processes separately from other CFS entities and CBA. The available investments may include securities or other financial products issued by other CFS entities or CBA. As a result, their activities may have an effect on the investments. Other CFS entities may have investments in CFS and may derive associated benefits/returns on those investments.

CFSIL makes no representation as to the future performance of any underlying investments held in the funds offered in this PDS, including those issued by other CFS entities or CBA. CFSIL, other CFS entities, members of CBA and their directors and employees may hold, buy or sell shares or other financial products included in the funds in this PDS. They may have business relationships (including joint ventures) with related parties or any of the entities named in this PDS. In addition, they may from time to time advise CFSIL in relation to activities unconnected with the funds offered in this PDS. Such relationships and advisory roles may include acting as general financial adviser in respect of, without limitation, corporate advice, financing, funds management, property and other services. The directors and employees of CFSIL, other CFS entities and members of CBA may hold directorships in the companies named in this PDS. Any confidential information they receive as a result of the business relationships, advisory roles and directorships discussed above will not be made available to CFSIL.

## What are our reporting requirements?

If any fund is a disclosing entity under the *Corporations Act*, the fund is subject to regular reporting and continuous disclosure obligations. Copies of documents we lodge with ASIC to fulfil these obligations may be obtained from, or inspected at, an ASIC office.

You also have a right to request a copy of certain documents from us when they become available, and we must send you a copy (free of charge) as soon as practicable and in any event within five days. Your request will be fulfilled in the way you choose – by email or post, or you can collect it from our offices. The documents are:

- the annual financial report for the fund most recently lodged with ASIC
- any half-year financial report lodged with ASIC and any continuous disclosure notice given for the fund after the lodgement of the annual financial report for the fund and before the date of this document.

## Information for New Zealand investors

Units in the funds offered under this PDS are offered to New Zealand as well as Australian investors.

### New Zealand investors' warning statement

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the *Corporations Act 2001* (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the *Financial Markets Conduct Act 2013* and Part 9 of the *Financial Markets Conduct Regulations 2014*.

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

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

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

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

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

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of a financial advice provider.

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

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

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

The above statements are required pursuant to New Zealand's financial markets legislation. For the avoidance of any doubt, CFSIL will only remit distributions and redemptions in Australian dollars and to an Australian bank account in the name of the unit holder. If you credit New Zealand dollars to CFSIL's application account, you may incur an unfavourable currency conversion rate and you will also have to pay any applicable fees. You can avoid these fees by only crediting Australian dollars.

### New Zealand disclosures relating to distribution reinvestment

Investors into the funds must elect whether they wish to receive distributions in cash or reinvest them into the Fund. Where an investor elects for distributions to receive in cash, distributions will be payable to the investor's nominated Australian bank account in the investor's name. Where an investor elects to reinvest distributions into the funds, additional units in the funds will be issued to the investor.

Units issued as part of a distribution will be allotted in accordance with the terms and conditions set out in each fund's constitution and this PDS.

The allotment of units as part of a distribution described in this PDS is offered to New Zealand investors on the following basis:

- At the time the price of the units allotted as part of a distribution reinvestment is set, we will not have any information that is not publicly available that would, or would be likely to, have a material adverse effect on the realisable price of the units if the information were publicly available.
- The right to acquire, or require us to issue, units as part of a distribution reinvestment will be offered to all investors in the relevant fund(s), other than those who are resident outside New Zealand and who are excluded by us to avoid breaching overseas laws.
- Every investor to whom the right is offered will be given a reasonable opportunity to accept it.
- Units will be issued or transferred on the terms disclosed to you in this PDS and will be subject to the same rights as units issued or transferred to all investors who agree to receive the units.

You have the right to receive from us, on request and free of charge, a copy of:



- the most recent annual report of the relevant fund(s) (if any)
- the most recent financial statements of the relevant fund(s) (if any) and, if those statements are not audited or reviewed by an auditor, a statement to that effect
- a copy of the auditor's report on those statements (if any)
- the current PDS
- the constitution of the relevant fund(s) and any amendments to it.

You may obtain copies electronically by emailing [contactus@cfs.com.au](mailto:contactus@cfs.com.au)

Where you reinvest distributions, within 30 days of the day on which the resulting additional units in the relevant fund(s) are allotted to you, we will send a statement of the amount of the distribution and the number of units that have been allotted to you

## Terms and conditions

These terms and conditions apply when you open an account with us and when you instruct us by phone, or electronically or when you access FirstNet. It is important that you read them carefully before you provide us with instructions so that you know what will apply to your transactions.

### Limitation of liability

- All other representations and warranties relating to these services are excluded except for any term that is implied by law, which is taken to be included in these terms and conditions. To the extent permitted by law, our liability for breach of that term is limited to resupplying the service or paying the reasonable cost of having the service provided again. However, our liability may be greater where we are negligent or fraudulent, but this liability may be reduced to the extent that you caused or contributed to the loss.
- Subject to the paragraph above, to the extent permitted by law, we are not liable in any way for any losses that you suffer through using or supplying information electronically, by phone or FirstNet.
- You acknowledge and agree that we will not be liable to you for any loss you suffer (including consequential loss) caused by an inability to transact with you or other persons including where we comply with any law or legislation or choose to exercise a discretion available to us, including in circumstances where we reasonably believe that you are a Proscribed Person. 'Inability to

transact' may include delaying, blocking, freezing or refusing to process a transaction or ceasing to provide you with a product or service. A 'Proscribed Person' means any person or entity who CFSIL or any other CFS entity reasonably believes to be (i) in breach of the laws of any jurisdiction prohibiting money laundering or terrorism financing, or (ii) on a list of persons with whom dealings are proscribed by Australian laws or the laws of another recognised jurisdiction. A 'Proscribed Person' includes any person or entity who CFSIL or any other CFS entity reasonably believes to act on behalf, or for the benefit of, a person or entity referred to in (i) and/or (ii).

- You agree to use these services only in accordance with these terms and conditions and your other legal obligations. We are not liable for, and you release and indemnify us against, any liabilities, claims, losses or costs arising from our acting in accordance with any communication that we receive by phone, or electronically about your account or investments with us or arising from the use of FirstNet by you or any person using your Member ID (OIN) and password.

## Use of telephone and electronic communications

### Security of phone and electronic requests

- We have procedures in place to reduce the risk of fraud, but we cannot guarantee that someone trying to impersonate you will not contact us about your account and change your details or make a withdrawal. We may dispute liability for any losses which happen because we have acted on instructions that you have not authorised but which appear to be authorised by you.
- All our customers are automatically given access to communicate with us by phone and electronically. You need to tell us if you do not want us to accept any future instructions over the phone or electronically by sending us an original signed request.
- We will block access to your account for phone and electronic instructions by the second business day after we receive that request. Until this happens, these terms and conditions for phone and electronic communications will still apply to your account.
- If you are a joint account holder, any of the joint account holders may give us instructions about the account.
- If the account holder is a company, any director of the company may give us instructions about

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the account, provided we have previously been notified in writing of the lists of directors.

