

# WHOLESALE CASH MANAGEMENT TRUST

Incorporated information

## CONTENTS

Fund features	3
Risks of investing	4
Fees and costs	5
Taxation	9
Distributions	9
Investing in the Fund	9
Accessing your money	10
Other important information	11
Contacting AMP Capital	14

## Important information

This document provides information incorporated by reference in the Wholesale Cash Management Trust Product Disclosure Statement (PDS) dated 18 December 2017, and forms part of the PDS. A copy of the PDS and the incorporated information can be obtained free of charge, on request by contacting us on 131 737 or online at [www.ampcapital.com.au/pds/auwcm/m](http://www.ampcapital.com.au/pds/auwcm/m).

Before making a decision about investing or reinvesting in the Wholesale Cash Management Trust (the Fund), you should read the PDS and all incorporated information. The information in this document is general information only and does not take into account any investor's personal objectives, financial situation or needs. All investors should obtain financial advice that is tailored to their circumstances.

No company in the AMP Group or any investment manager assumes any liability to investors in connection with investment in the Fund or guarantees the performance of the Responsible Entity's obligations to investors, the performance of the Fund or any particular rate of return. The repayment of capital is not guaranteed. Investments in the Fund are not deposits or liabilities of any company in the AMP Group.

AMP Capital has provided consent to the statements made by or about AMP Capital in this document and has not withdrawn that consent prior to the issue of this document. No company in the AMP Group other than the Responsible Entity is responsible for any statements or representations made in this document.

AMP Capital has consented to being named as investment manager of the Fund and to the inclusion of the statements made by AMP Capital in the Fund's PDS and in this document, in the form and context in which they appear. As at the date of this document, AMP Capital had not withdrawn this consent.

## WHOLESALE CASH MANAGEMENT TRUST

<b>Issued</b>	18 December 2017
<b>Incorporated information version</b>	Wholesale Cash Management Trust IBR_20171218
<b>Issuer and responsible entity</b>	National Mutual Funds Management Ltd – referred to in this document as 'the Responsible Entity'.
<b>Investment manager</b>	AMP Capital Investors Limited (ABN 59 001 777 591, AFSL 232497) – referred to in this document as 'AMP Capital', 'we', 'our' or 'us'.
<b>Fund</b>	Wholesale Cash Management Trust – also referred to in this document as 'the Fund' (ARSN 090 715 236, APIR code NML0018AU).

## FUND FEATURES

### Overview of the Fund

The Fund's investment objectives are to provide investors with a low risk investment, a regular monthly income and ready access to their investment, and to outperform the Bloomberg AusBond Bank Bill Index, gross of fees.

The Fund invests in money market and fixed interest securities, floating rate notes, derivative instruments and cash. The Fund may invest in securities and derivative instruments directly, indirectly or through a combination of both.

### Our investment approach

#### Fixed income expertise

Investment in the Fund provides investors with access to the investment expertise demonstrated by AMP Capital's track record of managing fixed income investments. AMP Capital and its parent AMP Limited have a continuous track record of more than 40 years of fixed income investment management and have been investing in fixed income since 1850.

AMP Capital has a major presence in the Australian fixed income market, and was one of the early investors in the Australian corporate bond market. Our fixed income expertise is demonstrated in our track record of being a cornerstone investor in newly issued investment grade rated bonds, and in our Fixed Income team's reputation and experience across a broad range of financial markets.

AMP Capital's Fixed Income team is made up of investment specialists with experience in banking, funds management and research. The team's management of Australian and global credit investments incorporates a specialist approach across industries and sectors, and the active management of credit risk. The team's reputation and fixed income capabilities are supported by the broader resources of AMP Capital's extensive economic strategy and equity capabilities.

#### Investment style

The Fund is actively managed, investing primarily in bank bills. Diversification is achieved mainly through investment in securities across a range of issuers.

## Fund profile

### The Fund's investments

The Fund holds a portfolio of money market and fixed interest securities, floating rate notes, derivative instruments and cash. The Fund's exposure may be obtained by investing in securities and derivative instruments directly, indirectly or via a combination of these. Indirect exposure may be through investments in other managed investment schemes or investment companies.

The Fund will on occasion have a maturity profile that may cause some interest rate risk. The present value weighted average maturity of the Fund's cash flows (duration of the Fund) will be restricted to within a range of approximately 180 days (both positive and negative) from that of the Bloomberg AusBond Bank Bill Index. Included in the Fund's duration calculation will be the maturity date of any asset that is acquired as a result of any futures contract, forward purchase agreement or similar instrument, agreement or arrangement.

Derivatives, that is, financial products that derive their value from other assets or indices, will not be used to gear the Fund, that is, the Fund's effective market exposure will not exceed its market value.

The Fund may also invest in other managed investment schemes (including those for which National Mutual Funds Management Ltd is the Responsible Entity) or investment companies.

#### Borrowing

The Fund may borrow to meet its short term liquidity needs.

The Fund may incur costs through interest expenses and the establishment and maintenance of a borrowing facility.

#### Currency hedging

In normal circumstances, the Fund's international investments are hedged back to the Australian dollar.

## Environmental, social and governance (ESG) considerations

Over the next 12 months, AMP Capital will be changing its approach to how labour standards, environmental, social, ethical and governance (ESG) considerations are taken into account. To date, decisions made by us about whether to buy, hold or sell investments are based primarily on financial and economic factors, and ESG issues may be taken into account by us only where we believe these factors may have a financially material impact on the value and performance (risk and/or return) of the investment.

Going forward, AMP Capital will take account of labour standards, environmental, social, ethical or governance considerations in the selection, retention or realisation of investments across all asset classes (other than cash, sovereign bonds, derivatives and exchange traded funds), in the manner set out in the 'Other important information' section of this document. However, where AMP Capital or an investment manager invests in a pooled vehicle or fund managed by an external investment manager and AMP Capital is unable to influence exclusive control over the investable universe of such a vehicle or fund, the negative screening outlined is not applied and such an investment will be subject to whatever ESG policy is adopted by the investment manager of that vehicle or fund.

The negative screening will also not apply to cash, sovereign bonds, derivatives and exchange traded funds.

## RISKS OF INVESTING

### All investing involves risk

Generally, the higher the expected return, the higher the risk.

