

# AMF YIELD FUND

Product Disclosure Statement.  
Dated 29 January 2008.  
Issued by Adelaide Managed Funds Limited  
(ABN 81 062 274 533), (AFSL 240517) as responsible entity  
for the AMF Yield Fund (ARSN 113 735 407).  
This Product Disclosure Statement (PDS) is in two parts and is made  
up of the AMF Yield Fund booklet (Part A) and the AMF Yield Fund  
Distribution Rate sheet (Part B). Part B of the PDS contains important  
information which should be read together with this booklet.

Adelaide Managed Funds

A subsidiary of Adelaide Bank

# IMPORTANT NOTICE

## Product Disclosure Statement (PDS)

Adelaide Managed Funds Limited (ABN 81 062 274 533, AFSL 240517) (referred to as the Manager, we, us, our) has prepared this to help you understand the main features of the AMF Yield Fund (the Fund). The PDS is comprised of this booklet, and the Fund Distribution Rate Sheet referred to in 2.10 of this PDS. We strongly recommend that you read the entire PDS before deciding to invest. It describes the significant benefits, significant risks, fees and costs associated with investing in the Fund.

Before you invest, you should also consider the suitability of the Fund in view of your financial position, needs and objectives. As this PDS does not take into account your financial position, needs and objectives, you should consult a licensed financial adviser before you decide to invest.

Investments in the Fund are not deposits with or other liabilities of Adelaide Bank Limited (ABN 54 061 461 550) (referred to as Adelaide Bank, the Bank), Bendigo Bank Limited (ABN 11 068 049 178) or of any other entity in the Adelaide Bank Group or the Bendigo Bank Group and are subject to investment risk, including possible delays in repayment and loss of income and capital invested. None of Adelaide Bank Limited, Adelaide Managed Funds Limited, Bendigo Bank Limited, any member of the Adelaide Bank Group or any member of Bendigo Bank Group guarantees any particular rate of return or the performance of the Fund, nor do they guarantee the repayment of capital from the Fund.

## AAA rating of the units

The AAA credit rating is a statement of opinion, not a statement of fact. It does not constitute a recommendation to purchase, sell or hold units issued by the Fund. The rating does not comment on whether an investment in the Fund is suitable for your particular needs and circumstances. In addition, the credit rating of the units does not address the expected timing of principal repayment on the units, only that principal will be received no later than the maturity date of the units. A credit rating may be subject to revision, suspension, qualification or withdrawal at any time by a rating agency. The Manager will use its best endeavours to maintain the AAA rating of the Units. However, Standard & Poor's retains the right to amend or remove the rating at its discretion. Please refer to [standardandpoors.com.au](http://standardandpoors.com.au) for further information on Standard & Poor's rating process and methodology. All statements in this PDS referencing the AAA rating are subject to this rating statement.

## Offer of units

The offer of units in the Fund is only available to persons receiving this PDS in either hard copy or electronic format within Australia, and is subject to the terms and conditions described in this PDS.

## Updated information

Information that is not materially adverse to you is subject to change from time to time and may be updated by us. You may access the updated information by contacting us or referring to our website, [adelaidemanagedfunds.com.au](http://adelaidemanagedfunds.com.au). A paper copy of the updated information will also be available free of charge upon request by telephoning 1800 224 124.

## Consents

Standard & Poor's (Australia) Pty Limited (ABN 62 007 324852) (referred to as Standard & Poor's) has given its written consent to the inclusion of statements in this PDS concerning it and the ratings of the units in the Fund.

Other than granting their consent to:

- > Be named in the PDS in the form and context in which they have been named; and
- > The inclusion of the rating statements attributed to it in the form and context in which they are included,

Standard & Poor's has not authorised or caused the issue of this PDS or made any statement that is included in the PDS or any statement on which a statement made in the PDS is based. That consent has not been withdrawn as at the date of this PDS. It is important to note that Standard and Poor's has only rated the units in the Fund and have not rated the Fund itself.

It does not have any interest in the promotion of the Fund or in the property of the Fund. Standard & Poor's has not received a fee for providing its consent for the above purposes, but they have received a fee for rating the units.

Standard & Poor's, to the maximum extent permitted by law, expressly disclaims, and takes no responsibility for any part of the PDS, other than the reference to its name and the statements included in the PDS as specified above. All statements in this document referencing the AAA and A-1+ rating are subject to this disclaimer.

Ratings are statements of opinion, not statements of fact or recommendations to buy, hold or sell any securities. Ratings may be changed, withdrawn or suspended at any time. The ratings referred to in this document have been assigned without taking into account any recipients objectives, financial situation or needs. Before acting on any rating you should consider the appropriateness of the rating having regard to your own objectives, financial situation and needs.

In Australia, credit ratings are assigned by Standard & Poor's (Australia) Pty Ltd, which does not hold an Australian financial services licence under the Corporations Act 2001 for the provision of credit ratings.

Adelaide Bank Limited has also given its consent to be named as the custodian for the Fund.

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## **PART B**

AMF YIELD FUND DISTRIBUTION RATE SHEET	
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## 1. INVESTMENT OVERVIEW

Feature	Summary	Reference in this PDS
<b>Investment objective</b>	To provide investors with regular income	Section 2.10 for information about distribution returns
<b>Investment strategy</b>	The Fund seeks to achieve the investment objective by primarily investing in AAA rated debt securities, supplemented by appropriately rated cash and short term investments	Section 2.3 for information about the investment strategy
<b>Distribution Rate</b>	We set an expected distribution rate in order to achieve the Fund's targeted investor return	Section 3.2 for details about the targeted investor return and section 2.10 for information about distribution returns.  Refer to Part B of the PDS for the current expected distribution rate.
<b>Credit Rating</b>	<p>Your investment is rated AAA by Standard &amp; Poor's, the highest long term credit rating given by Standard &amp; Poor's. This rating indicates that the likelihood of investors receiving interest and a return of principal is extremely strong, assuming among other things, that the investment is held for 35 years.</p> <p>For the most up to date information on the Fund's rating visit the Standard &amp; Poor's website at <a href="http://standardandpoors.com.au">standardandpoors.com.au</a>. It should be noted that in order to maintain its AAA credit rating, the Fund must (in addition to other criteria) retain the right to give effect to withdrawal requests within a maximum period of 35 years, as this reflects the legal final maturity of some of the assets of the Fund. You should be aware that the Manager does not have a legal obligation to satisfy withdrawal requests within a shorter time period. However, it is the Manager's intention to pay withdrawal requests shortly after receiving instructions.</p>	<p>Important notice for information on the rating.</p> <p>Section 4 for significant risks.</p>

## SECTION 1 : : INVESTMENT OVERVIEW

Feature	Summary	Reference in this PDS
<b>Withdrawals</b>	<p>If we receive your withdrawal instructions before 1:30pm Central Standard Time on any Business Day (being any day other than a Saturday or Sunday on which banks are open in Sydney, Adelaide and Melbourne), your withdrawal will generally be paid by overnight credit to your account and the funds will be available the next Business Day.</p> <p>In order to achieve the AAA rating, the Fund's constitution provides that we may retain the right to give effect to withdrawal requests within a maximum of 35 years (as this reflects the legal final maturity of some assets of the Fund) and we do not have an obligation to satisfy withdrawal requests within a shorter time period.</p> <p>While we have formally adopted this extended timeframe for ratings purposes as it matches the final legal maturity of the mortgages underlying the securities invested in by the Fund, we do not believe that we will need to take this length of time to process withdrawal requests. This is because:</p> <ul style="list-style-type: none"> <li>&gt; We carefully manage the liquidity position of the Fund by investing in cash and short term assets to ensure sufficient availability to satisfy expected withdrawal requests;</li> <li>&gt; Based on the Bank's experience, residential mortgages are repaid on average within four years (not the technical repayment term of 35 years);</li> <li>&gt; All previous securitisation programs of the Bank have been fully repaid within seven years regardless of the final legal maturity date of the securitised loans.<sup>1</sup></li> </ul> <p>To mitigate liquidity risk, we may also do the following to meet withdrawal requests:</p> <ul style="list-style-type: none"> <li>&gt; Borrow funds;</li> <li>&gt; Source funds from prepayments on mortgages underlying the residential mortgage-backed securities of the Fund; or</li> <li>&gt; Sell the Fund's investments into the capital markets.</li> </ul>	<p>Section 6.2 for further details on how to withdraw from the Fund.</p> <p>Section 4.1 for further details on liquidity risk.</p> <p>Section 2.4 for further details about asset types the Fund may invest in.</p>
<b>Fees and other costs</b>	<p>Estimated management costs are 0.25% per annum. Management costs are deducted from the Fund's income before it is distributed, meaning you receive your income entitlement net of these costs.</p>	Section 5
<b>Who can invest</b>	<p>Any person aged 18 years and over, a partnership, a company, an unincorporated association, or trustees of a trust or superannuation fund can invest directly in the Fund. You may also invest in this Fund through an investor-directed portfolio service (IDPS), an IDPS-like scheme, master trust or wrap service.</p>	Section 8 for details on how to invest in the Fund
<b>Minimum initial investment</b>	\$50,000 per investment account	Section 8 for details on how to invest in the Fund
<b>Minimum operating investment balance</b>	\$50,000 per investment account	Section 6.1 for ongoing operating balance requirements

<sup>1</sup> Past performance is not a reliable indicator of future performance.