### **Information received by phone or electronically**

- If the details that we receive over the phone or electronically do not match the details that we have previously received for the account, then we will not proceed with the request.
- We also will not process a request if the instructions we receive are incomplete or illegible or appear to contain errors. This is to ensure that the transaction we perform is exactly what you were requesting.
- We can change or cancel these terms for phone and electronic communications at any time as long as we give you 14 days written notice.
- Apart from these terms and conditions, we may have other requirements for receiving instructions from time to time. You will be notified if this affects you or your request.
- If you do not accept changes to these terms, you may permanently stop instructing us by phone or electronically without fee or charge by providing us with an original signed request, as outlined under the heading 'Security of phone and electronic requests'.

### **Use of FirstNet**

#### **Member ID (OIN) and password**

- You must keep your Member ID (OIN) and password secret. You should not disclose them to anyone or record them in a way which could affect their confidentiality.
- If you give someone else permission to use your Member ID (OIN) and password, you are responsible for any transactions they perform or changes they make to your account information, or anything that happens because you gave them that permission.
- Anyone can access FirstNet if they have a valid Member ID (OIN) and password. This means that if someone else has your Member ID (OIN) and password, they can access your account information and make transactions, even if you have not authorised them to use your Member ID (OIN) and password. We are not responsible to you and will not pay for any losses that may happen because we acted on any instructions received through FirstNet which used your Member ID (OIN) and password, whether or not these instructions were authorised by you.
- You must tell us immediately if you think that someone has accessed your account without your

permission or if you think that someone else may know your Member ID (OIN) and password. We will stop access to the account and issue a new password.

#### **Access to FirstNet**

- You can tell us if you want to permanently stop using FirstNet by sending us an original signed request. We will block FirstNet access to your account on the second business day after we receive that request. Until this happens, these terms and conditions will still apply to your account.
- We will do our best to maintain the operation of this service in accordance with the information you have received about it. However, we may suspend or restrict your access to the service at any time including, but not limited to, in circumstances where we have reasonable certainty of unauthorised transactions or fraud.
- We do not guarantee or warrant that the use of FirstNet will be uninterrupted or error free. We also do not warrant that it is suitable for any particular purpose or has any performance, functionality or security features, except what we are legally obliged to provide.
- We will take all reasonable steps to make sure that the information that you access through FirstNet is up-to-date and correct.
- When you are joint account holders, and one of you registers for FirstNet transaction access, both of you are taken to have agreed to any transactions on your account through FirstNet.

#### **Transacting on FirstNet**

- 'Transaction access' means the ability to review, modify or update your contact details and accounts online; apply for, withdraw and switch units between funds or options and set up automatic facilities or features.
- You agree to use this service in accordance with these terms and conditions.
- We will only act on transaction requests that are complete and received in full, are legible and do not appear to contain any error.
- For FirstNet, a transaction reference onscreen is evidence that the communication has been completed.
- We are not liable for any losses or delays that occur because we did not receive an instruction.
- If there are any government fees and charges incurred by us in relation to your use of FirstNet, we can debit these from your account.

- You must only use FirstNet to obtain information that you are properly authorised to access and you must use this information only for lawful purposes.
- We can change these terms and conditions at any time by placing the changes on our website. When making any changes, we will act reasonably and, so far as possible, in accordance with prevailing market conditions and regulatory requirements for accounts of this type at that time. We may ask you to read and accept any amended terms and conditions so you can keep using FirstNet, but, unless otherwise required by law, once we have placed them on the website, they are binding on you, even if you have not read them. If you do not accept these changes, you may permanently stop using FirstNet without fee or charge by providing us with an original signed request, as outlined under the heading 'Access to FirstNet'.

## Adviser Transaction Authority Conditions

By granting your financial adviser transaction authority, you authorise the named adviser, and their authorised delegates, access to the details of your account(s) to perform the following activities using our services on your behalf:

- make an additional investment, set up or modify a regular investment plan, switch investment options and nominate the investment option from which account based fees (including adviser service fees) will be deducted
- cancel an adviser service fee
- modify personal and account details, excluding bank account details
- modify investment selection and frequency, including auto-rebalancing
- withdraw an investment to your pre-nominated bank account.

If your circumstances change and this authority is no longer consistent with your needs, you have the ability to revoke your authorisation.

CFS will generally process transactions under this authority until the second business day after we receive a notification, from you, amending or revoking this authority.

CFS can, at any time, remove an adviser or refuse to record or deal with an adviser nominated on your account.

Any adviser you nominate (as your adviser, from time to time) will be authorised under this authority, (even if this adviser transfers to a new dealer group without notice to you).

Use of CFS' online facilities is subject to specific terms and conditions (including e-Post declarations and FirstNet Adviser terms and conditions). These are available on each respective internet site. At our complete discretion, we can refuse access or suspend access to CFS online facilities.

We can cancel or vary these conditions by giving you not less than seven (7) days prior written notice.

We recommend that you check these terms and conditions on a regular basis. These terms and conditions include any instructions for using these services provided to you or placed on our website from time to time.

## Can we vary these terms and conditions?

### A Changes we can make

We may from time to time:

- add fees or charges within the limits prescribed by the fund Constitution
- remove fees or charges
- change the amount of any fee or charge within the limits prescribed by the fund Constitution
- vary the distribution timing and frequency
- vary or cancel the terms for use of phone or electronic communications and for transacting on FirstNet, and
- vary or cancel your direct debit arrangement.

Each of the changes in paragraphs (a) to (f) is a separate right and this clause **A** is to be read as if such change was a separately expressed right.

### B Changes to terms and conditions

We may from time to time change any of the terms and conditions to:

- change the frequency with which fees are debited
- add new concessions or benefits
- change or remove any concessions or benefits
- adopt or implement any legal requirement, decision, recommendation, regulatory guidance or standard of any court, tribunal, ombudsman service or regulator
- accommodate changes in the needs or requirements of our customers, such as new product features or services
- correct errors, inconsistencies, inadvertent omissions, inaccuracies or ambiguities
- in the event that any part of the terms and conditions contained or referred to in the PDS are

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found to be void or unenforceable, achieve (as far as possible) the intention of the original provision without it being void or unenforceable

- h bring us into line with our competitors, industry or market practice or best practice in Australia or overseas, or
- i reflect changes in technology or our processes including our computer systems.

Each of the changes in paragraphs (a) to (i) is a separate right and this clause **B** is to be read as if such change was a separately expressed right.

**C** Without limiting our rights under clauses A and/or B, we may from time to time change any of the terms and conditions contained or referred to in the PDS.