Whilst the Fund is managed with the aim of providing competitive investment returns against the Fund's performance benchmark and protecting against risk, you should be aware that the Fund is subject to investment risks, which could include delays in repayment, the non-payment of distributions and loss of income and capital invested.

Investment risks can affect your financial circumstances in a number of ways, including:

- your investment in the Fund may not keep pace with inflation, which would reduce the future purchasing power of your money
- the stated aims and objectives of the Fund may not be met
- the amount of any distribution you receive from the Fund may vary or be irregular, which could have an adverse impact if you depend on regular and consistent distributions to meet your financial commitments, and
- your investment in the Fund may decrease in value, which means you may get back less than you invested.

As the risks noted in this section do not take into account your personal circumstances, you should also consider the information provided under 'Making an investment decision' in this section before making a decision about investing or reinvesting in the Fund.

### Risks specific to the Fund

#### Credit

The value of assets within the Fund can change due to changes in the credit quality of the individual issuer and also from changes in values of other similar securities. This can affect the volatility of the Fund and its income.

Fixed income securities are subject to default risk, which means that the credit issuer may default on interest payments, the repayment of capital or both. Fixed income investments with a non-investment grade credit rating (that is, Standard & Poor's BB+ rating or equivalent, or less) are subject to increased risks compared with investment grade securities, in that the credit issuer may be more likely to default on interest payments, the repayment of capital or both.

#### Interest rates

Cash and fixed income investments will be impacted by interest rate movements. While capital gains may be earned from fixed income investments in a falling interest rate environment, capital losses can occur in a rising interest rate environment. The risk of capital gain or loss tends to increase as the term to maturity of the investment increases.

#### Counterparty or default risk

Entry into some financial transactions, such as swaps, creates counterparty risks. Substantial losses can be incurred if a counterparty fails to deliver on its contractual obligations, or experiences financial difficulties.

- The value of assets within the Fund can change due to changes in the credit quality of the individual issuer, or counterparty, and as a result of changes in the values of other similar securities, which can affect the volatility of the Fund and its returns.
- Where the Fund invests in certain strategies such as derivatives, fixed income, credit or high yield investments, it may be subject to the risk that the credit issuer may default on interest payments, the repayment of capital or both, or that a third party ratings agency downgrades a credit rating, or that a counterparty to a transaction may default on financial or contractual obligations.

#### Concentration

As the Fund holds only a small number of securities, the underperformance of a particular security may have a proportionately greater negative effect on the Fund's overall performance than if the Fund held a larger number of securities.

#### Derivatives

There are risks of losses to the Fund through the use of derivatives, and where derivatives are used by underlying funds in which the Fund invests, including:

- the value of a derivative may not move in line with the value of the underlying asset
- a derivative position cannot be reversed
- losses may be magnified, and
- the party on the other side of a derivative contract defaults on financial or contractual obligations.

#### Investment management

There is a risk that the investment manager will not perform to expectation or factors such as changes to the investment team or a change of investment manager may affect the Fund's performance.

#### Sector

There is the risk that returns may be adversely affected where the Fund's investments have a high exposure to a particular sector or sectors.

### Other risks

Other risks of investing may apply and you should seek appropriate advice before investing.

### Making an investment decision

As the risks noted in this document do not take into account your personal circumstances, you should consider the following before making a decision about investing or reinvesting in the Fund:

- **Obtain professional advice** to determine if the Fund suits your investment objectives, financial situation and particular needs.
- **Read** a current Wholesale Cash Management Trust PDS, available on our website at [www.ampcapital.com.au/pds/auwcm/m](http://www.ampcapital.com.au/pds/auwcm/m).
- **Consider** the suggested minimum investment timeframe for the Fund, as set out in the Fund's PDS.
- **Regularly review** your investments in light of your investment objectives, financial situation and particular needs.

## FEES AND COSTS

### Fee summary

This document 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. Unless otherwise specified, all dollar amounts are Australian dollars.

**Table 1**

#### Wholesale Cash Management Trust

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>Fees when your money moves in or out of the managed investment product</b>		
<b>Establishment fee</b> The fee to open your investment.	Nil	Not applicable
<b>Contribution fee</b> The fee on each amount contributed to your investment.	Nil	Not applicable
<b>Withdrawal fee</b> The fee on each amount you take out of your investment.	Nil	Not applicable
<b>Exit fee</b> The fee to close your investment.	Nil	Not applicable
<b>Management costs<sup>1</sup></b>		
The fees and costs for managing your investment.	0.31% pa of the Fund's net assets	Management costs are comprised of: <ul style="list-style-type: none"> <li>• a <b>management fee</b><sup>2</sup> – calculated daily and paid monthly out of the Fund's assets and reflected in the unit price.</li> <li>• <b>indirect costs</b><sup>3</sup> – paid out of the Fund's assets or interposed vehicle's<sup>4</sup> assets once the cost is incurred and reflected in the unit price. Calculated on the basis of the Responsible Entity's reasonable estimate or knowledge of such costs.</li> </ul>
<b>Service fees</b>		
<b>Switching fee</b> The fee for changing investment options.	Nil	Not applicable

1. This amount comprises the management fee and estimated indirect costs. The sum of these figures may differ to the total management costs, due to rounding. For more information about management costs, see 'Management costs' under the heading 'Additional explanation of fees and costs'.
2. The management fee may be negotiated with investors who are wholesale clients for the purposes of the Corporations Act. See 'Differential fees' under the heading 'Additional explanation of fees and costs'.
3. For more information on the meaning and calculation of indirect costs, see 'Indirect costs' under the heading 'Additional explanation of fees and costs'.
4. For more information on the meaning of interposed vehicles, see 'Indirect costs' under the heading 'Additional explanation of fees and costs'.

#### Important

Advice fees agreed between you and your financial adviser and other service fees may apply to your investment in the Fund. Advice fees may be in the form of an investment advice fee and/or an ongoing advice fee. Please refer to 'Payments to your financial adviser' in this section for information about the advice fees that may be payable.

## Additional explanation of fees and costs

### Management costs

Management costs are expressed as a percentage of the Fund's net assets, rounded to two decimal places. Management costs are made up of a management fee, an estimated performance fee (if applicable) and estimated indirect costs. Any management fees, performance fees or indirect costs charged by interposed vehicles are included in the management costs in Table 1; they are not an additional cost to you.