Feature	Summary	Reference in this PDS
<b>Minimum withdrawal amount</b>	\$10,000	Section 6.2 for further details on how to withdraw from the Fund
<b>Maximum daily withdrawal</b>	\$20 million per account, per day	Section 6.2 for further details on how to withdraw from the Fund
<b>Entry and exit fees</b>	Nil	Section 5 for fees that apply to the Fund
<b>Monthly Distribution Returns</b>	Monthly distributions are either automatically reinvested into the Fund or paid into your nominated account. You can choose either option at the time you apply for units in the Fund.	Section 2.10 for details about distribution returns. Refer to Part B of the PDS for the current expected distribution rate.
<b>Unit Price</b>	\$1.00 per unit	Section 2.7 for details on unit pricing
<b>Buy-sell Spread</b>	Nil	Section 2.8
<b>Flexible access to funds</b>	Investor funds are generally available within 24 hours of a withdrawal request, subject to maintaining appropriate levels of liquidity. We retain the right to process withdrawal requests within a maximum of 35 years.	Section 6.2 for information on how to withdraw from the Fund
<b>Investor Reporting</b>	Investors receive the following reporting: <ul style="list-style-type: none"> <li>&gt; Initial interim statement;</li> <li>&gt; Monthly statement;</li> <li>&gt; Annual taxation statement;</li> <li>&gt; A copy of the Fund's annual report.</li> </ul>	Section 6.4 on how to monitor your investment

## 2. INVESTMENT DETAILS

### 2.1 ABOUT THE FUND

#### Our role

We are the responsible entity of the Fund. We are a member of the Investment and Financial Services Association Limited and we are part of the Bendigo and Adelaide Bank Group of companies and a wholly owned subsidiary of the Bank.

We use unitholder funds to make investments that are consistent with the Fund's investment strategy.

As the responsible entity of the Fund, we:

- > Invest and manage the affairs of the Fund;
- > Hold the assets of the Fund for all investors; and
- > Ensure that Fund assets are managed and dealt with in accordance with the Fund's constitution and the Corporations Act 2001.

#### The Fund

The Fund is a registered managed investment scheme that takes the form of an unlisted unit trust. When you invest directly in the Fund, we issue you with interests in the Fund called 'units'. Your units represent your share of the Fund's collective assets and your entitlement to the income they generate.

The Fund is governed by a set of rules called a 'constitution'. Together with the Corporations Act, the Fund's constitution sets out the conditions under which the Fund operates, and our rights and duties as the responsible entity of the Fund. The constitution also sets out your rights as an investor in the Fund. For more details on the rules contained in the constitution, refer to section 7.1 of this PDS.

### 2.2 SIGNIFICANT BENEFITS OF INVESTING

There are a number of significant benefits of investing in the Fund, such as:

- > The Fund's investments in residential mortgage-backed securities means it is likely to pay higher returns than most cash funds;
- > The Fund aims to provide you with the flexibility to choose between receiving regular income e.g. by paying distributions into your nominated account or to reinvest the distributions into the Fund in return for additional units;
- > The investment strategy of the Fund is designed to provide you with a low volatility in your income stream.

There are also a number of significant risks that are associated with investment in the Fund. These significant risks are discussed in section 4 of this PDS.

### 2.3 INVESTMENT STRATEGY

The investment strategy of the Fund is to invest predominantly in residential mortgage-backed securities, supplemented by appropriately rated liquid assets. In addition, the Fund also invests in asset-backed securities (such as securities backed by commercial mortgage loans, margin loans or other receivables) provided that such investments are consistent with maintaining the credit rating of the units.

#### Investment ranges

The following table indicates the Fund's target asset allocation ranges quoted as a percentage of the total funds held within the Fund. The actual exposure of the Fund to these asset types may vary outside the ranges indicated below according to market conditions and the Fund's liquidity position.

Asset type	Minimum	Maximum
Residential mortgage-backed securities	50%	95%
Asset-backed securities	0%	45%
Cash and short term investments	5%	50%

### 2.4 ASSET TYPES

#### Residential mortgage-backed securities

Residential mortgage-backed securities (RMBS) are created when residential mortgages are packaged or 'pooled' and assigned to a trust vehicle thus creating a security that can be sold to investors. Homeowners make scheduled payments of principal and interest on the pooled mortgages. The interest payments provide a steady cashflow and the basis for the security's income stream. Principal received on the mortgages is applied to repay the securities. In some instances, homeowners may make payments of principal ahead of schedule or may make further drawings on their mortgage. As a result of this, there is usually no certainty as to when an RMBS will be repaid (but it is almost always well before the legal maturity of the RMBS).

We will only invest in RMBS assets with sufficient credit standing to maintain the credit rating of the units in the Fund. In addition to the security provided by the mortgages themselves, some or all of the mortgages supporting an RMBS may have the benefit of lender's mortgage insurance by which an insurer agrees to bear any losses in recovering the mortgage - subject to certain exclusions.

Issuers can enhance RMBS creditworthiness by pursuing a range of strategies. For example, issuers may establish:

- > Cash deposits to provide liquidity or absorb losses;
- > Liquidity facilities to support the timely payment of interest income to RMBS holders;
- > Redraw facilities to ensure sufficient funding is in place for mortgage redraws in instances where homeowners wish to redraw on their pooled mortgage loans; and/or
- > Interest rate swaps to mitigate exposure to fixed interest rate mortgages.

In addition to the above enhancements, issuers of RMBS assets may also choose to issue what is termed as 'subordinated debt'. Its purpose is to support the RMBS assets by absorbing the impact of capital losses in the event that such losses cannot otherwise be absorbed by other credit enhancement methods.

You should note an investment in the Fund does not constitute a direct interest in the mortgages that back the Fund's RMBS assets. Instead, it constitutes an investment in securities issued by one or more entities. These entities utilise security proceeds to invest in RMBS assets that have been assessed by one or more professional ratings agencies.

Professional ratings agencies apply statistical analysis to the pools of mortgages backing RMBS investments to make determinations about their performance in all types of economic and credit environments.

#### **Torrens Trust Program**

The Bank has a well-established securitisation program known as the Torrens Trust Program. The RMBS acquired by the Fund is issued by a series trust established under the Torrens Trust Program (the Torrens Trust).

All Torrens series trusts are managed by the same trust manager and Independent Trustee. The trust manager is a related body corporate of the Bank.

The trust manager can exercise its discretion to change the rate of interest paid on the RMBS held by the Fund but may only do this with our approval and if it will not have a negative impact on the credit rating of the units in the Fund. The Bank receives the residual income from the Torrens Trust after it meets its expenses, including interest on the Torrens RMBS held by the Fund. Accordingly, the Bank will receive the benefit of any reduction in the interest rate payable on the Torrens RMBS.

The Bank originates the mortgages that will be held by the Torrens Trust. Mortgages may be transferred in and out of the Torrens Trust at the direction of the manager. The legal maturity of the Torrens RMBS is 35 years after the initial issue of the Torrens RMBS. In the Bank's experience, residential mortgages are repaid on average within 4 years, with all previous securitisation programs of the Bank having

been fully repaid within 7 years regardless of the final maturity date of the securitised loans.

The Bank may vary the nature and type of mortgages held by the Torrens Trust, and the terms of the Torrens Trust documents but only with our approval and provided that this does not affect the AAA rating of the Torrens RMBS held by the Fund.

The Bank will provide a variety of facilities to the Torrens Trust including swaps and liquidity facilities. Other persons may also provide facilities to the Torrens Trust. As a service and facility provider to the Torrens Trust, the Bank and its related entities will earn fees and interest from the Torrens Trust.

#### **Asset-backed securities**

Asset-backed securities (ABS) are similar to residential mortgage-backed securities but, instead of being backed by residential mortgages, are backed by other assets. These assets can include, amongst others:

- > Commercial or industrial property;
- > Commercial loans;
- > Personal loans;
- > Margin loans; and
- > Motor vehicle or equipment leases and hire purchase agreements.

Similar to RMBS, issuers of ABS will often enhance their creditworthiness by use of different facilities, such as swaps and liquidity facilities, and by issuing subordinated debt.

The Fund may invest in ABS from securitisation vehicles managed by the Bank or by other persons.

The Fund will only invest in ABS that will not have a negative impact on the rating of the units in the Fund.