### **How will we notify you of changes to your account features and terms and conditions?**

The responsible entity may change any of the terms and conditions contained or referred to in the PDS and, where a change is material, the responsible entity will notify you in writing within the timeframes provided for in the relevant legislation.

### **Not happy with the change?**

Unless the fund is suspended, restricted or unavailable, you can withdraw from the fund in accordance with our normal processes if we make a change which you do not like.

## **Direct Debit Request Service Agreement**

This is your Direct Debit Service Agreement with Colonial First State Investments Limited, User ID 011802 & 619909, ABN 98 002 348 352 (the Debit User). It explains what your obligations are when undertaking a Direct Debit arrangement with us. It also details what our obligations are to you as your Direct Debit provider. Keep this agreement for future reference. It forms part of the terms and conditions of your Direct Debit Request (DDR) and should be read in conjunction with your DDR authorisation.

### **Our commitment to you**

- We will send you regular transaction statements in addition to the initial confirmation of your drawings.
- Where the due date for a drawing falls on a non-business day, we will draw the amount on the next business day. If you are unsure about which day your account has or will be debited you should ask your financial institution.
- We may vary any details of this agreement or a Direct Debit Request at any time by giving you at least thirty (30) days written notice sent to the preferred email or address you have given us. If you are unhappy with any changes we make, you may cancel your direct debit arrangement without fee or charge by providing us with written notice as outlined under the heading 'Your rights'.
- We may terminate your direct debit arrangement if drawings are returned unpaid, or if debit is unsuccessful three times in any 12-month period.
- We may disclose your direct debit and related account details at the request of your financial institution in connection with a claim made for an alleged incorrect or wrongful debit, or to the extent specifically required by law. Otherwise, we will keep all information provided by you, and details of your nominated account at the financial institution, private and confidential.
- We will investigate and deal promptly with any queries, claims or complaints regarding debits, providing a response within 21 business days.

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## Your commitment to us

- It is your responsibility to check with your financial institution whether direct debiting is available from your account as direct debiting is not available through Bulk Electronic Clearing System (BECS) on all accounts offered by financial institutions.
- It is your responsibility to ensure that the authorisation on the direct debit request is identical to the account signing instruction held by the financial institution of the nominated account.
- It is your responsibility to ensure at all times that sufficient funds are available in the nominated account to meet a drawing on the due date for payment.
- It is your responsibility to advise us if the account nominated by you to receive the drawings is altered, transferred or closed.
- It is your responsibility to arrange with us a suitable alternative payment method if the drawing arrangements are stopped either by you or by the nominated financial institution.
- It is your responsibility to meet any charges resulting from the use of the direct debit system. This may include fees charged by us as a result of drawings returned unpaid, such fees being equal to actual costs we incur.

## Your rights

- You may request to defer or alter the agreed drawing schedule by giving written notice to us or by calling Investor Services on 13 13 36. Such notice should be received by us at least five business days prior to the due date for the next drawing.
- You may cancel the direct debit arrangement at any time by giving written notice to us or by calling Investor Services on 13 13 36. Such notice should be received by us at least five business days prior to the due date for the next drawing. Your nominated financial institution may also accept a request to cancel your direct debit arrangement with us.
- All transaction disputes, queries and claims should be raised directly with us. We will provide a verbal or written response within 21 business days from the date of the notice. If the claim/dispute is successful, we will reimburse you by way of cheque or electronic credit to your nominated account. Alternatively, you can contact your financial institution for assistance.

Please phone Investor Services on 13 13 36 with any enquiries or email [contactus@cfs.com.au](mailto:contactus@cfs.com.au)

# Application form checklist and forms

Indirect investors should contact their IDPS operator to find out what forms they need to complete to invest in the funds.

Direct investors should send their completed application form to:

Colonial First State, Reply Paid 27, Sydney NSW 2001

## Application form (refer to page A3)

To ensure that we are able to process your application quickly and efficiently, please check that you have completed the following steps:

Step 1 – Part A	
Your details – Complete sections 1–8	
Account details	Nominate to open a new account or invest additional funds in an existing account.
Investor details	Provide your full name, date of birth, occupation, industry and Tax File Number (TFN) or exemption (refer to alternate codes in bold below): <b>E</b> Exemption – please write the full name of the benefit that you receive (e.g. 'Age Pension') <b>N</b> Non-resident – please write the full name of your country of residence <b>O</b> Not for profit organisations – who are not required to lodge a TFN <b>D</b> No TFN or do not wish to quote a TFN
Contact details	Provide your contact details, including residential address.
Tax details	Please complete this section if you are a resident, or tax resident, of a country other than Australia.
Online services	You are automatically provided with access to online services. Do not cross the box if you want online access.
Bank account details	Provide your bank account details (if applicable)
Income distribution	Nominate your distribution payment instructions
Step 2 – Part B	
Your investment – Complete sections 9–10	
Payment details	Indicate your method of payment. If investing by direct debit, please complete your bank details in section 7.
Investment allocation	Complete your investment allocation details including the percentage to be attributed to each fund
Step 3 – Parts C & D	
Other information and declaration – Complete sections 11–12	
Adviser service fee	You only need to complete this section if you have agreed with your financial adviser to have an ongoing and/or one-off adviser service fee deducted from your investment.
Declaration and signature	Sign the declaration. If you are signing under an authority provided under a legally binding authority, such as a Power of Attorney or a Guardianship, please comply with the following: <ul style="list-style-type: none"> <li>• Attach a certified copy of the document.</li> <li>• Each page of the document must be certified by a Justice of the Peace, Notary Public or Solicitor.</li> <li>• Should the document NOT contain a sample of the authority holder's signature, please also supply a certified copy of the identification documents for the authority holder, containing a sample of their signature, e.g. Driver's Licence, Passport, etc.</li> <li>• The authority holder will also need to complete a 'Power of Attorney (POA) &amp; Guardianship Order' form (to enable us to establish the identity of the authority holder) which can be obtained from our forms library at <a href="http://cfs.com.au">cfs.com.au</a> or by phoning Investor Services on 13 13 36.</li> </ul>
Step 4	
Identification and verification	
For individual/joint accounts (including sole traders)	You or your adviser must also complete the identification and verification form on page A13 so that we can establish your identity or the identity of other people associated with your account.
Australian companies	CFSIL will perform the verification procedure, however, if we cannot access the information to complete the procedure, we may ask you to provide us with further information.
Registered managed investment schemes/regulated trusts (e.g. an SMSF)/Government Superannuation Fund	CFSIL will perform the verification procedure, however, if we cannot access the information to complete the procedure, we may ask you to provide us with further information. If the responsible entity/trustee is a foreign company, you or your adviser must also complete the appropriate identification form which can be found in our forms library at <a href="http://cfs.com.au/forms">cfs.com.au/forms</a> .
Foreign companies, partnerships, non-regulated trusts and other entity types	You or your adviser must also complete the appropriate identification form which can be found in our forms library at <a href="http://cfs.com.au/forms">cfs.com.au/forms</a> , so that we can establish your identity or the identity of other people associated with your account.
For your agent	If you are appointing an agent, the appointment of agent form (which includes the identification form) must be completed so that we can establish their identity. This form can be found in our forms library at <a href="http://cfs.com.au/forms">cfs.com.au/forms</a>
For verifying officers	If you are appointing a verifying officer (for non-individual investors), then the verifying officer form must be completed so that we can establish their identity. This form can be found in our forms library at <a href="http://cfs.com.au/forms">cfs.com.au/forms</a>



## Additional information on setting up alternative account types

### Joint accounts

If this is a joint application and you have not advised us otherwise, either applicant may operate and transact on the account without the authority of the other applicant.