#### Management costs components

The management costs shown in Table 1 comprise the following components. The sum of these figures may differ to the total management costs, due to rounding. All figures in the table below are expressed as a percentage of the net assets of the Fund.

MANAGEMENT FEE (% PA)	INDIRECT COSTS (% PA)	
	Recoverable expenses	Estimated other indirect costs
0.31%	0.00%	0.00%

#### Management fee

The management fee is charged by the Responsible Entity for managing and operating the Fund. The management fee of 0.3103% pa is charged on the value of the gross assets of the Fund. When calculating the value of the gross assets of the Fund for this purpose, we may value any units held by the Fund in underlying funds by reference to the gross assets of the underlying funds (that is, disregarding the value of any borrowings, other liabilities or provisions in those underlying funds) rather than the net asset value. For the purposes of the management costs calculation in Table 1, the management fee has been expressed as a percentage of the Fund's net assets.

#### Indirect costs

Indirect costs are generally any amount the Responsible Entity knows or estimates will reduce the Fund's returns, that are paid from the Fund's assets or the assets of interposed vehicles.

Generally, an interposed vehicle is a body, trust or partnership in which the Fund's assets are invested. It includes, for example, an underlying fund.

The amount of indirect costs include, but are not limited to:

- recoverable expenses of the Fund
- management costs of an interposed vehicle (including recoverable expenses, performance-related fees and any other indirect costs of underlying managers or interposed vehicles in which the Fund invests), and
- a reasonable estimate of the costs of investing in over-the-counter (OTC) derivatives (either at the Fund level or in interposed vehicles), which may be used by the Fund to gain economic exposure to assets.

The amount of indirect costs shown in the 'Management costs component' table is based on the Responsible Entity's knowledge of, or where required, reasonable estimate of, such costs. Indirect costs are generally calculated on the basis of indirect costs paid by the Fund in the Fund's previous financial year. As such, the actual indirect costs may differ from the amount shown in the 'Management costs components' table. Indirect costs are deducted from the returns on your investment or from the Fund's assets as a whole. They are reflected in the unit price and are not an additional cost to you.

Estimated indirect costs are included in the management costs in Table 1.

#### Recoverable expenses

The Fund's constitution entitles the Responsible Entity to be reimbursed from the Fund for any expenses incurred in relation to the proper performance of its duties.

The Responsible Entity may also recover other expenses relating to the operation of the Fund. These expenses include but are not limited to audit and legal fees, tax and accounting services, custody, administration and registry services, regulatory compliance, the cost of preparing disclosure documents and costs associated with a securities lending program (if applicable). Internal expenses incurred in connection with these matters may also be recovered from the Fund. Recoverable expenses are included in the management costs in Table 1.

#### Updated fees and costs information

The management costs components are based on the Responsible Entity's actual knowledge, or reasonable estimate, of the particular fee or cost. Estimates may be based on a number of factors, including (where relevant), previous financial year information, information provided by third parties or as a result of making reasonable enquiries, and typical costs of the relevant investment. As such, the actual fees and costs may differ and are subject to change from time to time. Updated information that is not materially adverse to investors will be updated online at [www.ampcapital.com.au/feesandcosts](http://www.ampcapital.com.au/feesandcosts), or you may obtain a paper copy or an electronic copy of any updated information from us, free of charge, on request. However, if a change is considered materially adverse to investors, the Responsible Entity will issue a replacement PDS and/or updated incorporated information, both of which will be available online. You can also obtain a copy of these documents free of charge, by contacting us.

## Transactional and operational costs

The Fund incurs transactional and operational costs when dealing with the assets of the Fund. Transactional and operational costs may include transactional brokerage, clearing costs, stamp duty, the buy and sell spreads of any underlying fund and the costs of (or transactional and operational costs associated with) derivatives. These costs will differ according to the type of assets in the Fund, or the purpose for which any derivatives are acquired, and will be paid out of the Fund's assets.

We estimate the Fund's transactional and operational costs to be approximately 0.00% of the net assets of the Fund.

### Buy and sell spreads

Transactional and operational costs associated with dealing with the Fund's assets may be recovered by the Fund from investors, in addition to the fees and costs noted in Table 1.

Investments and withdrawals in the Fund may incur buy and sell spreads, which are designed to ensure, as far as practicable, that any transactional and operational costs incurred as a result of an investor entering or leaving the Fund are borne by that investor, and not other investors.

Buy and sell spreads are calculated based on the actual or estimated costs the Fund may incur when buying or selling assets. They will be influenced by our experience of the costs involved in trading these assets or the costs that the Fund has actually paid, and will be reviewed whenever necessary to ensure they remain appropriate.

When you enter or leave the Fund, any buy or sell spread applicable at that time is a cost to you, additional to the fees and costs noted in Table 1, and is reflected in the unit price. The buy and sell spreads are retained within the Fund, as assets of the Fund; they are not fees paid to the Responsible Entity, AMP Capital or any investment manager.

The buy spread is taken out of application amounts. The sell spread is taken out of withdrawal amounts. As at the date of this document, no buy or sell spreads apply to the Fund.

Current buy and sell spreads can be obtained online at [www.ampcapital.com.au/spreads](http://www.ampcapital.com.au/spreads) or by contacting us.

## Other costs

### Borrowing costs

Borrowing costs (or gearing costs) are the costs associated with borrowing money or securities (such as interest, establishment fees, government charges and stock borrowing fees). Borrowing costs are paid out of the Fund's assets or the underlying fund's assets (as the case may be) and reflected in the unit price.

We estimate these borrowing costs to be 0.00% of the Fund's net assets. These costs will be paid out of the Fund's assets and are additional to the fees and costs noted in Table 1 above.

### Costs related to certain specific assets or activities to produce income

The Fund may also incur costs (related to certain specific assets or activities to produce income) that an investor would incur if they invested directly in a similar portfolio of assets. These costs will be paid out of the Fund's assets and are additional to the fees and costs noted in Table 1 noted above.

## Liabilities properly incurred

The Fund's constitution entitles the Responsible Entity to be indemnified from the Fund for any liability properly incurred.