#### **Cash and other short term investments**

We hold a portion of the Fund's investments in liquid assets that can be redeemed at short notice.

The liquid assets of the Fund may include cash and other short term investments such as securities backed by a bank, government authority, corporation or authorised dealer in the short term money market.

We will actively manage the Fund's liquid assets to achieve a balance between meeting liquidity requirements and the return on your investment. Changes in asset allocations will only be made in consultation with the appropriate rating agency or agencies so as not to affect the credit rating of the units in the Fund.

In the event that we are unable to source satisfactory RMBS or ABS, we may, without reference to you, use any excess funds to redeem units.

## 2.5 LIQUIDITY FRAMEWORK

Management of the Fund involves the allocation between cash and short term investments (collectively the Liquidity Portfolio) and longer term investments. Before any new investments or divestments, the size of the Liquidity Portfolio and any change in future cash needs are factored into the investment decision. The Liquidity Portfolio portion of the Fund's investment portfolio will be maintained between 5% and 50%. These parameters are designed to ensure that the Fund maintains a sufficiently high level of liquidity to honour redemptions and still achieve its objectives. The Fund will hold a portion of its Liquidity Portfolio as cash and the remainder with maturity less than 30 days. The cash liquidity portion of the portfolio will all be held with 'A-1+' Standard & Poor's rated entities, which, is the highest short term rating awarded by Standard & Poor's.

## 2.6 BORROWING

The Fund's constitution allows us, subject to certain requirements where units are rated, to borrow money and incur liabilities as part of its ordinary operations. In particular, we may borrow funds in order to manage the liquidity position of the Fund. Refer to section 4 of this PDS for further information.

## 2.7 UNIT PRICE

The unit price for the Fund is fixed at \$1.00 although there is no guarantee of your investment. The Fund can issue fractions of a unit.

## 2.8 BUY-SELL SPREAD

A buy-sell spread occurs when there is a difference between the unit price that is applied to investments in the Fund, and the unit price that is applied to withdrawals from the Fund to reflect the transaction costs associated with acquiring and disposing of assets. As the application price and the withdrawal price are exactly the same, no buy-sell spread applies to the Fund.

## 2.9 LABOUR STANDARDS, ENVIRONMENTAL, SOCIAL AND ETHICAL CONSIDERATIONS

Decisions about the selection, retention or realisation of the Fund's investments are primarily based on economic factors. Accordingly, we will not take into account labour standards, environmental, social or ethical considerations when selecting, retaining or realising investments. However, sometimes these matters will indirectly affect the economic factors upon which decisions are based.

## 2.10 DISTRIBUTION RETURNS

### Expected Distribution Rate

We will set an Expected Distribution Rate. This rate is set in order to achieve the Fund's targeted investor returns. The current Expected Distribution Rate is detailed in Part B of this PDS.

We do not guarantee that the Fund will achieve the Expected Distribution Rate which may vary from time to time. Factors which may impact on the Distribution Rate include prevailing market conditions. Please refer to the factors discussed in section 4 of this PDS (in particular, section 4.5).

### Calculation of Distribution Returns

The amount of distributions you will receive as an investor in the Fund is generally calculated on the basis of your income entitlement. To work out your income entitlement, we need to first calculate the Fund's income and Management Costs.

The Fund's income is calculated daily and is payable monthly. We deduct Management Costs (if any) from the Fund's income before calculating investors' income entitlements (i.e. the daily net income of the Fund). Further information on the management costs can be found in section 5 of this PDS.

An investor's income entitlement is determined by dividing the daily net income of the Fund by the number of units the investor held in the Fund. The investors' daily income entitlement constitutes their Distribution Return for that day. See Part B of this PDS for a worked dollar example of how Distribution Returns are calculated.

### Payment of Distribution Returns

Distribution Returns are paid on the last Business Day of each month or upon the closure of your investment account if this occurs prior to month end.

When you apply for units in the Fund, you are required to nominate an account with an Australian bank or other Australian financial institution into which distributions and withdrawals may be paid (your nominated account).

You may choose to have your Distribution Return:

- > Automatically reinvested in additional units in the Fund; or
- > Paid directly into your nominated account.

If you choose not to reinvest your Distribution Returns, they will typically be paid into your nominated account within 2 Business Days after the end of month. If you do not give us any instructions in your Application Form on how your Distribution Returns should be treated, or if your nominated bank, building society or credit union returns your distributions to us, we will automatically reinvest them into the Fund for additional units. The reinvestment unit price for the Fund is always \$1.00.

### 3. FUND PROFILE

#### 3.1 PERFORMANCE AND INVESTMENT PORTFOLIO

Since the Fund’s inception in May 2005, the Fund’s portfolio has grown to \$1,232.4M.

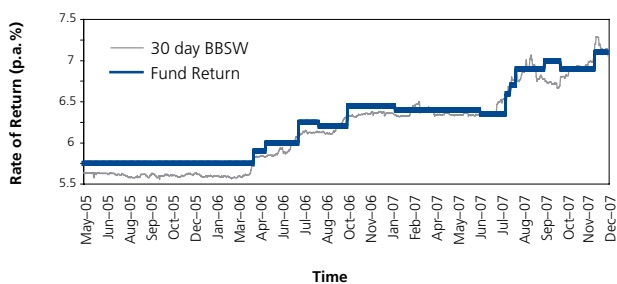
Historical Fund characteristics since the Fund’s inception to 31 December 2007 are as follows:

	June 05	June 06	June 07	Dec 07
FUM	\$120.9M	\$1,298.4M	\$1,693.8M	\$1,232.4M
Return %	5.75% p.a.	5.94% p.a.	6.52% p.a.	7.00% p.a.

Past returns are not necessarily indicative of future returns.

#### 3.2 TARGETED INVESTOR RETURNS

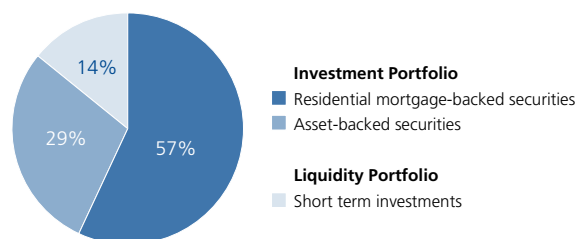
The strategy of the Fund is to provide an investor return which is equal to the average 30 day bank bill swap rate (BBSW) over a rolling 12 month period. Over the last 12 months the Fund’s return has achieved the targeted investor returns determined by this strategy. The following graph shows the return since the Fund’s inception.



Historical returns are calculated assuming monthly distributions of income are reinvested in the Fund, net of fees and expenses paid by the Fund and prior to tax that may be payable by you. Past returns are not necessarily indicative of future returns.

The Fund holds the majority of its portfolio in RMBS (investments as described in section 2.4). In addition, it holds some of its portfolio in ABS instruments that are backed by loans made to medical professionals. The remainder of the portfolio is held in the Liquidity Portfolio containing cash and short term investments. The Liquidity Portfolio includes 11am deposits with Australian Banks, Australian Bank bills and short term asset-backed commercial paper.

The composition of the Fund’s portfolio is monitored daily and reported on monthly. The chart below details the Fund’s investment mix as at 31 December 2007.



For up to date performance information, or to obtain a current monthly performance summary, visit [adelaidemanagerfunds.com.au](http://adelaidemanagerfunds.com.au)

## 4. SIGNIFICANT RISKS

As with any investment, there are a number of risks that may potentially affect the value of your investment in the Fund and the distributions paid by the Fund. While it is not possible to identify every risk, we have described in the following paragraphs some of the significant risks associated with investing in the Fund.

### 4.1 LIQUIDITY RISK

Liquidity risk is the risk that the Fund is unable to process investor withdrawal requests in a timely manner due to it holding insufficient liquid assets.

This risk could arise where withdrawal requests from investors to us exceeded the cash and liquid assets held by the Fund, and it was not possible for us to sell the RMBS or ABS assets in a timely manner to honour these requests. In this situation, withdrawal requests would be honoured in a time frame that was in line with the Funds, ability to dispose of its investments.

In addition and independent of this, in order to maintain a AAA credit rating, the Fund must (in addition to other criteria) retain the right to give effect to withdrawal requests within a maximum of 35 years as this reflects the legal maturity of some of the assets of the Fund. You should be aware we do not have a legal obligation to satisfy withdrawal requests within a shorter time period.

Therefore, whilst it remains the Fund's intention to process withdrawal requests within 24 hours, we do not have a legal obligation to satisfy withdrawal requests in a period shorter than 35 years.

We seek to mitigate liquidity risk by maintaining adequate reserves of cash to meet your withdrawal requests. In instances where the Fund has insufficient reserves of cash, we may employ any of the following measures in order to action your withdrawal requests. We may:

- > Exercise our discretion to borrow funds;
- > Source funds from prepayments on mortgages backing the Fund's Torrens RMBS assets; or
- > Sell assets of the Fund.