**Note:** If there is a dispute relating to your account (for example, inconsistent instructions given by the applicants), we reserve the right not to process the transaction until we receive a court order, which advises us on how to deal with your account.

### Accounts on behalf of a minor

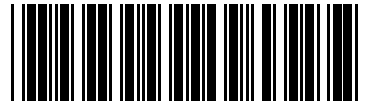
We do not accept any investments in the name of a minor (under 18 years of age); however, the investment may be held 'as designation' for the minor. In order to set up an account as designation for a minor, please insert the minor's name in the 'Account designation' field under section 3. It is important that you also complete Investor 1 and/or Investor 2 as owner(s) of the account, and provide the TFN(s) of the investor(s) rather than the minor.

If you would like to set up accounts for more than one minor, then you will need to complete a new application form for each minor.

### Superannuation fund or trust

Please insert the entity's name under 'Superannuation fund/trust'. We will also require information of the trustees. To supply this trustee information, please complete Investor 1 and/or Investor 2 if trustees are individuals. If the trustee is a company, please complete the 'Company name' field.

# Fortlake Funds – Application Form



16 December 2024

Units in the fund will only be issued on receipt of this application form and any documents required to be attached, issued together with the PDS for this fund dated 16 December 2024. Please phone Colonial First State Investor Services on **13 13 36** with any enquiries.

Please complete this form using **BLACK INK** and print well within the boxes in **CAPITAL LETTERS**. Mark appropriate answer boxes with a cross **[X]**. Start at the left of each answer space and leave a gap between words.

If you are an **individual investor** (including sole trader) go to sections 1, 3, 4, 6, 7, 8, 9, 10, 11 and 12.

If you are an **Australian company** go to sections 1, 2, 4, 5, 6, 7, 8, 9, 10, 11 and 12.

If you are a **Trust** go to sections 1, 2, 4, 5, 6, 7, 8, 9, 10, 11 and 12. You may also need to go to section 3 or 5 as outlined in the instructions below.

All other investors go to sections 1, 2, 4, 5, 6, 7, 8, 9, 10, 11 and 12, as well as the appropriate identification form which can be found in our forms library at [cfs.com.au/forms](http://cfs.com.au/forms)

Fields marked with an asterisk (\*) **must** be completed for the purposes of anti-money laundering laws.

The Target Market Determinations (TMD) for our financial products can be found at [cfs.com.au/tmd](http://cfs.com.au/tmd) and include a description of who the financial product is appropriate for.

## 1 ACCOUNT DETAILS

Type of investment

New ☐ Go to **Section 2 (non-individual investors including all Trusts)** or **Section 3 (individual investors)** and complete sections required

Additional ☐ Please provide account details below and go to **Section 6**

Existing account name

Existing account number

## 2 NON-INDIVIDUAL INVESTORS DETAILS – COMPANY/TRUSTS/PARTNERSHIP/SUPERANNUATION FUND OR OTHER ENTITY

Cross (X) the appropriate box to indicate the type of investor you are:

☐ Self Managed Super Fund ☐ Trust ☐ Company ☐ Partnership

Other, please specify

Full name of company/partnership/trustee/other entity\*

Full name of superannuation fund/trust\*

Primary business/trust activity\*

Are you a charity?\*

Yes ☐ No ☐

Is your entity's primary business activity investing? Select 'Yes' if:

- of the total income the entity earns, more than 50% of this income is from investment activities; for example, rent, interest or dividends, and/or
- of the assets the entity holds, more than 50% of these assets produce or are held for producing investment income

Yes ☐ No ☐

Country established, if not Australia\*

ABN/ARBN/ARSN (if any)

Tax File Number (superannuation fund/trust/company – if applicable)

Postal address

Unit number  Street number  PO Box  Street name   
Suburb  State  Postcode  Country

Work phone number

Home phone number

Mobile phone number

## 2 NON-INDIVIDUAL INVESTORS DETAILS – COMPANY/TRUSTS/PARTNERSHIP/SUPERANNUATION FUND OR OTHER ENTITY

### (CONTINUED)

Email address

#### We will use your contact details in the following way:

By providing your email address and mobile number you are consenting to receive important information about your account including statements, transaction confirmations, significant event notices, education and market updates via email, your account online, SMS, mobile phone app or other electronic means. You are also consenting to receive marketing communications about our products and services.

Please note, you are able to change your communications preferences at any time via your secure online login or by calling us on 13 13 36. However, you are unable to opt out of receiving communications which we are required to send you by law.

Your contact details will also be used for security validations and to provide secure access to your account. For more information refer to the CFS Privacy Policy, which is available on our website at [cfs.com.au/privacy](http://cfs.com.au/privacy)

If you are:

- a trust, complete the trusts section below or
- an Australian company, go to section 5.

For all other entity types, complete the appropriate identification form which can be found in our forms library at [cfs.com.au/forms](http://cfs.com.au/forms) and go to section 6.

## TRUSTS

Complete this additional section **only** if you are a Trust.

### GENERAL INFORMATION

Full name of superannuation fund/trust\*

Full business name (if any)

Country where trust established\*

Type of Trust (select ☒ only one of the following trust types and provide the information requested)

☐

#### Registered managed investment scheme

Provide Australian Registered Scheme Number (ARSN)

☐

#### Regulated trust (e.g. an SMSF)

Provide name of the regulator (e.g. ASIC, APRA, ATO)

Provide the trust's ABN or registration/licensing details

☐

#### Government superannuation fund

Provide name of the legislation establishing the fund

If the trust is a registered management investment scheme, regulated trust (e.g. an SMSF) or government superannuation fund, you need to provide additional information about only **one** of the trustees, that is:

- where the selected trustee is an individual trustee go to section 3 or
- where the selected trustee is an Australian company trustee go to section 5.

☐

#### Other trust type

Trust description (e.g. family, unit, charitable, estate)

If you have selected 'other trust type' or you are a foreign company trustee you need to complete the appropriate Trust Identification form which can be found in our forms library at [cfs.com.au/forms](http://cfs.com.au/forms) and then go to section 6.