## Maximum fees

The maximum fees that can be charged under the Fund's constitution (exclusive of GST) are:

- **Contribution fee** – 8% of the application amount. Currently, no contribution fee is charged.
- **Withdrawal fee** – 8% of the withdrawal amount. Currently, no withdrawal fee is charged.
- **Management fee** – 5% per annum of the value of the assets of the Fund. The current management fee charged is 0.3103% per annum.
- **Custody and compliance fee** – 0.01% p.a. of the value of the assets of the Fund.

Under the Fund's constitution, the Responsible Entity is entitled to be paid an additional amount on the above fees, on account of GST, calculated in accordance with the Fund's constitution.

## Goods and Services Tax (GST)

Unless otherwise stated, the fees and other costs shown in this section are inclusive of GST and any applicable stamp duty, less reduced input tax credits or other input tax credits claimable. For information about the tax implications of investing in the Fund, refer to the 'Taxation' section of this document.

## Differential fees

A rebate of part of the management fee or a lower management fee may be negotiated with investors who are wholesale clients for the purposes of the Corporations Act or with AMP Group staff. Further information can be obtained by contacting us.

## Alternative forms of remuneration

AMP Capital and the Responsible Entity may provide alternative forms of remuneration, such as professional development, sponsorship and entertainment for financial advisers, dealer groups and master trust or investor directed portfolio service (IDPS) operators, where the law permits. Where such benefits are provided, they are payable by us or the Responsible Entity and are not an additional cost to you. AMP Capital and the Responsible Entity maintain a register to record any material forms of alternative remuneration AMP Capital or the Responsible Entity may pay or receive. We will provide you with a copy of our register, free of charge, on request.

## Payments to your financial adviser

### Client advice fees

Client advice fees are only available to direct investors. Indirect investors should contact their master trust or wrap account operator about the availability of this arrangement.

You may agree to pay your financial adviser client advice fees from your investment. This is remuneration they will receive for providing you with financial advice. You should discuss client advice fees with your adviser to ensure you understand them and how they are calculated.

Client advice fees may comprise either one or both of an ongoing or additional fee as set out in Table 2.

**Table 2**

CLIENT ADVICE FEE TYPE	CLIENT ADVICE FEE OPTION	HOW AND WHEN PAID
<b>Client advice fee – ongoing</b> An ongoing fee you may agree to pay your financial adviser for ongoing financial advice.	A regular dollar or percentage of your account balance fee.	A regular dollar or percentage of your account balance fee deducted from your account balance monthly or quarterly as agreed with your financial adviser.  The fee will be calculated based on your account balance as at the end of each month or quarter, as per your requested payment frequency. The fee will only be deducted up to the amount determined by your account balance <sup>(1)</sup> at the end of that period.  Where fees are calculated on a percentage basis, they will be applied across the entire balance you have in Investment Funds. <sup>(2)</sup>
<b>Client advice fee – additional</b> A fee you may agree to pay your financial adviser for additional advice.	A one-off dollar or percentage of your account balance fee.	A one-off dollar or percentage of your account balance fee, as agreed with your financial adviser, that is deducted from your account.  The fee will be deducted from your account at the time we receive your instructions, subject to your account balance.

1. Deductions for client advice fees – ongoing, are subject to limits (see ‘Client advice fee limits’ in this section).
2. See ‘Client advice fee payment’ in this section.

In all circumstances, you control client advice fee payments. To make additional payments, change or cease payments, you will need to contact us in writing. Your instructions will generally be actioned within two Business Days<sup>(1)</sup>; however, we may take up to five Business Days depending on processing requirements. We will also process instructions from your financial adviser to reduce client advice fee payments. In the event we receive inconsistent instructions from you and your financial adviser we will always act in accordance with your instructions.

You should refer to your statement of advice from your financial adviser for details of the client advice fee arrangements between you and your financial adviser.

### Client advice fee payment

The client advice fee is paid by withdrawing units from your investment in this Fund, or another fund (Investment Fund) within the AMP Group under the same investor number. If you do not nominate an Investment Fund, the client advice fee will be deducted from your Investment Fund with the highest account balance at the time the fee is deducted.

The payment of the client advice fee requires a withdrawal of units from the Investment Fund from which it is deducted. The relevant fees and tax implications for withdrawals will apply.

When filling in the application form you can nominate the start date for the client advice fee – ongoing, to be deducted. If you do not nominate a start date, the client advice fee will be deducted on your monthly or quarterly anniversary date. If the date falls on a non-Business Day, the fee will be deducted on the next Business Day.

### Client advice fee limits

The maximum client advice fees that you can agree to pay your financial adviser from your account (excluding any remuneration that your financial adviser charges you directly) are subject to your Investment Fund account balance and are outlined in Table 3. Appropriate application of client advice fee limits will be monitored prior to each deduction to ensure such limits are not exceeded. The Responsible Entity reserves the right not to deduct client advice fees that it believes are unreasonable.

**Table 3**

CLIENT ADVICE FEE TYPE	MAXIMUM CLIENT ADVICE FEES PAYABLE TO YOUR FINANCIAL ADVISER (INCLUSIVE OF GST)
Ongoing	3% pa of the total Investment Fund account balance as at the date the fee is deducted.
Additional	No maximum applies.

1 A Business Day for us is any day other than Saturday, Sunday or a bank or public holiday in Melbourne, VIC

## TAXATION

### Taxation treatment of your investment

It is important that you seek professional taxation advice before you invest or deal with your investment, as the taxation system is complex, and the taxation treatment of your investment will be specific to your circumstances and to the nature of your investment.

These comments are intended for investors who hold their investment on capital account for income tax purposes based on our interpretation of Australian taxation laws and administrative practices at the date of publication of this document.

Generally, you will be liable to pay tax on your share of the taxable income of the Fund whether or not distributions are reinvested. You may be entitled to tax offsets, which reduce the tax payable by you, and concessional rates of tax may apply to certain forms of income such as capital gains. Australian resident individuals are liable to pay tax at their marginal rates on their share of the taxable income of the Fund. Generally, tax is not paid on behalf of investors. If you are not an Australian resident for income tax purposes, withholding tax will be deducted from your share of the taxable income of the Fund at prescribed rates dependent on the components of the Fund's taxable income.

Please note that at the time of your initial or additional investment there may be unrealised capital gains or accrued income in the Fund. If these amounts are subsequently realised, they may be paid to you as part of a distribution from the Fund. In addition, there may be realised but undistributed capital gains or income in the Fund. These amounts may be paid to you as part of the next distribution from the Fund.