We have entered into a short term \$100 million liquidity facility agreement with the Bank. This facility agreement is reviewed annually and can be terminated or amended by both parties at the point of renewal. The Bank may be paid an arm's length fee for its commitment under this facility.

### 4.2 MARKET RISK

Market risk is the risk that the Fund's assets are negatively impacted by general market trends or issues that may be legal, social, economic or political in nature. Despite the Fund investing only in Australian assets, with global and domestic financial markets becoming increasingly interconnected, these market risk factors are not

confined to those which directly impact or arise from the Australian economy. Changes in international markets can result in changes impacting on investments that would otherwise appear unrelated, independent of where the investment is made or held.

Examples of market risks, which could influence the value or liquidity of an investment in the Fund include factors which result in:

- > A reduced ability of borrowers to meet individual loan repayment obligations (such as an increase in market interest rates);
- > A fall in the value of securities held against borrower obligations (where market demand for that security has diminished); or
- > Changes in the markets demand for or valuation of, the assets held by the Fund (such as where the market believes the assets risk profile has changed).

Market risks are such that their impact on investments can be magnified where an investment management decision is required to be taken outside the normal course of business. An example of this, in relation to the Fund, would be if the Fund was required to sell assets to satisfy the withdrawal requests of investors, in a period where the market demand for those assets was low.

Consideration of market risks is relevant to all of the Funds investments.

### 4.3 RATINGS RISK

Ratings risk refers to the risk that the independent rating agency, Standard & Poor's, withdraws or changes the credit rating of units in the Fund.

The AAA credit rating is a statement of opinion by Standard & Poor's, not statement of fact, and the rating may be subject to revision, suspension, qualification or withdrawal at any time by the rating agency.

The following events may cause Standard & Poor's to downgrade the unit's credit rating from AAA:

- > The credit rating of any investment in the Fund's portfolio falls below AAA or A-1+;
- > The residential mortgages originated by the Bank do not perform as Standard & Poor's forecast in its credit analysis. Standard & Poor's has used conservative assumptions in its credit analysis;
- > The credit rating of any mortgage insurer that provides insurance for the Bank mortgages is downgraded from AA;
- > Any investment in the Fund's portfolio fails to pay interest as and when it falls due;
- > Insolvency of the Bank, the originator of the mortgages

We will use best endeavours to maintain the AAA rating. However, Standard & Poor's retains the right to amend or remove the rating at its discretion.

#### 4.4 CAPITAL RISK

We believe the Fund has a low risk of capital loss, however you should note that we do not guarantee the repayment of capital from the Fund and you could lose some or all of your investment.

The credit enhancements generally employed in securitisation programs will mitigate any capital losses that may occur in respect of the Fund's RMBS or ABS investments.

The Fund's investments in liquid assets may also suffer capital loss. We seek to address this risk by:

- > Selecting appropriately rated securities (securities with a Standard & Poor's A-1+ short term rating commonly regarded as appropriate for this type of investment vehicle); and
- > Making sure the Fund holds a diversified range of short term securities.

#### 4.5 INCOME RISK

Income risk, also called 'interest rate' risk, refers to the risk that a change in interest rates will result in a fall in the level of Distribution Returns paid to you by the Fund.

Because:

- > The manager of the Torrens Trust can vary the interest rate on the Torrens RMBS; and
- > We can vary the management fee payable to us as Manager, related entities of the Bank can effectively determine the net income of the Fund in their discretion. They will do so having regard to a number of factors including the business interests of Adelaide Bank and the Adelaide Bank Group.

The Distribution Rate is likely to vary in line with market rates but neither we, nor any other related entity of Adelaide Bank has any obligation to align the Distribution Rate with market rates or to maintain any particular Distribution Rate.

You should note that the returns generated by your investment come in the form of income and units will not generate any capital return.

We may use derivatives to:

- > Manage the nature and level of interest rate risk; and
- > Protect against adverse changes in the market value of the Fund's investments.

A derivative is a security such as a swap, option or futures contract whose value depends on the performance of an underlying index, security or liability. Interest rate swaps, interest rate options and forward rate agreements are examples of the types of derivatives the Fund may invest in.

Specifically in relation to the Fund's investments in derivatives, you should note that the link between the value of the derivative and the value of the derivative's underlying

asset is highly volatile. Capital losses may be sustained by the Fund's investments in this asset class if there is an adverse movement in the underlying asset on which the derivative's value is based.

#### 4.6 REGULATORY RISK

Investment performance may be affected by changes to government policies, regulations and taxation laws. These factors are generally beyond our control.

#### 4.7 DIVERSIFICATION RISK

Diversification risk is the risk that the assets of the Fund may not be sufficiently diversified. In particular, the Torrens RMBS is expected to be a significant asset of the Fund. Although the Torrens Trust is structured to be insulated so far as practicable from direct credit exposure to the Bank, it is likely that if the Bank experienced financial difficulties this would have a negative impact on the Torrens RMBS.

#### 4.8 AUTHORISED OPERATOR RISK

You may be at risk of fraud, negligence or other wrongdoing by an authorised operator who is permitted to have access to your investment. You will be liable for any loss, damages and liability arising from any use of your account by your authorised operator.

Refer to section 6.6 of this PDS for further information about authorised operators.

## 5. FEES AND OTHER COSTS

We are required to draw your attention to the following government consumer advisory warning which explains the impact of fees and costs on your long term returns from the Fund:

### DID YOU KNOW?

**Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns. For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$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 contribution fees and management costs where applicable. 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) website ([fido.asic.gov.au](http://fido.asic.gov.au)) has a managed investment fee calculator to help you check out different fee options.

This document shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the fund assets as a whole. Taxes are set out in another part of this document - see section 5.5 of this PDS.

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

## 5.1 FEES WHEN YOUR MONEY MOVES IN OR OUT OF THE FUND

Type of fee or cost	Amount <sup>1</sup>	How and when paid
<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 - either by you or your employer	Nil	Not applicable
<b>Withdrawal fee</b> The fee on each amount you take out of your investment	Nil	Not applicable
<b>Termination fee</b> The fee to close your investment	Nil	Not applicable
<b>Management costs</b>		
<b>Management costs</b> The fees and costs for managing your investment.	Management costs are comprised of: > The estimated Management Fee of 0.25% p.a. (but note that this fee may vary from 0% to 1.00% p.a.); and > Reimbursements. Refer to section 5.2 of this PDS for further information.	The management fee is calculated daily on the net asset value of the Fund and deducted from the Fund's income at the end of each month before income is distributed to unitholders.  Reimbursements are the aggregate of operational expenses and reimbursements. They are calculated monthly as incurred. It is not our present intention to deduct reimbursement expenses.
<b>Service fees</b>		
<b>Investment switching fee</b> The fee for changing investment options.	Nil	Not applicable

**Example of annual fees and costs**

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

Example of annual fees and costs		Balance of \$50,000 with a contribution of \$5,000 during year
Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0
<b>PLUS</b> Management costs	0.25%	And, for every \$50,000 you have in the Fund you will be charged \$125 each year
<b>EQUALS</b> Cost of fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during the year, then you would be charged fees of between \$125 and \$137.50 depending on the time during the year that the additional investment was made.  What it costs you will depend on the fees you negotiate with your financial adviser.

<sup>1</sup>These amounts include GST and reduced inputs tax credits.

**Worked dollar example - how management costs are charged**

As noted above, management costs are deducted from the Fund's total income at the end of each month before income is distributed to investors. This means management costs are not deducted directly from your investment account - you receive your income entitlement net of these costs. The following example illustrates how management costs will be charged and how such costs will affect your return.

Total Fund Income	7.35% p.a.	\$3,675
Estimated management costs	0.25% p.a.	\$125
Distribution Return at a Distribution Rate of 7.10%p.a.	7.10% p.a.	\$3,550

Please note: this is an example only. It assumes that the total fund income is derived only from the \$50,000 investment amount, and the \$50,000 investment amount and the estimated management costs are consistent for the period of 1 year. The total fund income, estimated management costs and distribution return figures presented above are for illustration only and may vary from the actual total fund income, estimated management costs and distribution returns of the Fund.

**5.2 ADDITIONAL EXPLANATION OF FEES AND COSTS**

The management costs of the Fund are comprised of the management fee and Reimbursements for a given period as set out in the Fund's constitution. It is not our present intention to deduct Reimbursement expenses.

The management fee that applies to your investment depends upon the amount of income generated by the Fund's investments. The estimated management fee for the Fund is 0.25% p.a.

The Fund's constitution allows us to receive a management fee of up to 1.00% p.a. of the net asset value of the Fund. The management fee is calculated, and accrues, daily. We can, at any time, waive our entitlement to the management fee. This does not prejudice our right to collect the management fee in the future. See section 2.10 of this PDS.