### 3 INDIVIDUAL INVESTOR DETAILS

If you are an investor that is an individual (including a sole trader) or an individual Trustee, please complete this section.

#### INVESTOR 1 (individual accounts)

Mr ☐ Mrs ☐ Miss ☐ Ms ☐ Other

Full given name(s)\*

Surname\*

Date of birth\*

(dd/mm/yyyy)

Gender

Male ☐

Female ☐

Occupation\*

Your main country of residence, if not Australia\*

#### INVESTOR 2 (joint accounts)

Mr ☐ Mrs ☐ Miss ☐ Ms ☐ Other

Full given name(s)\*

Surname\*

Date of birth\*

(dd/mm/yyyy)

Gender

Male ☐

Female ☐

Occupation\*

Your main country of residence, if not Australia\*

**Note:** You are not obliged to disclose your TFN, but there may be tax consequences. Refer to the PDS for information on the implications of not providing your TFN.

Tax File Number or reason for exemption (refer to page A1)

or code

Are you a tax resident of another country?\* ☐ Yes ☐ No

If you are tax resident of another country, please also complete section 4.

Australian or New Zealand residential address (PO Box is NOT acceptable) – Investor 1 (including sole trader)\*

Unit number  Street number

Street name

Suburb

State  Postcode

Country

Email address for investor 1



Tax File Number or reason for exemption (refer to page A1)

or code

Are you a tax resident of another country?\* ☐ Yes ☐ No

If you are tax resident of another country, please also complete section 4.

Australian or New Zealand residential address (PO Box is NOT acceptable) – Investor 2 (if applicable and different to Investor 1)\*

Unit number  Street number

Street name

Suburb

State  Postcode

Country

Email address for investor 1



Postal address (if different to residential address)

Unit number  Street number  PO Box  Street name

Suburb  State  Postcode  Country

Work phone number

Home phone number

Mobile phone number

#### We will use your contact details in the following way:

By providing your email address and mobile number you are consenting to receive important information about your account including statements, transaction confirmations, significant event notices, education and market updates via email, your account online, SMS, mobile phone app or other electronic means. You are also consenting to receive marketing communications about our products and services.

Please note, you are able to change your communications preferences at any time via your secure online login or by calling us on 13 13 36. However, you are unable to opt out of receiving communications which we are required to send you by law.

Your contact details will also be used for security validations and to provide secure access to your account. For more information refer to the CFS Privacy Policy, which is available on our website at [cfs.com.au/privacy](http://cfs.com.au/privacy)

### 3 INDIVIDUAL INVESTOR DETAILS (CONTINUED)

SOLE TRADER (complete this additional section only if you are a sole trader)

Full business name of sole trader\*

Full address (PO Box is NOT acceptable) of principal place of business\*

Unit number	<input type="text"/>	Street number	<input type="text"/>	Street name	<input type="text"/>				
Suburb	<input type="text"/>			State	<input type="text"/>	Postcode	<input type="text"/>	Country	<input type="text"/>

ABN (if any) of sole trader\*

### ACCOUNT DESIGNATION

Only use to indicate a minor's name for an account designation (refer to page A2)

Please go to section 6.

### 4 TAX DETAILS

If you answered 'Yes' to 'Are you a tax resident of another country?', please complete this section.

If you are a tax resident of a country other than Australia, please provide your Tax Identification Number (TIN) or equivalent below.

If you are a tax resident of two or more countries, please list them below.

A TIN is the number assigned by each country for the purposes of administering tax laws. This is the equivalent of a Tax File Number in Australia. If no TIN is provided, please list one of the codes specified, A, B or C. For US Citizens, we are not able to process an application without a TIN.

#### INVESTOR 1

Are you a tax resident of Australia? ☐ Yes ☐ No

Country

TIN  Code

Country

TIN  Code

Country

TIN  Code

#### INVESTOR 2

Are you a tax resident of Australia? ☐ Yes ☐ No

Country

TIN  Code

Country

TIN  Code

Country

TIN  Code

If there are more countries, provide details on a separate sheet and cross this box. ☐

If no TIN is listed, write:

**Code A** The country of tax residency does not issue TINs to tax residents

**Code B** The individual has not been issued with a TIN

**Code C** The country of tax residency does not require the TIN to be disclosed.

## 5 AUSTRALIAN COMPANY DETAILS

If you are an Australian company or the Trustee (of a Trust) that is an Australian company, please complete this section. If you are a foreign company or a trustee that is a foreign company, complete the identification form which can be found in our forms library at [cfs.com.au/forms](http://cfs.com.au/forms) and go to section 6.

### 5.1 GENERAL INFORMATION

Full name as registered by ASIC\*

Australian Company Number (ACN)\*

Registered office address (PO Box is NOT acceptable)\*

Unit number	<input type="text"/>	Street number	<input type="text"/>	Street name	<input type="text"/>				
Suburb	<input type="text"/>			State	<input type="text"/>	Postcode	<input type="text"/>	Country	<input type="text"/>

Principal place of business (if any) (PO Box is NOT acceptable)

Unit number	<input type="text"/>	Street number	<input type="text"/>	Street name	<input type="text"/>				
Suburb	<input type="text"/>			State	<input type="text"/>	Postcode	<input type="text"/>	Country	<input type="text"/>

### 5.2 REGULATORY/LISTING DETAILS (select ☒ if any of the following categories apply to the company and provide the information requested)

☐ **Regulated company** (A company whose activities are subject to the oversight of a Commonwealth, State or Territory statutory regulator. In this context 'Regulated' means subject to supervision beyond that provided by ASIC as a company registration body) Examples include: Australian Financial Services Licensees (AFSL), Australian Credit Licensees (ACL), or Registrable Superannuation Entity (RSE) Licensees.

Regulator name

Licence details

☐ **Australian listed company**

Name of market/exchange

☐ **Majority-owned subsidiary of an Australian listed company**

Australian listed company name

Name of market/exchange

☐ **None of the above**

### 5.3 COMPANY TYPE (select ☒ only one of the following categories)

☐ **Public** (companies whose name does NOT include the word Pty or proprietary; generally listed companies)  
Go to section 6.

☐ **Proprietary** (companies whose name ends with Proprietary Ltd or Pty Ltd; also known as private companies)  
Go to sections 5.4 and 5.5 and then go to section 6.

### 5.4 DIRECTORS (only needs to be completed for proprietary companies)

This section does NOT need to be completed for Australian public and listed companies.

How many directors are there?  provide full name of each director

Full given name(s)\*

<input type="text"/>
<input type="text"/>
<input type="text"/>
<input type="text"/>

Surname\*

<input type="text"/>
<input type="text"/>
<input type="text"/>
<input type="text"/>

If there are more directors, provide details on a separate sheet.