You may also be liable to pay capital gains tax on any capital gains in respect of your investment, such as from disposing of your investment. You may instead realise a capital loss in respect of your investment, which may be used to reduce capital gains in the same or later years. The cost base of your investment, which is relevant when calculating any such capital gains or losses, may change over the duration of holding your investment. For example, certain non-assessable distributions have the effect of reducing your cost base.

If the Fund holds investments which are located outside of Australia, the Fund's income may include non-Australian sourced income. You may be entitled to foreign income tax offsets for foreign tax already paid.

Any losses generated by the Fund cannot be passed onto investors. However, where specific requirements are satisfied, the Fund should be eligible to offset losses to reduce later year income or capital gains.

Taxation laws and administrative practices change from time to time. Australia is in the process of taxation reform. These reforms may impact the taxation of the Fund and you as an investor. It is an investor's responsibility to consider and monitor the impact of any taxation reforms impacting their investment, both now and into the future.

### Providing a Tax File Number (TFN)

You do not have to provide a TFN, exemption code or Australian Business Number (ABN) when you complete an application to invest or reinvest in the Fund. However, if you do not provide any of these, the Responsible Entity may be required to deduct tax from most distributions, including where those distributions are reinvested, at the highest marginal tax rate, plus any applicable levies.

## DISTRIBUTIONS

The distribution period is monthly.

Distributions will normally be made within one month after the end of a distribution period and must be made within 60 days, or as soon as possible after the Fund's audit (if any). The amount distributed to each unit holder will be based on the number of units held by the unit holder at the end of the distribution period.

### Direct investors

You can elect to have distributions in relation to those units paid directly into an Australian bank or financial institution account, or reinvested in the Fund in the form of additional units. Unless you advise us otherwise when completing your application form, distributions will be automatically reinvested in the Fund. Should you wish to change your distribution choice at sometime in the future please advise us in writing.

### Indirect investors

Distributions will be paid or reinvested in accordance with the instructions received from your master trust or wrap account operator.

## INVESTING IN THE FUND

### How to invest

#### Direct investors

##### Apply online

You can complete your application quickly and simply online at [www.apply.ampcapital.com.au](http://www.apply.ampcapital.com.au).

Alternatively, you can download a paper copy of the application form at [www.ampcapital.com.au](http://www.ampcapital.com.au) (go to the Fund page for which you are investing).

You can make initial or additional investments via direct deposit, direct debit or cheque. Just follow the instructions when completing your application online, or refer to the payment instructions on the application form.

A minimum initial investment of \$100,000 must be made. No units will be issued on the basis of the PDS when it is no longer current. A current PDS and application form can be obtained free of charge by contacting us on 131 737.

#### Indirect investors

It is possible to gain exposure to the Fund through an investment or reporting service such as a master trust, wrap account, investor directed portfolio service or nominee or custody service. In this document, these services are referred to as master trusts or wrap accounts and the people who invest through them are referred to as indirect investors.

Indirect investors do not become unit holders in the Fund. Instead it is generally the operator of the master trust or wrap account that invests for you and so has the rights of a unit holder. They exercise these rights (or not) in accordance with their arrangements with you.

If you wish to invest through a master trust or wrap account, please refer to their terms and conditions. Investors who access or wish to access the Fund through a master trust or wrap account that has entered into an appropriate agreement with the Responsible Entity are authorised to use the PDS and this document.

## Terms and conditions of investing

The offer to invest in the Fund is subject to the terms and conditions described in the Fund's current PDS and incorporated information, and as set out in the Fund's constitution (see the 'Other important information' section of this document). The Responsible Entity reserves the right to change the terms and conditions (see below) and to refuse or reject an application.

We can only accept applications signed and submitted from within Australia. We cannot accept cash.

## Changes to the information in the PDS

Before making an investment decision, it is important to read a current PDS, as information provided in a PDS and in information incorporated by reference in the PDS, may change from time to time. If changes are not materially adverse to investors, the relevant information will be updated online at [www.ampcapital.com.au](http://www.ampcapital.com.au). However, if a change is considered materially adverse to investors, the Responsible Entity will issue a replacement PDS and/or updated incorporated information, both of which will be available online. You can also obtain a copy of these documents free of charge, by contacting us.

## Processing applications

If your application form and cheque reach us by 1.00pm on a Business Day, the Responsible Entity will generally process the application effective that day. Application forms and cheques received after 1.00pm on a Business Day are generally processed effective the next Business Day. Any interest which accrues on application monies held by the Responsible Entity prior to the issue of units will be retained by the Responsible Entity.

Your application can only be processed when we receive your completed application form and initial investment amount.

## Unit pricing

Unit prices fluctuate with changes in the value of the investments of the Fund. The application and withdrawal prices are based on the net asset value of the Fund at the next valuation of its investments adjusted by transaction costs (the buy/sell margin) and the number of units on issue.

Provisions in the Fund's constitution give the Responsible Entity the ability to exercise discretion in relation to the calculation of application and withdrawal unit prices. The Responsible Entity has a policy that details how and when it exercises this discretion. You can obtain a copy of the policy free of charge, on request by contacting us on 131 737.

The Fund's investments are valued in accordance with its constitution, generally on the basis of market value but other valuation policies and methods may be adopted by the Responsible Entity if appropriate. In the case of a listed security this will generally be the last price at which the security was traded on the relevant stock exchange.

In some circumstances a market value may not be available. This may be because of a temporary closure of the market (eg due to a public holiday), which the Responsible Entity does not expect will have a significant impact on the market value of the relevant assets. In this situation the Responsible Entity will generally continue to use the most recently available market value for those assets. Alternatively, a market value may not be available because of unforeseen events that result in a market being closed. In this situation the Responsible Entity will generally suspend the ability to invest in or withdraw from the Fund if the Responsible Entity thinks that the market closure

might have a significant impact on market values (unless the Responsible Entity is satisfied that independently verifiable application and withdrawal prices can be obtained).

The market value of the Fund is generally calculated each Business Day. When you apply for units in the Fund or make a withdrawal from the Fund, your transaction will usually be processed at the unit price derived from asset values at the close of business on the effective date of your transaction.