The management fee is likely to vary daily but will not exceed an amount equal to 1.00% p.a. This is due to the fact that while Fund income varies daily we do not intend to adjust the expected Distribution Rate on a daily basis. As a result it is likely that the Fund's management costs, rather than the Distribution Rate, will be varied daily.

**5.3 COMMISSION**

We may pay your financial adviser or stockbroker ongoing commission out of our own funds. Commission is calculated daily as a percentage of the balance of your investment account at the end of each day and is paid monthly.

We may also provide advisers indirect remuneration such as reimbursement for marketing expenses or sponsorship fees for conferences.

Both of these payments are made by us and are not an additional cost to you.

Any payments will be made in compliance with the IFSA Industry Code of Practice on Alternative Forms of Remuneration (IFSA Code). We keep a register of certain payments as required by the IFSA Code. Please contact us if you would like to view this register.

**Example**

Average investment account balance	\$50,000
Commission	0.10% p.a.
Estimated commission dollar value	\$50 p.a.

Please note: this is an example only. The commission figure presented above is for illustration only and may vary from the actual commission paid to your adviser.

## SECTION 5 : : FEES AND OTHER COSTS

### 5.4 FEES FOR SERVICES YOU REQUEST US TO PERFORM

You can request us to perform certain services for you. By requesting such services you agree to pay us, and authorise us to redeem units from your investment account reflecting the cost of the service for that purpose, the applicable fee for that service at that time.

Type of Service Fee	Amount <sup>1</sup>	How and when paid
Cheque special clearance	\$15.00	Applies when you request special clearance of funds from a cheque drawn on an Australian bank account and deposited into your investment account (we cannot guarantee a reduced clearance time from this service)
Interim statement	\$5.00	Applies when you request an investment account statement to be produced before your next regularly scheduled statement
Duplicate statement	\$10.00 per statement	Applies when you request a copy of a statement that has been previously provided to you
Statement of distribution returns	\$5.00 per year requested	Applies when you request a statement of distribution returns credited to your account
Special Service Fee	\$17.50 per half hour or part thereof.	Applies when you require us to perform a special service on your behalf. For example, this may be charged for non-standard time-consuming activities that you request us to undertake.

<sup>1</sup>These fees do not attract and therefore do not include GST.

If we introduce a new type of service, or if we increase the amount of any of the above fees, we will provide you with 30 days notice in writing.

### 5.5 TAXATION AND SOCIAL SECURITY

We recommend that you seek independent taxation advice before choosing to invest in the Fund as the taxation information contained in this PDS is of a general nature only.

The Distribution Returns that you receive from the Fund will be assessable income for taxation purposes unless you are exempt from income tax. The Fund does not pay tax because the whole of the Fund's taxable income will be distributed to its investors annually. At the end of each financial year, we will provide you with a taxation statement detailing the investments you have made and the Distribution Returns paid during the financial year.

### 5.6 NON-RESIDENTS

If you are a non-resident investor, you will be liable for Australian tax on income distribution returns, and this will be deducted from Distribution Returns made to you.

The rate at which tax may be withheld is determined by Australian tax law and may depend on your country of residence.

### 5.7 GOODS AND SERVICES TAX (GST)

Under current GST regulations, GST will not be payable on your investments in the Fund or on Distribution Returns you receive from the Fund. Expenses payable by the Fund (including our management fee) will generally incur GST. The amount of fees and charges stated in this PDS are inclusive of any GST, unless stated otherwise.

### 5.8 TAX FILE NUMBER (TFN)

You are not obliged to provide your TFN, however, if you do not supply your TFN or claim a valid exemption, we will be required to deduct withholding tax from your Distribution Returns. Tax will be deducted at the highest marginal tax rate plus the Medicare Levy according to Australian Taxation Office requirements.

Australian companies, partnerships, and certain other business enterprises may supply an Australian Business Number (ABN) instead of a TFN.

### 5.9 SOCIAL SECURITY BENEFITS

Managed investment schemes are subject to both income and asset tests, therefore an investment in the Fund may affect your entitlement to a social security benefit. We recommend that you seek independent advice from a licensed financial adviser or Centrelink before choosing to invest.

## 6. MANAGING YOUR INVESTMENT

### 6.1 INVESTMENTS IN THE FUND

#### Initial and additional investment payment methods

Direct investors can make initial and additional investments by:

- > Cheque or bank cheque made payable to "AMF Yield Fund – *Your name*"; or
- > Electronic transfer or BPAY - when making your initial investment you should send the Application Form to us separately first and we will tell you on your welcome letter the direct credit and BPAY reference numbers you will need to quote to make your initial investment.

We will not accept cash deposits. If we receive a cash deposit by post, we will return it to your postal address via bank cheque.

Payments by cheque are generally subject to a 3 Business Day clearance period. Please note that if you make a payment by cheque and there is a discrepancy between the numerical amount on the cheque and the amount expressed in words, we will assume that the lower of the two amounts will apply.

You will only be able to access your units and, in the case of initial deposits, exercise your rights as an investor, after your payment has been cleared.

Please note that a minimum operating investment balance of \$50,000 applies. Once you have made your initial investment, you can make additional investments of any amount at any time.

#### Processing of initial and additional investments

Refer to the table below which explains how we process your initial and additional investments.

Initial/additional investment received by us	You are eligible to receive Distribution Returns
<b>Before</b> 1:30pm Central Standard Time on any Business Day	On the same Business Day
<b>After</b> 1:30pm Central Standard Time on any Business Day	From the following Business Day

Refer to section 8 for further details on how to invest in the Fund if you are a direct or indirect investor.

### 6.2 HOW TO WITHDRAW FROM THE FUND

You can make a withdrawal of \$10,000 or more from your investment at any time provided that:

- > The amount you withdraw from your investment account on any one day does not exceed \$20 million; and
- > Your investment in the Fund does not fall below the minimum balance of \$50,000 as a result of the withdrawal.

Please note that we may vary the maximum daily withdrawal limit. Should this happen, we will notify you no later than the day the change is due to occur.

If you instruct us to make a withdrawal that would cause your investment balance to fall below the minimum, we have the discretion to treat your instructions as a request to withdraw all of your investment. The proceeds of your withdrawal will be paid into your nominated account.

Please note that you cannot establish an automatic transfer of funds from your investment account to another financial institution. Nor can you arrange for another financial institution to debit your investment account.

If you issue us with multiple withdrawal instructions, you will still generally receive the proceeds of withdrawal on the following Business Day, however we do not guarantee that payment would be made in the same order as your withdrawal instructions were submitted.

If you invest in the Fund via a master trust or wrap service, you must contact the operator of your service if you want to withdraw some or all of your investment.

#### Withdrawal instructions

To make a withdrawal from the Fund, you or your authorised operator will need to provide us with your withdrawal instructions by telephone, mail or fax using the contact details specified in the 'Directory' section of this PDS.

Please include the following details when you provide us with your withdrawal instructions by mail or fax:

- > Your investment account number;
- > The full account name for your investment;
- > The number of units or total value of units (in dollar terms) you wish to withdraw;
- > Your daytime phone number; and
- > Your signature.

The appropriate signatories must sign your written withdrawal instructions. This means that if you have a joint investment, the signatories on your withdrawal request must be consistent with the account operating instructions you specify on your Application Form. If you invested in the Fund as a company, then either two directors, one director and the company secretary or the sole director who is also the sole secretary must sign the instructions.

#### Payment to your nominated account

Withdrawals must be paid to your nominated account. Refer to the table below which explains how we normally process your withdrawal instructions.

Withdrawal instructions received by us	Withdrawal is processed by us
<b>Before</b> 1:30pm Central Standard Time on any Business Day	On the same Business Day
<b>After</b> 1:30pm Central Standard Time on any Business Day	From the following Business Day

Withdrawals will generally be paid by overnight credit and funds will be available to you the following business day.

#### Delays in processing your withdrawals

In the event there are a significant number of withdrawals at the same time which absorb the cash reserves of the Fund (a Liquidity Event), there may be a delay in processing your withdrawal instructions.

If a Liquidity Event occurs, the Fund's constitution allows us up to 35 years to process your withdrawal instructions. It should be noted that we do not have an obligation to satisfy withdrawal requests within a shorter time period. We have formally adopted this extended timeframe in order to achieve the AAA rating. However, we do not believe that we will need to take this length of time to process withdrawal requests.

We also believe that such delays are unlikely to happen as we carefully manage the liquidity of the Fund's investments and keep adequate reserves of cash and short term securities.

#### 6.3 YOUR INSTRUCTIONS

We may, in our absolute discretion, act on instructions received from you or an authorised operator by fax or telephone. We will not be liable in any way for any loss suffered by you in connection with your use of these methods of communication. If you provide us with instructions by telephone, we may ask you a range of questions to verify your identity before accepting your instructions. You should also note that we cannot accept instructions by email as we require your signature on all written instructions.