## 5 AUSTRALIAN COMPANY DETAILS (CONTINUED)

### 5.5 BENEFICIAL OWNERS (only needs to be completed for proprietary companies)

Provide details of **ALL individuals** who are beneficial owners through one or more shareholdings of more than 25% of the company's issued capital.

#### Beneficial owner 1

Full given name(s)\*

Surname\*

Date of birth\*

(dd/mm/yyyy)

Residential address (PO Box is NOT acceptable)\*

Unit number  Street number  Street name

Suburb  State  Postcode  Country

#### Beneficial owner 2

Full given name(s)\*

Surname\*

Full given name(s)\*

Surname\*

Date of birth\*

(dd/mm/yyyy)

Residential address (PO Box is NOT acceptable)\*

Unit number  Street number  Street name

Suburb  State  Postcode  Country

#### Beneficial owner 3

Full given name(s)\*

Surname\*

Date of birth\*

(dd/mm/yyyy)

Residential address (PO Box is NOT acceptable)\*

Unit number  Street number  Street name

Suburb  State  Postcode  Country

## 6 ONLINE SERVICES

**Please note** that you will be automatically granted access to manage your investment online via FirstNet. Online access is provided under the 'Terms and Conditions' section in this PDS or online.

☐

Cross (X) this box if you **do not** wish to have online access to your investment.

## 7 BANK ACCOUNT DETAILS

**You can only nominate a bank account that is held in your name(s).** If you wish to nominate a bank account that is held in different name(s), please complete the separate Direct Debit Request form on page A15. By providing your bank account details in this section, you authorise CFSIL to use these details for all future transaction requests that you nominate.

### BANK ACCOUNT 1

Please provide your account details in this section if you have requested us to debit or credit your bank account.

Name of Australian financial institution

Branch name

Branch number (BSB)

 — 

Account number

Name of account holder

### BANK ACCOUNT 2

**Only** complete your account details in this section if you would like your **regular investment plan** debited from a **different** bank account.

Name of Australian financial institution

Branch name

Branch number (BSB)

 — 

Account number

Name of account holder

## 8 INCOME DISTRIBUTIONS

A nomination in this section overrides any previous nominations. Distributions will be reinvested unless otherwise stated. Cross (X) one box only.

How would you like your income distributions to be paid?

Reinvested in the fund

☐

Credit to my/our bank account

☐

Make sure you also complete your bank account details in **section 7**.

## PART B – YOUR INVESTMENT

### 9 PAYMENT DETAILS

How will this investment be made? **Note:** Cash is not accepted.

A minimum total investment of \$25,000 is required to establish an account. A \$10,000 minimum initial balance is required if a regular investment plan is set up at commencement of the account. The minimum regular investment plan amount is \$500 per month.

Total amount to be invested \$  including any internal transfers shown below.

We can only accept funds in Australian dollars.

Direct debit

☐

Make sure you also complete your bank account details in **section 7**. Please ensure cleared funds are available.

Earliest date funds are to be direct debited  (dd/mm/yyyy)  
(leave blank if we can direct debit when your application is processed)

Internal transfer

☐

Funds coming from a Colonial First State account  
Please attach a redemption request.

If you're looking to make a B<sub>PAY</sub> or EFT payment, you do not need to complete this form. Details on how to make these payments can be found on [cfs.com.au/paymentoptions](https://cfs.com.au/paymentoptions).

## 10 INVESTMENT ALLOCATION

The minimum initial investment is \$25,000. Your regular investment plan will not commence until an initial investment is received.

### Risk measure categories

The table below outlines the different risk measure categories of the investment fund. Please refer to the PDS for more information on risk measure categories.

Risk band	Risk label	Estimated number of negative annual returns over any 20-year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

Fund name	Fund code	Minimum suggested timeframe	Risk band	Initial or additional investments	Regular investment plan (per month) (\$500 minimum per month)
Fortlake Real-Income Fund	120/97	At least 3 years	5	\$ <input type="text"/>	\$ <input type="text"/>
Fortlake Real-Higher Income Fund	120/98	At least 3 years	5	\$ <input type="text"/>	\$ <input type="text"/>

☐ Cross (X) this box if you would like to increase your regular investment plan amount in line with inflation (CPI), up to a maximum of 3% each year.

## PART C – OTHER INFORMATION

### 11 ADVISER SERVICE FEE

Would you like to nominate an adviser service fee?

☐ Yes ☐ No

To add an adviser service fee to your account, please fill out a standalone adviser service fee consent form.

## PART D – DECLARATION

### 12 DECLARATION AND SIGNATURE

#### About your application

You acknowledge that if your application to become a unit holder is accepted, your unit holding will be subject to the terms of the Constitution.

The *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) requires us to verify your identity before we can process your instructions. This means your personal information will be provided to an authorised third party to use the Australian Government Document Verification Service that matches government-issued identification documents (e.g., passport, driver's licence, birth certificate, Medicare, social security) with the issuing government agency. This information and the search results are retained by us to comply with our identification and record-keeping requirements. By signing this form, you give your consent for your identity information to be verified electronically through the Australian Government Document Verification Service. Your personal information will be handled in accordance with our privacy policy, which includes our Privacy Collection Notice. Please click 'Privacy' at the bottom of any webpage on the CFS public website. If you have any further questions, please contact us by calling our Service Centre on 13 13 36. You can find more information about the Document Verification Service at [www.dvs.gov.au](http://www.dvs.gov.au).

By applying for Fortlake Funds, you:

- confirm that you have received and read the Fortlake Funds Product Disclosure Statement
- confirm that you have accepted this offer in Australia

- confirm that you have received the PDS personally or electronically and it was included with or accompanied by this application form
- declare that answers to all questions, declarations and all information supplied by you or on your behalf in relation to this application is true and correct
- declare that you have legal power to invest
- understand that if this is a joint application, each of you agrees that your investment is as joint tenants, unless otherwise indicated on this application or in the relevant investment fund's terms and conditions; this means each of you is able to operate the account and bind the other(s) to any transaction, including investments or withdrawals by any available method
- confirm that if you are investing as trustee on behalf of superannuation fund or trust, you are acting in accordance with your designated powers and authority under the trust deed; in the case of superannuation funds, you also confirm that it is a complying fund under the *Superannuation Industry (Supervision) Act 1993*
- when you give us personal information about another person, you represent that you are authorised to do so and agree to inform that person of the contents of this statement as it relates to them
- confirm that by investing (and remaining invested) with Colonial First State, you give your consent to the collection, use and disclosure of personal information as set out in the PDS and the CFS Privacy Policy available at [cfs.com.au/privacy](http://cfs.com.au/privacy)

**12 DECLARATION AND SIGNATURE (CONTINUED)**

- declare that you are not in the United States or a 'US Person' (as defined in Regulation S under the *US Securities Act 1933*, as amended) in the United States, nor are you acting for the account or benefit of a US Person
- declare that you are not a European Union citizen residing in the European Union
- declare that you are not a Sovereign entity, or part of a Sovereign entity group, or a superannuation fund for foreign residents, as defined in the *Income Tax Assessment Act 1997*
- agree that you will provide CFSIL with additional information if it is needed for CFSIL to comply with its obligations to foreign or domestic regulators
- investments in the funds are subject to investment and other risks, including possible delays in the repayment and loss of earnings
- understand that the investment performance and the repayment of capital of CFSIL products is not guaranteed
- will promptly advise if any information supplied changes
- as an individual, certify that you are the named person or you are authorised to provide information on their behalf
- as an individual, are aware that information provided about you and your accounts may be provided to the relevant tax authorities
- as an entity, are authorised by, and have consent of, the entity and any beneficial owners to provide the information
- as an entity, and any beneficial owners are aware that information about them and the account may be provided to the tax authorities.