Income received by the Fund during a distribution period is reflected in the unit price. At the end of the distribution period, unit prices will generally fall by the amount distributed per unit.

## Completing an application form

It is important that you fill out the application form correctly and provide all information and documentation as indicated in the form and applicable to your investment. Submitting an incomplete application form or providing incomplete or incorrect information or documentation can delay the processing of your application, and the issuing of units to you.

We will only ask for information and documentation that we need:

- to set up and administer your investment account, such as bank account details for the payment of distributions, and
- to comply with legislation relevant to your investment.

### Signing the form

The application form should only be completed and signed by:

- the person who is, or will become, the unitholder
- an authorised signatory if the application is on behalf of a company, trust or superannuation fund, or
- an agent for the investor, acting under power of attorney or as a legal or nominated representative.

## Submitting your application

Mail your completed application form, identification documentation and a cheque for your investment amount if applicable, to:

AMP Capital Investors Limited  
GPO Box 2780  
Melbourne VIC 3001

## ACCESSING YOUR MONEY

### Requesting a withdrawal

Payment of the proceeds of a withdrawal request (including a switch) is subject to the time it takes for a sufficient amount of your investment to be cleared to cover the withdrawal. It may also be subject to the anti-money laundering and counter-terrorism financing verification procedures outlined in the 'Other important information' section of this document.

#### Indirect investors

If you wish to withdraw your investment, please contact your master trust or wrap account operator.

#### Direct investors

Send us an authorised fax or letter detailing your investor number, the amount you wish to withdraw and where you would like us to send the proceeds. If your investment is below our current minimum investment of \$100,000 and you wish to make a withdrawal, you may be asked to withdraw your entire investment.

When you make a withdrawal you dispose of units in the Fund, and this may have tax implications.

## Processing withdrawal requests

If our Melbourne office receives a withdrawal request before 1.00pm on a Business Day, your withdrawal will be processed using the withdrawal price for that day. If received and accepted after 1.00pm, it will be processed using the withdrawal price for the next day. If it is a non-Business Day in Melbourne, your withdrawal will be processed using the next available withdrawal price.

The proceeds of your withdrawal request will usually be available within five (5) Business Days (see 'Payment times' in this section).

In circumstances where the Fund's portfolio consists of less than 80% in value of liquid assets, for example because of an unexpected fall in the value of those liquid assets against the value of the illiquid assets in the Fund's portfolio, we may not be able to meet withdrawal requests until the Fund's exposure to illiquid assets falls to 20% or less of its portfolio. We may, at our discretion, offer investors the opportunity to make withdrawals during this period. At such times, we will notify investors of the offer, providing details about:

- the period during which the offer will remain open, and
- which assets will be used to satisfy withdrawal requests.

### Total withdrawals

Where the total withdrawals exceed 5% of the net assets of the Fund on any one day, the Responsible Entity may determine that part of the withdrawal amount payable consists of income.

## Withdrawal price

The withdrawal price is determined under the Fund's constitution by reference to the net asset value and transaction costs pertaining to the relevant class of units, and the number of units on issue in that unit class.

The market value and net asset value of the Fund are normally determined at least each Business Day, using the market prices and unit prices of the assets in which the Fund is invested.

The Responsible Entity may suspend unit pricing and exercise certain discretions in determining the unit price (see 'Unit Pricing Discretions Policy' in the 'Other important information' section of this document).

## Payment times

Although the proceeds of your withdrawal request will usually be available within five (5) Business Days of receipt, you should be aware that:

- payment and processing of withdrawal requests is dependent on the Fund's cash position, and
- the Fund's constitution allows up to 30 days, or longer in some circumstances, to process withdrawal requests. These circumstances include, but are not limited to:
  - where the Responsible Entity is unable to realise sufficient assets due to circumstances beyond its control, such as restricted or suspended trading in the market for an asset, or
  - if the Responsible Entity does not consider it is in the best interests of investors to realise sufficient assets to satisfy a withdrawal request.

## OTHER IMPORTANT INFORMATION

### The Fund's constitution

The Fund's constitution provides the framework for the operation of the Fund and with the Fund's PDS, the Corporations Act and other relevant laws, sets out the relationship between the Responsible Entity and unitholders. We will send you a copy of the Fund's constitution free of charge, on request.

### Overview of the Fund's constitution

The following overview of the Fund's constitution is mainly relevant to direct investors, as they are unitholders under the constitution.

Some of the provisions of the Fund's constitution are set out in the Fund's PDS and in this document. Further provisions relate to:

- the rights and liabilities of unitholders
- the times when processing of withdrawal requests can be extended, such as if the Fund is illiquid or it is not in the best interests of unitholders
- where taxes or other amounts can be deducted from payments to unitholders
- where transfers and applications may be refused
- the liability of the Responsible Entity to unitholders in relation to the Fund, which is limited to any liability imposed by the Corporations Act, so long as the Responsible Entity acts in good faith and without gross negligence
- the powers, rights and liabilities of the Responsible Entity, including its power to invest the assets of the Fund, to deal with itself and its associates, to be paid fees and to be reimbursed or indemnified out of the assets of the Fund
- the right of the Responsible Entity to be reimbursed by a unitholder or former unitholder for tax or expenses it incurs as a result of the unitholder's request, action or inaction, or to redeem units to satisfy amounts due to the Responsible Entity from a unitholder
- changing the Fund's constitution, including in some cases without unitholder approval, such as to meet regulatory changes
- the ability of the Responsible Entity to terminate the Fund at any time
- when the Responsible Entity can terminate the Fund or retire, and what happens if this occurs, and
- voting rights.

Although the Fund's constitution limits a unitholder's liability to the value of their units, the courts have yet to determine the effectiveness of provisions like this.

### Compliance plan

The Responsible Entity has a compliance plan for the Fund, which sets out the measures that will apply in operating the Fund to ensure compliance with the Corporations Act and the Fund's constitution. The compliance plan is lodged with the Australian Securities and Investments Commission (ASIC) and is audited by independent auditors annually to determine compliance with it.

A compliance committee monitors the operation of the Fund and overall compliance with the compliance plan. The majority of the members of the compliance committee must be, and are, independent of both AMP Capital and the Responsible Entity. The compliance committee has the obligation to monitor compliance with the compliance plan and to report certain breaches of the Corporations Act and the compliance plan to ASIC.