We will accept and act upon your instructions and the instructions of your authorised operator(s) in good faith and to the extent allowed by the terms and conditions of this PDS and by law. You should note however, that a person without your authority could issue us with instructions about your investment by pretending to be you. You agree that we are not responsible to you for any fraudulently completed instructions. You also indemnify us against any liabilities that may arise as a result of our acting on your instructions or the instructions of a person who pretends to be you.

#### 6.4 HOW TO MONITOR YOUR INVESTMENT

If you invest directly in the Fund, we will issue you with the following statements to help you monitor your investment:

- > An interim statement confirming the details of your initial investment;
- > An itemised transaction statement on or following the last Business Day of each month;
- > An annual taxation statement in July of each year which includes information on the Distribution Returns, fees, charges and taxes that applied to your investment during the last financial year; and
- > A copy of the Fund's annual report.

If you wish to confirm:

- > Our acceptance of your additional investments; and/or
- > Any payments we make according to your withdrawal instructions.

please contact us on 1800 224 124. We can provide confirmation as soon as it is reasonably practicable after the transaction occurs.

We suggest that you carefully examine your statements. If you identify any errors or omissions, please contact us.

If you invest in the Fund via an IDPS, master trust or wrap service you should contact the operator of your service if you seek information about your investment in the Fund.

### 6.5 HOW TO CHANGE YOUR DETAILS

If you are a direct investor in the Fund, you or your authorised operator can change your personal details with us by mail or fax.

When requesting a change of personal details by mail or fax, you will need to provide us with the following:

- > The full account name for your investment;
- > Your daytime phone number;
- > A clear explanation of your requested changes; and
- > Your signature.

You can request us to change your personal details by sending us the above information by mail or fax, or by completing the Account Maintenance Form, which you can download from our website, [adelaidemanagedfunds.com.au](http://adelaidemanagedfunds.com.au)

The appropriate signatories must sign your written request. Some changes may also require additional or original documentation to be provided to us e.g. a change of name request or a change to your nominated account.

If you are unsure about what documentation you need to provide to support your request, please contact us.

If you invest in the Fund via an IDPS, master trust or wrap service you should contact the operator of your service if you wish to change the record of your personal details.

#### **Processing of your instructions**

In most cases, we will update your details within 3 Business Days of receiving your instructions to effect a change. This means that if you send us instructions to withdraw funds from the Fund together with instructions to update the details of your nominated account, we may not update the details of your nominated account until after we have paid the proceeds of withdrawal to your existing account.

### 6.6 APPOINTING AN AUTHORISED OPERATOR

#### **Who you can appoint**

You may appoint any of the following entities to be an authorised operator on your investment account:

- > A person aged 18 years or older;
- > A company; and/or
- > A partnership.

#### **Level of authority**

The types of functions your authorised operator(s) can perform on your investment will depend on the level of authority you grant them. You may opt for your authorised operator to have either 'limited' or 'full' access to your investment.

In short, a Limited Access Operator will only be able to access information on your investment, whereas a Full Access Operator can perform transactions on your investment.

#### **Your financial adviser**

If your financial adviser or stockbroker is identified in your Application Form, they are automatically authorised as a Limited Access Operator on your investment account.

As such, they are unable to opt out of being a Limited Access Operator. If you wish, you may increase the level of authority of your financial adviser or stockbroker by appointing them as a Full Access Operator on your investment.

If you wish to appoint, modify, or cancel the authority of an authorised operator, you will need to complete, sign and return to us the Authorised Operator Form accompanying this PDS. This form is also available on our website, [adelaidemanagedfunds.com.au](http://adelaidemanagedfunds.com.au)

**Functions your operator can perform**

Refer to the table below which explains the functions that may be performed by Limited and Full Access Operators:

Function	Limited Access	Full Access
Access personal and financial information relating to your account	✓	✓
View commission details	✓ <sup>1</sup>	✓
Receive copies of periodic statements	✓	✓
Advise us of your tax file number	✓ <sup>1</sup>	✓
Instruct us to change your personal details	✓ <sup>1</sup>	✓
Order and incur charges for statements	✗ <sup>2</sup>	✓
Withdraw some or all of your units	✗	✓
Close your account	✗	✓

<sup>1</sup>This function is only available to your financial adviser or stockbroker.

<sup>2</sup>Charges apply to requests for interim and duplicate statements and statements of Distribution Returns. Refer to section 5.4 of this PDS for further information.

Authorised operators, whether Limited or Full Access Operators, are not able to appoint or remove other authorised operators on your account.

**Cancelling authorised operator status**

You may cancel an authority to operate at any time. Authorised operators may also cancel their own authorised operator status at any time (subject to the rules relating to financial advisers and stockbrokers previously outlined).

**Other authorised operator rules**

If you appoint an authorised operator in relation to your investment you agree that:

- > You will notify your authorised operator of the terms and conditions in this PDS and any amendments to it;
- > The authorised operator will have the authority to deal with your investment (depending on whether they have Limited Access or Full Access, as described in the table above) except for the power to appoint another authorised operator;
- > You are liable for the actions of any authorised operator who deals with your investment prior to their authority being cancelled; and
- > We may follow the authorised operator's instructions until we receive written notification from you that the authorised operator's authority is cancelled.

We may cancel the appointment of an authorised operator by giving you 14 days written notice of our intention to do so. If you appoint a company to be your authorised operator, you agree that we regard the powers of operation as being held by any director, employee or agent of the company. If you appoint a partnership to be your authorised operator, you agree that we regard the powers of operation to be held by any partner, employee or agent of the partnership.

Where there is more than one authorised operator any one of them may give instructions in relation to your investment account, unless you specify otherwise.

## 7. ADDITIONAL INFORMATION

### 7.1 CONSTITUTION

The rights of investors and the Manager as responsible entity of the Fund are set out in the Fund's constitution. The constitution contains provisions governing, for example:

- > The nature of the units in the Fund – including the ability to issue classes of units;
- > Your rights as an investor – including the process of how your units are issued and redeemed;
- > The process of convening, attending and voting at a meeting of investors;
- > How Fund income is distributed;
- > How investments are made in the Fund;
- > Our powers and how and when these powers can be exercised;
- > Our right to be indemnified out of the Fund's assets for the liabilities or expenses we incur in relation to the Fund;
- > The duration and termination of the Fund, and the ability of the Manager to wind up the Fund in its discretion subject to giving notice to the investors; and
- > How we may retire or be required to retire as responsible entity (if investors vote for our removal).

We may vary the terms of the constitution from time to time in accordance with the Corporations Act. However, the constitution can only be amended if the amendment has been approved by a special resolution of investors or if we consider the amendment will not adversely affect investors' rights.

In the event of any inconsistency between the terms of this PDS and the Fund's constitution, the Fund's constitution will prevail. Contact us if you wish to obtain a copy of the Fund's constitution free of charge.

Some of the matters affecting investors which are not set out in the constitution but are contained in the Corporations Act include:

- > Maintenance of the Fund's register of investors;
- > Specific duties of the Manager and its officers;
- > Auditing of the Fund; and
- > The keeping of accounting and other financial records of the Fund.

The Fund's constitution restricts the exercise of some of our powers in certain circumstances where units are rated, for example the power to issue new classes of units and to undertake borrowings. These restrictions are related to our ability to seek and maintain the rating for the units. In addition, whilst units are rated the Fund's constitution requires us to seek to ensure that the Fund's distributions

meet a minimum threshold. This is a requirement related to obtaining the rating for the units although there is no guarantee of any particular rate of return, the performance of the Fund or the repayment of any capital.

### 7.2 REDEMPTION OF UNITS BY THE MANAGER

The Fund's constitution requires us to redeem all units 50 years from the date the very first rated unit was issued by the Fund to an investor (or such later date which is approved by Standard & Poor's).

### 7.3 OUR DISCLOSURE OBLIGATIONS

The Fund is a 'disclosing entity' under the Corporations Act. This means it is subject to regular reporting requirements and disclosure obligations. You may obtain or inspect copies of documents lodged by the Fund at your nearest ASIC office.

You can also ask us for a copy of the Fund's most recently lodged annual financial report, any half-year financial report, or any subsequent continuous disclosure notice lodged with ASIC after the date of this PDS.

### 7.4 THE FUND'S COMPLIANCE PLAN

We have lodged the Fund's Compliance Plan with ASIC. The Compliance Plan is audited annually and sets out how we will comply with the requirements of the constitution and the Corporations Act. Contact us if you wish to obtain a copy of the Compliance Plan free of charge.

### 7.5 AUDIT

The Fund and the compliance plan are required to be audited annually.

### 7.6 COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The IFRS came into effect in January 2005 and, accordingly, the accounts of the Fund have been prepared on this basis.

### 7.7 ANTI-MONEY LAUNDERING AND COUNTER TERRORISM FINANCING

We are committed to the regulatory requirements for anti-money laundering and counter terrorism financing (AML).