**About your financial adviser**

- You agree that your adviser will receive the payments specified in the adviser service fee consent form via the sale of units from your investment and you consent to CFSIL deducting and paying the adviser service fee as specified in the adviser service fee consent form (if applicable) to your adviser through their dealer group (licensee).

**Direct Debit Request Authorisation**

- You authorise and request Colonial First State Investments Limited (User ID 011802 & 619909) to arrange for funds to be debited from my/our account at the financial institution identified in section 7 above and as prescribed through the Bulk Electronic Clearing System (BECS)
- You confirm you have read the 'Direct Debit Request Service Agreement' provided with this form and agree with its terms and conditions
- You request this arrangement to remain in force in accordance with details set out in section 7 and in compliance with the 'Direct Debit Request Service Agreement'.

**Product suitability**

- I declare that I understand that this product is subject to market risk, meaning its value will fluctuate over time.

The Fortlake Funds are offered by Colonial First State Investments Limited ABN 98 002 348 352 AFSL 232468.

Joint applicants must both sign.

**Acknowledgment of the risk and return characteristics for each selected investment fund.**

Please cross the box below to accept the declaration and proceed with the application.

- ☐ I understand and accept the stated minimum investment timeframe, and risk characteristics of my selected investment allocations, as displayed in the table above. For more information on the risk and return characteristics of each individual investment fund, please refer to the PDS.

**Acknowledgment of the risk and return characteristics for each selected investment fund.**

Please cross the box below to accept the declaration and proceed with the application.

- ☐ I understand and accept the stated minimum investment timeframe, and risk characteristics of my selected investment allocations, as displayed in the table above. For more information on the risk and return characteristics of each individual investment fund, please refer to the PDS.

**Original signature of investor 1 or company officer**


Print name



Date

(dd/mm/yyyy)

**Original signature of investor 2 or company officer**


Print name



Date

(dd/mm/yyyy)

- If this application is signed under an authority provided under a legally binding authority, such as a Power of Attorney or a Guardianship, the authority holder declares that he/she has not received notice of revocation of that power (a certified copy of the document should be submitted with this application unless we have already sighted it). The authority holder will also need to complete a 'Power of Attorney (POA) & Guardianship Order' form (to enable us to establish the identity of the authority holder) which can be obtained from our forms library at [cfs.com.au/forms](http://cfs.com.au/forms) or by phoning Investor Services on 13 13 36.
- Sole signatories signing on behalf of a company confirm that they are signing as sole director and sole secretary of the company.

Send the completed form to:  
Colonial First State Reply Paid 27, Sydney NSW 2001

PART E – ADVISER DETAILS

ADVISER USE ONLY

Adviser name

Contact phone number

Dealer ID

Adviser ID

Dealer/Adviser stamp (if applicable)

By providing your (adviser) details, you certify that you are appropriately authorised to provide financial services in relation to this product and that you have read and understood the Licensee Terms applicable to your Dealer group.

ADVISER ATTESTATION (MANDATORY)

I confirm that I have provided personal financial advice to my client, and that the advice is current in relation to this transaction. **Note:** If you select No, you must take reasonable steps to ensure the customer is in the Target Market.

Yes ☐ No ☐

Additional comments/instructions:

# Identification and Verification Form – individuals and sole traders

Please complete a separate form for each investor.

Full name of investor

All clients applying for a new account must complete the identification procedures (for the purposes of Anti-Money Laundering and Counter-Terrorism Financing laws). This form is to assist with those procedures for individuals and sole traders. If you are making an application for a non-individual account (for example, a company or trust), you or your adviser will be required to complete different forms to establish your identity, which can be obtained from our forms library at [cfs.com.au/forms](http://cfs.com.au/forms) or by phoning Investor Services on 13 13 36.

Financial advisers undertake identification and verification procedures by completing sections 1 to 3 of this form or by using other industry standard forms.

If you do not have a financial adviser, you are required to complete sections 1 and 2 of this form and provide certified copies of the ID documents (do not send original documents). **Please note:** For joint accounts, a separate form is required for each investor.

The list of the parties who can certify copies of the documents is set out below. To be correctly certified, we need the ID documents to be clearly noted 'True copy of the original document'. The party certifying the ID documents will also need to state what position they hold and sign and date the certified documents. If this certification does not appear, you may be asked to send in new certified documents.

List of persons who can certify documents<sup>1</sup> (for the purposes of Anti-Money Laundering and Counter-Terrorism Financing laws):

- Justice of the Peace
- Solicitor
- Police Officer
- Magistrate
- Notary Public (for the purposes of the Statutory Declaration Regulations 1993)
- Employee of Australia Post (with two or more years of continuous service)
- Your financial adviser (provided they have two or more years of continuous service)
- Your accountant (provided they hold a current membership to a professional accounting body)
- Australian consular officer or an Australian diplomatic officer (within the meaning of the *Consular Fees Act 1955*)
- An officer of a bank, building society, credit union or finance company provided they have two or more years of continuous service.

## SECTION 1: VERIFICATION PROCEDURE

Complete Part 1 (or if the individual does not own a document from Part 1, then complete either Part 2 or Part 3).

### Part 1 Acceptable primary photographic ID documents

Cross ☒ Select ONE valid option from this section only

- |                          |  |
|--------------------------|--|
| <input type="checkbox"/> | Australian State/Territory driver's licence containing a photograph of the person                                      |
| <input type="checkbox"/> | Australian passport (a passport that has expired within the preceding two years is acceptable)                         |
| <input type="checkbox"/> | Card issued under a State or Territory for the purpose of proving a person's age containing a photograph of the person |
| <input type="checkbox"/> | Foreign passport or similar travel document containing a photograph and the signature of the person <sup>2</sup>       |

Continued over the page...