## Related party transactions

Any transaction between AMP Capital or the Responsible Entity and any of their respective related parties must comply with related party protocols and AMP Capital policies and procedures. For these purposes, a related party includes certain entities and individuals that have a close relationship with AMP Capital or the Responsible Entity. Related parties of the Responsible Entity include the Responsible Entity itself, entities that the Responsible Entity controls, funds operated or managed by the Responsible Entity and agents of the Responsible Entity.

As at the date of this document, the relevant policies and procedures that apply to related party transactions of AMP Capital or the Responsible Entity are contained in the AMP Conflicts of Interest Policy. Under this Policy, the parties must transact on terms that would be reasonable if they were dealing at arm's length, relevant legislative requirements must be satisfied and the interests of investors must be protected. The Policy will be reviewed on a regular basis and may change from time to time.

Under the Fund's constitution, the Responsible Entity may:

- deal with itself, an associate, investor or any other person
- be interested in and receive a benefit under any contract or transaction with itself, an associate, investor or any other person, or
- act in the same or similar capacity in relation to any other fund.

## Continuous disclosure obligations

Where the Fund has more than 100 unitholders it is subject to regular reporting and disclosure obligations under the Corporations Act. Copies of documents lodged with the Australian Securities and Investments Commission (ASIC) in relation to the Fund may be obtained from, or inspected at, an ASIC office or can be obtained free of charge by contacting us on 131 737. These documents may include:

- the Fund's annual financial report most recently lodged with ASIC, and
- the Fund's half year financial report lodged with ASIC (after the lodgment of the annual financial report and before the date of the current PDS).

Where the Fund has continuous disclosure obligations, the Responsible Entity will meet those obligations by publishing material information online at [www.ampcapital.com.au](http://www.ampcapital.com.au).

## Your privacy

### Direct investors

The main purpose in collecting personal information is so that we can set up and administer your investment account. If you do not provide the required information, we may not be able to process your application. If you would like us to not use your personal information for direct marketing purposes, please contact us.

The AMP Privacy Policy, which can be obtained online at [www.ampcapital.com.au/common/privacy](http://www.ampcapital.com.au/common/privacy) or by contacting us, sets out the AMP Group's policies on management of personal information. This information may be disclosed to other members of the AMP Group, financial advisers where applicable, to external service suppliers (including offshore suppliers) who supply administrative, financial or other services that assist us in providing services to you, and to anyone you have authorised or if required by law.

Under the Privacy Act, you may access personal information held about you, although the Privacy Act does set out some exemptions to this. If you believe information held about you is inaccurate, incomplete or out of date, please contact us.

### Indirect investors

It is the master trust or wrap account operator that holds the relationship with the Responsible Entity. The Responsible Entity does not receive any of your personal details. Please contact your master trust or wrap account operator for details of their privacy policy in relation to the use and disclosure of your personal information.

## Communication by fax

When you communicate with us by fax, it is your responsibility to obtain confirmation from us that we have received your fax. Neither we nor the Responsible Entity are responsible for any loss or processing delay that occurs as a result of us not receiving a faxed communication. Please note that we do not accept a sender's fax transmission record as evidence that a communication has been received by us. You also indemnify us and the Responsible Entity against any loss or liability arising from us or the Responsible Entity acting on any fraudulent communication received by fax.

## Unit Pricing Discretions Policy

The Responsible Entity may exercise certain discretions in determining the unit price of units on application and withdrawal in the Fund. The Unit Pricing Discretions Policy, which can be obtained online at [www.ampcapital.com.au](http://www.ampcapital.com.au) or a copy can be obtained, free of charge, by contacting us, sets out the types of discretions that the Responsible Entity may exercise and in what circumstances the Responsible Entity exercises the discretions and the reasons why it considers the policies are reasonable. The Responsible Entity is required to keep a record of any instance where a discretion is exercised in a way that departs from these policies.

## Asset Valuation Policy

Assets in which the Fund invests are held directly by the Fund or through underlying funds in which the Fund invests. Generally, these assets are valued at least each business day using market prices in accordance with the AMP Capital Asset Valuation Policy, with the exception of the following:

- **direct assets** are valued by us at least twice a year
- **units in unlisted funds** are valued at the most recent unit price supplied by the manager of the relevant fund
- **investments in underlying funds** are valued by an independent administrator, and
- **direct property** valuations are determined by independent property valuers annually, or more frequently to comply with certain scheme mandates as required.

For further information on AMP Capital's Asset Valuation Policy, please go to [www.ampcapital.com.au](http://www.ampcapital.com.au) or a copy can be obtained, free of charge, by contacting us.

## Securities lending

Securities lending exposes the Fund to additional risks which may cause a loss of capital, in particular the risk that the borrower defaults by failing to return the securities. However, processes are in place to manage and substantially mitigate these risks, including:

- loans may only be made to approved borrowers, who are carefully selected taking into account credit risk
- aggregate borrowing limits are set and monitored
- acceptable collateral must be high quality and highly liquid, including cash, shares in larger companies and government bonds; in the event of default, collateral may be liquidated to fund the purchase of replacement securities
- borrowers are required to maintain collateral equal to the value of the securities on loan plus a margin of 5-10% depending on type of collateral
- market movements of both securities on loan and collateral are monitored on a daily basis and adjustments made where necessary to ensure that loans remain fully collateralised
- restrictions may be placed on which securities are available to be loaned and limits on the proportion of securities that may be loaned, and
- loans may be recalled at any time at the discretion of the Responsible Entity and the securities lending agreement may be terminated at short notice should market conditions warrant such action.

In addition, the Fund has further risk mitigation in place against possible capital loss resulting from insolvency of a borrower by a legally enforceable indemnity from the securities lending agent (a related party of the Fund's custodian), who would make up any shortfall between the collateral and the cost to repurchase a loaned security.

Income earned from securities lending is returned to the Fund after the deduction of operational costs and fees payable to the securities lending agent (for operation of the program and the provision of the indemnity) and to AMP Capital for monitoring, governance and oversight. These fees are 30% and 10% of securities lending revenue respectively which are in line with normal commercial rates.