To comply with these requirements we may:

- > Require you to provide to us, or otherwise obtain, any additional documentation or other information;
- > Suspend, block or delay transactions on your account, or refuse to provide services to you;
- > Report any, or any proposed, transaction or activity to any body authorised to accept such reports relating to AML or any other law.

### 7.8 YOUR PRIVACY

Privacy laws apply to our handling of your personal information. We collect your personal information to:

- > Assess your application;
- > Manage your investment in the Fund; and
- > Advise you of new developments relevant to your investment in the Fund and other trusts managed by us.

We ensure that we keep your personal information confidential and only disclose it to others when necessary. For example, we may need to disclose some of your personal information to:

- > Our related companies;
- > Organisations that carry out administrative functions on our behalf, such as mailing or printing houses or information technology providers;
- > Your financial adviser or broker; or
- > Your authorised operators.

In addition, we may also disclose your information if:

- > You consent to the disclosure; or
- > The disclosure is required by law (for example, a disclosure to a court which is required by a subpoena).

Your consent can be express (such as a letter signed by you) or implied (such as conduct which suggests that you agree to copies of statements being provided to your tax agent).

You are entitled to access, correct or update your personal information held by us on your behalf. Please contact us if you wish to do so or if you have any queries about your personal information.

A copy of our full privacy policy can also be obtained via our website [adelaidemanagedfunds.com.au](http://adelaidemanagedfunds.com.au)

### 7.9 DISCLOSURE OF OUR DIRECTORS' INTERESTS AND RELATED PARTY TRANSACTIONS

Our Directors may invest in the Fund, but do not otherwise receive any direct financial benefit from the Fund or the investments of the Fund.

Adelaide Managed Funds has entered into a Custodian and Administration Services Agreement with the Bank on arms length terms.

### 7.10 INVESTMENT ACCOUNT CLOSURE

We may exercise our discretion to close your investment account due to unsatisfactory conduct or for any other reason. You will be notified in writing should this happen. You will be paid the balance of your investment plus Distribution Returns (if any), less any accrued fees or charges applicable up to but not including the closing day.

### 7.11 LIABILITY

Your liability is limited by the constitution of the Fund to the value of your interest in the Fund. However, as the courts have not yet conclusively determined an investor's liability, we cannot state with certainty that liability is limited to your investment.

### 7.12 JOINT INVESTMENTS

Applications in joint names are treated as joint tenants. If your investment in the Fund is held jointly with one or more persons, we can send you notices, statements or other documents (including any changes to investment terms and conditions) by mailing them to the joint investor whose name appears first in the register.

### 7.13 COOLING OFF

Your initial investment in the Fund can be cancelled within a 90 day cooling off period by submitting a request to us electronically or in writing. On receipt of your request, your units will be redeemed and your funds will be returned.

Please note that if you invest in the Fund via an IDPS, master trust or wrap service, you will only be able to exercise cooling off rights against the operator of the service and not against us.

The cooling off period will expire 90 days from the date you receive confirmation of your initial investment, or at the end of the fifth day after the day on which your units were issued to you, whichever is earlier. The cooling off period terminates immediately if you exercise a right or power that you have as an investor under the terms of the Fund's constitution (such as transacting on your investment account, or withdrawing part of your investment).

These cooling off rights do not apply to wholesale clients (as defined in the Corporations Act).

#### 7.14 APPOINTMENT OF CUSTODIAN

We have appointed the Bank to act as the custodian of the Fund to hold the assets of the Fund on our behalf. In performing its duties as the custodian, the Bank must comply with applicable requirements imposed under the Corporations Act and the terms and conditions of our agreement with the Bank (requiring it to, amongst other things, deal with the Fund's assets according to our directions).

#### 7.15 COMPLAINTS

If you have a complaint about the Fund, please inform us in writing or contact us on 1800 224 124. Written complaints can be directed to:

Customer Relations  
Adelaide Managed Funds Limited  
Reply Paid 1048  
Adelaide SA 5001

You will generally receive an acknowledgement within 48 hours of presenting your complaint to us.

If the complaint is not resolved to your satisfaction (or resolved within 45 days of receipt), you may contact the Financial Industry Complaints Service (FICS), an independent industry complaints body approved by ASIC and of which we are a member. The contact details are:

Financial Industry Complaints Service Limited  
PO Box 579  
Collins Street West  
Melbourne VIC 8007  
Tel: 1300 780 808

FICS's role is to formally investigate cases only after you have exhausted our complaint procedures.

If you have invested in the Fund via a master trust or wrap service, you will need to contact the operator of your service if you have any queries or complaints about the Fund.

## 8. HOW TO INVEST

### Direct investors

You must be at least 18 years of age to invest in the Fund. You can also invest in the Fund as a partnership, a company, an unincorporated association, or a trustee of a trust or superannuation fund.

The minimum initial investment you can make into the Fund is \$50,000. To make your initial investment, please send us your cheque together with a signed, completed Application Form issued together with this PDS. Please refer to the table 'Initial and Additional Investment Payment Methods' below for further details on other payment methods you may use to make your initial investment.

We can vary the minimum investment amounts for the Fund. We may also exercise our discretion to refuse or suspend the processing of your initial or subsequent applications for units.

If you wish to make additional investments in the Fund, please keep a copy of this PDS and any information that updates it for future reference. You can also request a copy of the current PDS and any supplementary or replacement PDS from us, free of charge, by calling us on 1800 224 124 or sending us an email request at [enquiries@adelaidemanagedfunds.com.au](mailto:enquiries@adelaidemanagedfunds.com.au)

It is a condition of investing in the Fund that you nominate an account with an Australian bank or other Australian financial institution. Withdrawals and Distribution Returns that are not reinvested into the Fund must be paid into this account.

You should note that if:

- > Your balance falls below the minimum operating investment balance; or
- > You close or change the details of your nominated account without informing us;

we may exercise our discretion to redeem some or all of your units and forward the proceeds to your nominated account. If your nominated account is no longer valid, we may send a bank cheque for the proceeds to your residential address.

### Indirect investors

You may also invest in this Fund through an investor-directed portfolio service (IDPS), IDPS-like scheme, master trust or wrap service.

If you are an indirect investor, you should note that you will not:

- > Become an investor of the Fund as it is the operator of the IDPS, master trust or wrap services, and not you, who acquires the investors rights and we have obligations to the operator only;
- > Receive Distribution Returns or statements from us; or
- > Directly participate in investors' meetings.

Accordingly, some information in this PDS does not apply to indirect investors (e.g. applications, cooling off, Distribution Returns, withdrawals, reporting, changing your personal details, or complaints).

Please note that if you intend to invest in the Fund as an indirect investor, then in addition to reading this PDS, we recommend you read the document that explains your IDPS, master trust or wrap service and consult the operator of your service to obtain information on how they deal with applications, withdrawals, distributions and reporting. Your enquiries and complaints should be directed to your financial adviser or the operator, not to us.

### Identification requirements

You will be required to provide proof of your identity.

If you are investing through a financial planner or stockbroker, they will identify you on our behalf.

If you invest directly with us, the following identification options will be available:

- > Complete the Bank@Post form (available from [adelaidemanagedfunds.com.au](http://adelaidemanagedfunds.com.au)) and visit an Australia Post outlet displaying the Bank@Post symbol; or
- > Provide a certified copy of identification to us by mail.

Please refer to Application Form Instruction Checklist for identification requirements.

**Application process**

Once we have received and accepted your application, we will:

- > Open your investment account;
- > Send you a welcome letter which provides you with details of your investment account number and the relevant numbers you will need to quote when making BPAY and direct credit payments into the Fund;
- > Send you a deposit book;
- > Issue you with units in the Fund; and
- > Forward you an interim statement confirming the details of your initial investment.

**Initial and additional investment payment methods**

Direct investors can make initial and additional investments by:

- > Cheque or bank cheque made payable to “AMF Yield Fund – *Your name*”; or
- > Electronic transfer or BPAY - when making your initial investment you should send the Application Form to us separately first and we will tell you on your welcome letter the direct credit and BPAY reference numbers you will need to quote to make your initial investment.

We will not accept cash deposits. If we receive a cash deposit by post, we will return it to your postal address via bank cheque.

Payments by cheque are generally subject to a 3 Business Day clearance period. Please note that if you make a payment by cheque and there is a discrepancy between the numerical amount on the cheque and the amount expressed in words, we will assume that the lower of the two amounts will apply.

You will only be able to access your units and, in the case of initial deposits, exercise your rights as an investor, after your payment has been cleared.

**Processing of initial and additional investments**

Refer to the table below which explains how we process your initial and additional investments.