<sup>1</sup> There are additional persons who can certify documents. A full list of the persons who can certify documents is available from our forms library at [www.cfs.com.au/forms](http://www.cfs.com.au/forms)

<sup>2</sup> Documents that are written in a language that is not English must be accompanied by an English translation prepared by an accredited translator. An accredited translator is any person who is currently accredited by the National Accreditation Authority for Translators and Interpreters Ltd (NAATI) at the level of Professional Translator or above. Please refer to [www.naati.com.au](http://www.naati.com.au) for further information.



**Part 2 Acceptable secondary ID documents** – should only be completed if the individual does not own a document from Part 1Cross ☒ Select ONE valid option from this section

- ☐ Australian birth certificate
- ☐ Australian citizenship certificate
- ☐ Pension card issued by Services Australia

Cross ☒ AND ONE valid option from this section

- ☐ A document issued by the Commonwealth or a State or Territory within the preceding 12 months that records the provision of financial benefits to the individual and which contains the individual's name and residential address
- ☐ A Notice of Assessment issued by the Australian Taxation Office within the preceding 12 months that records a debt payable by the individual to the Commonwealth (or by the Commonwealth to the individual), which contains the individual's name and residential address. Block out the TFN before scanning, copying or storing this document.
- ☐ A document issued by a local government body or utilities provider within the preceding three months which records the provision of services to that address or to that person (the document must contain the individual's name and residential address)
- ☐ If under the age of 18, a notice that was issued to the individual by a school principal within the preceding three months; and contains the name and residential address; and records the period of time that the individual attended that school

**Part 3 Acceptable foreign photographic ID documents** – should only be completed if the individual does not own a document from Part 1Cross ☒ Select ONE valid option from this section only

- ☐ Foreign driver's licence that contains a photograph of the person in whose name it is issued and the individual's date of birth<sup>1</sup>
- ☐ National ID card issued by a foreign government containing a photograph and a signature of the person in whose name the card was issued<sup>1</sup>

**FINANCIAL ADVISER USE ONLY****IMPORTANT NOTE:**

- Either attach a legible certified copy of the ID documentation used to verify the individual (and any required translation) OR
- Alternatively, if agreed between your licensee and the product issuer, complete the Record of Verification Procedure section below and DO NOT attach copies of the ID documents

**SECTION 2: RECORD OF VERIFICATION PROCEDURE**

ID document details	Document 1	Document 2 (if required)
Verified from	<input type="checkbox"/> Original <input type="checkbox"/> Certified copy	<input type="checkbox"/> Original <input type="checkbox"/> Certified copy
Document issuer	<input type="text"/>	<input type="text"/>
Issue date	<input type="text"/> (dd/mm/yyyy)	<input type="text"/> (dd/mm/yyyy)
Expiry date	<input type="text"/> (dd/mm/yyyy)	<input type="text"/> (dd/mm/yyyy)
Document number	<input type="text"/>	<input type="text"/>
Accredited English translation	<input type="checkbox"/> N/A <input type="checkbox"/> Sighted	<input type="checkbox"/> N/A <input type="checkbox"/> Sighted

**Identification and verification conducted by:**

By completing and signing this Record of Verification Procedure, I declare that I have verified the identity of the Customer as required by AML/CTF Rules, in the capacity of an AFSL holder or their authorised representative.

AFS Licensee Name

AFSL No.

Representative/Employee name

Phone number

Signature

Date verification completed

 (dd/mm/yyyy)

<sup>1</sup> Documents that are written in a language that is not English must be accompanied by an English translation prepared by an accredited translator. An accredited translator is any person who is currently accredited by the National Accreditation Authority for Translators and Interpreters Ltd (NAATI) at the level of Professional Translator or above. Please refer to [www.naati.com.au](http://www.naati.com.au) for further information.

# Fortlake Funds – Direct Debit Request Form



Please phone Colonial First State Investor Services on **13 13 36** with any enquiries.

Please complete this form using **BLACK INK** and print well within the boxes in **CAPITAL LETTERS**. Mark appropriate answer boxes with a cross **X**. Start at the left of each answer space and leave a gap between words.

All account holders must complete sections **1** and **2**. If a third party is authorising the account holder(s) shown in **section 1** to debit their bank account, the third party must complete **section 2** and sign below.

## 1 ACCOUNT HOLDER(S)

Account number

If you do not have an account number, please complete your details below:

### INVESTOR 1 (individual accounts)

Title

Mr ☐ Mrs ☐ Miss ☐ Ms ☐ Other

Given name(s)

Surname

### INVESTOR 2 (joint accounts)

Title

Mr ☐ Mrs ☐ Miss ☐ Ms ☐ Other

Given name(s)

Surname

### COMPANY/PARTNERSHIP (if applicable)

Name of company or partnership



Name of contact person

## 2 ACCOUNT HOLDER(S) OR THIRD PARTY

I/We authorise and request Colonial First State Investments Limited (User ID 011802 & 619909), until further notice in writing to arrange for funds to be debited from my/our account, at the financial institution identified as described in the schedule below, any amounts which CFSIL may debit or charge me/us through the Direct Debit System and in accordance with the Bulk Electronic Clearing System (BECS).

**Note:** Third party bank accounts cannot be used for transacting online without authorisation and signatures from all account holders.

### THE SCHEDULE (ACCOUNT TO BE DEBITED)

Name of Australian financial institution

Branch name or address



Branch number (BSB)

 – 

Account number

Name of account holder

Please update the following services with my new bank account details. Please tick the appropriate box(es):

☐

Regular Investment Plan

☐

Online Services

**Note:** By providing bank details in this section you authorise CFSIL to retain these details for all future transaction requests that you nominate. Please see the 'Terms and Conditions' in the current Product Disclosure Statement.

**2 ACCOUNT HOLDER(S) OR THIRD PARTY (CONTINUED)**

**DIRECT DEBIT REQUEST AUTHORISATION**

- I/We have read the 'Direct Debit Request Service Agreement' provided in the PDS and agree with its terms and conditions.
- I/We request this arrangement to remain in force in accordance with details set out in the schedule and in compliance with the 'Direct Debit Request Service Agreement'.

Colonial First State Investments Limited ABN 98 002 348 352 AFSL 232468 (CFSIL) is the issuer of a range of investment products.

**Signature of bank account holder or company officer**

**Print name**

**Date**

 (dd/mm/yyyy)

**Signature of bank account holder or company officer**

**Print name**

**Date**

 (dd/mm/yyyy)

Please mail the ORIGINAL form to:  
Colonial First State  
Reply Paid 27, Sydney NSW 2001

Faxed copies **cannot** be accepted.

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**Investment Manager**

Fortlake Asset Management Limited  
ABN 30 643 640 939

Level 27/25 Bligh Street  
Sydney NSW 2000

**Responsible Entity**

Colonial First State Investments Limited  
ABN 98 002 348 352  
AFSL 232468

GPO Box 3956  
Sydney NSW 2001