## Environmental, social and governance (ESG) considerations

AMP Capital acknowledges there are links between a company's environmental and social impacts, the quality of its corporate governance, and its long-term financial success. AMP Capital has an ESG and Responsible Investment (RI) Philosophy describing our approach to considering these issues in our investment decision making which is available at [www.ampcapital.com.au/about-us/esg-and-responsible-investment](http://www.ampcapital.com.au/about-us/esg-and-responsible-investment).

Decisions about whether to buy, hold or sell investments will still be based primarily on financial and economic factors. ESG issues may be taken into account by us in making these decisions as part of our investment research and analysis where we believe these factors may have a financially material impact on the value and performance (risk and/or return) of the investment. AMP Capital also engages with the board and management teams of companies in which we invest on relevant ESG topics as part of our investment research and proxy voting process.

However, in addition to consideration of financial and economic factors as noted above, AMP Capital may, in exceptional circumstances, exclude or divest (negatively screen), companies, asset types or industry sectors from the Fund where they have been determined as contravening the following ethical principles as defined in AMP Capital's ESG and RI Philosophy. In making such a decision, AMP Capital will take into account the extent (if any) to which a company's activities (conduct), products or services:

- violate the principle of respect for persons which affirms the intrinsic dignity of all people irrespective of age, gender, race, religion and prohibits the treatment of any human being merely as a means to an end, and/or
- can be used without causing harm to others including those who may choose to make use of the relevant goods or services.

In undertaking its assessment AMP Capital will consider (without limitation):

- whether activities (conduct), products or services contravene principles accepted under international human rights laws including but not limited to UN conventions
- the principle of 'double effect' – which may allow conduct that is not intrinsically wrong and is undertaken for an ethically justified 'principal effect' even if it has an unintended harmful 'secondary' (double) effect. Where a form of conduct may have a harmful 'double effect', AMP Capital will assess the extent to which the company is actively engaged in minimising and mitigating the unintended harm
- the extent to which the relevant activity, product or service is material to the conduct of the company in which the investment is to be made, and
- any reasonable argument or rebuttal submitted in good faith, as to why an adverse assessment may be based on an error of fact or assumption.

Where certain investments or sectors are determined by AMP Capital as contravening these ethical criteria, they will be excluded from the universe of permissible investments for the Fund. Where an existing investment is identified as contravening the ethical criteria, it will be sold down by us generally within a period of up to twelve months. This decision to exclude or divest investments is known as negative screening.

In summary, at present the application of the ethical principles outlined above will result in the negative screening of companies that AMP Capital believes have:

- known involvement in the production and manufacture of, or essential or significant involvement in the distribution and sale of, tobacco, or
- material involvement in the manufacture, maintenance or delivery of cluster munitions, anti-personnel mines, chemical or biological weapons.

We may update or vary these exclusions from time to time, following review and approval by AMP Capital's Investment Committee. Further information and detail on the application and scope of AMP Capital's ESG and RI Philosophy and a current list of sectors and individual companies subject to exclusion are available at

[www.ampcapital.com.au/about-us/esg-and-responsible-investment](http://www.ampcapital.com.au/about-us/esg-and-responsible-investment).

These exclusions do not apply where AMP Capital invests in a pooled vehicle or fund managed by another investment manager and AMP Capital is unable to influence exclusive control over the investable universe of such a vehicle or fund, and such an investment will be subject to whatever ESG policy is adopted by the investment manager of that vehicle or fund. The negative screening will also not apply to cash, sovereign bonds, derivatives and exchange traded funds.

AMP Capital's Investment Committee is responsible for ensuring that any decision to negatively screen a company, asset type or industry sector from the investable universe of the Fund takes into account fund investment objectives and strategy and recommendations from AMP Capital's research and investment teams. Adherence to and monitoring of any excluded investments is overseen by AMP Capital's Investment Committee in consultation with AMP Capital's ESG and compliance monitoring functions and is generally reviewed annually.

More generally, except to the extent disclosed above in relation to consideration of ESG issues where it is believed these factors may have a financially material impact on the value and performance of the investment, and negative screening in exceptional circumstances on an ethical basis, AMP Capital has no predetermined view about what we regard to be a labour standard, environmental, social or governance consideration or how far they will be taken into account in the selection, retention or realisation of investments relating to the Fund.

## CONTACTING AMP CAPITAL

### Further information

If you are an indirect investor, all correspondence should be directed to your master trust or wrap account operator.

All other investors should contact our Client Services team on 131 737 between 8.30am and 6.00pm Melbourne time, Monday to Friday.

Further information about the Fund is also available online at [www.ampcapital.com.au](http://www.ampcapital.com.au). This information may include performance reports.

### Communicating with you

#### Reporting

The annual report for the Fund is issued each year by 30 September and will be made available online at [www.ampcapital.com.au](http://www.ampcapital.com.au). We will also provide copies of the latest annual report for the Fund free of charge, on request.

#### Direct investors

We currently send you:

- a confirmation statement as soon as is reasonably practicable after every transaction you make
- an annual tax statement to help you with your tax return
- where the Fund makes a distribution, information about that distribution, and
- investment statements detailing all transactions and the current balance (generally sent at least quarterly).

#### Indirect investors

Please ask your master trust or wrap account operator about their reporting policy.

## Fund performance

Up-to-date information on the investment information and Fund performance and size can be obtained online at [www.ampcapital.com.au](http://www.ampcapital.com.au) or by contacting us or your financial adviser. A paper copy of up-to-date information is also available free of charge, on request.

Fund performance figures:

- are calculated using exit (withdrawal) prices
- are net of all management, transactional and operational costs (but make no allowance for fees or rebates charged or credited directly to your account), and
- assume distributions are reinvested and tax is not deducted.

The distribution return reflects total distributions paid from the Fund, while the growth return reflects changes in the capital value of units.

When reading Fund performance information, please note that past performance is not a reliable indicator of future performance and should not be relied on when making a decision about investing in the Fund.

## CONTACT DETAILS

### Direct investors

#### Mailing address

AMP Capital Investors Limited  
GPO Box 2780  
MELBOURNE VIC 3001

#### Client services

T: 131 737  
F: 03 8868 5796  
E: [client.inquiry@ampcapital.com](mailto:client.inquiry@ampcapital.com)  
W: [www.ampcapital.com.au](http://www.ampcapital.com.au)

### Indirect investors

Contact your financial adviser, master trust or platform operator.