Initial/additional investment received by us	You are eligible to receive Distribution Returns
<b>Before</b> 1:30pm Central Standard Time on any Business Day	On the same Business Day
<b>After</b> 1:30pm Central Standard Time on any Business Day	From the following Business Day

## 9. APPLICATION FORM

**Your guide to completing the Application Form**

The purpose of this section is to guide you in completing the Application Form for the Fund. If you require additional assistance, please contact us.

Eligible investors	Accounts should be in the name of	Example of account name	Application form must be signed by	Tax file number (optional)	Identification documents
<b>An individual or joint applicant over 18 years of age</b>	Individual(s)	John Smith or John Smith and Sue Smith	Individual(s)	Individual(s)	<ul style="list-style-type: none"> <li>&gt; Provide certified copies of identification</li> <li>&gt; Australia Post Identification Form</li> </ul>
<b>A partnership (trading as a registered business name)</b>	John Smith and Sue Smith trading as business name	Smith & Jones trading as XYZ Business	The Partners	The Partners	<ul style="list-style-type: none"> <li>&gt; Certified copy or certified extract of the Partnership Agreement</li> <li>&gt; Certified copy of Certificate of Registration of Business Name (if applicable)</li> <li>&gt; Certified copy of a bank statement in the name of the partnership issued within the last 12 months</li> </ul>
<b>A company or Incorporated Body</b>	Company or Incorporated Body	Smith & Co Pty Ltd	Under seal or Two Directors or Director and Secretary or Sole Director	Company or Incorporated Body	<ul style="list-style-type: none"> <li>&gt; Certified copy of Certificate of Registration</li> </ul>
<b>A Superannuation Fund</b>	The trustee(s) as trustee for the Superannuation Fund	Sue Smith and John Smith as trustees for the J Smith Superannuation Fund	The trustee(s)	Superannuation Fund	<ul style="list-style-type: none"> <li>&gt; Certified copy of Certificate of Registration/Trust Deed</li> <li>&gt; Identification of Trustees (refer to individual section)</li> </ul>

SECTION 9 : : APPLICATION FORM

Eligible investors	Accounts should be in the name of	Example of account name	Application form must be signed by	Tax file number (optional)	Identification documents
<b>A Trust</b>	The trustee(s) as trustee for the Trust	Sue Smith and John Smith as trustees for the J Smith Family Trust	The trustee(s)	Trust or Trustee	<ul style="list-style-type: none"> <li>&gt; Certified copy of Trust Deed</li> <li>&gt; Identification of Trustees (refer to individual section)</li> <li>&gt; Details of beneficiaries</li> </ul>
<b>An Unincorporated Body</b>	Unincorporated Body	Adelaide Tennis Club	Authorised representative(s) on behalf of the body	Unincorporated Body	<ul style="list-style-type: none"> <li>&gt; Certified copy or certified extract of the Rules or Constitution of the Association</li> <li>&gt; Certified copy or certified extract of the minutes of the meeting of the Association</li> </ul>
<b>Estate of the Late</b>	The Estate	The Estate of the Late Sue Smith	The executor(s)	The Estate	<ul style="list-style-type: none"> <li>&gt; Original Grant of Probate or Letters of Administration and must be signed by all executors/ administrators noted on the Grant of Probate or Letters of Administration</li> </ul>
<b>Power of Attorney</b>	Individual	John Smith	Individual and or Power of Attorney	Individual	<ul style="list-style-type: none"> <li>&gt; Power of Attorney document and specimen signature of the relevant attorney(s)</li> </ul>

## APPLICATION FORM INSTRUCTION CHECKLIST

The anti-money laundering laws within Australia may require us to obtain additional information to verify the identity of a client, any beneficial owner of units in a fund or trust and the source of any payment. Where we request this information, the processing of applications may be delayed until we receive the requested information in a satisfactory form.

If opening an account via a financial adviser the following information must be provided to that Adviser who will then verify the identification as per the Adelaide Bank Customer Identification Guidelines.

Customers are able to have their identification documents verified by a financial adviser, mailing certified copies of documents directly to Adelaide Managed Funds or through an Australia Post outlet. Customers intending to use an Australia Post outlet should refer to the Bank@Post form included in this section.

**All documents provided as proof of identification must be either original or a certified copy. Please note that this is not an exhaustive list of information to be collected<sup>1</sup>.**

Type of investor		Details required	
1	<b>Individual and joint customers (inc. POA and Sole Traders)</b>	<ul style="list-style-type: none"> <li>&gt; Please provide the full name, date of birth and residential address for each customer</li> <li>&gt; You must verify the full name and either the date of birth or residential address</li> <li>&gt; <b>Individuals must provide one piece of primary photographic identification or two pieces of non photographic identification (primary plus secondary)<sup>1</sup></b></li> <li>&gt; <b>Where a customer resides outside of Australia you must complete the foreign customer details</b></li> <li>&gt; <b>Applications under Power of Attorney must be accompanied by an original or certified copy Power of Attorney document and a specimen signature of the relevant attorney(s)</b></li> </ul>	<input type="checkbox"/>
2	<b>Partnerships</b>	<ul style="list-style-type: none"> <li>&gt; Please provide the full name of partnership and complete all details, including the country the partnership was established in</li> <li>&gt; You must provide the full name and address of each partner</li> <li>&gt; One of the partners must complete individual identification requirements</li> </ul>	<input type="checkbox"/>
3	<b>Domestic company</b>	<ul style="list-style-type: none"> <li>&gt; Please provide the full name of company and complete all details</li> <li>&gt; Indicate whether the company is registered as a proprietary company or public company</li> <li>&gt; <b>You must provide the full name of each director for proprietary companies</b></li> <li>&gt; <b>You must provide the full name and residential address for beneficial owners/shareholders who hold more than 25% of the issued capital of a proprietary or private company<sup>2</sup></b></li> </ul>	<input type="checkbox"/>
4	<b>Incorporated and Unincorporated Associations</b>	<ul style="list-style-type: none"> <li>&gt; Please provide the full name of association and complete all details</li> <li>&gt; <b>Full name and address of the Public Officer (or Chairman, Treasurer or Secretary if no Public Officer)</b></li> <li>&gt; <b>You must provide the full name of the Chairman, Treasurer and Secretary – one of these office holders must complete individual identification requirements</b></li> </ul>	<input type="checkbox"/>
5	<b>Trusts – Managed Investment Schemes, Regulated Trusts, Government Superannuation Funds</b>	<ul style="list-style-type: none"> <li>&gt; Please provide the full name of the trust, the type of trust and complete all details</li> <li>&gt; <b>If applicable, you must provide the business name of the trustee</b></li> <li>&gt; <b>One trustee (individual or company) must complete identification requirements in relation to information to be collected</b></li> </ul>	<input type="checkbox"/>

## SECTION 9 : : APPLICATION FORM

Type of investor	Details required	
6	<b>Trusts – other</b> <ul style="list-style-type: none"> <li>&gt; Please provide the full name of the trust, the type of trust and complete all details</li> <li>&gt; <b>If applicable, you must provide the business name of the trustee</b></li> <li>&gt; <b>You must provide the name of the country the trust was established</b></li> <li>&gt; <b>Full name of each beneficiary or identify the beneficiaries by their class</b></li> <li>&gt; <b>Full name and residential address of each trustee</b></li> <li>&gt; <b>One trustee (individual or company) must complete identification requirements</b></li> <li>&gt; <b>Where a trust has been established overseas, each beneficiary who does not reside in Australia must complete the relevant identification (individual or company)</b></li> </ul>	<input type="checkbox"/>
7	<b>Estate of the Late</b> <ul style="list-style-type: none"> <li>&gt; Applications by the executors of a Deceased Estate must be accompanied by an original Grant of Probate or Letters of Administration and must be signed by all executors / administrators noted on the Grant of Probate or Letters of Administration.</li> </ul>	<input type="checkbox"/>
8	<b>Co-operatives</b> <ul style="list-style-type: none"> <li>&gt; Full name and address details of the Co-operative</li> <li>&gt; <b>You must provide the full name of the Chairman, Treasurer and Secretary</b></li> <li>&gt; Either the Chairman, Treasurer or Secretary must complete individual identification requirements</li> </ul>	<input type="checkbox"/>
9	<b>Government Bodies</b> <ul style="list-style-type: none"> <li>&gt; <b>Full name and address details of the government body</b></li> <li>&gt; <b>You must provide details on the type of legislation the body was formed under – e.g. Commonwealth, State, Territory or Foreign Country legislation</b></li> </ul>	<input type="checkbox"/>
10	<b>Company – Registered Foreign Company (registered with ASIC)</b> <ul style="list-style-type: none"> <li>&gt; Please provide the full name of company (as registered with ASIC) and complete all details</li> <li>&gt; <b>You must provide the name of the country the company was formed, incorporated or registered and provide details of foreign registration body</b></li> <li>&gt; <b>You must provide the full name of each director for private companies<sup>3</sup></b></li> <li>&gt; <b>You must provide the full name and residential address for beneficial owners/shareholders who hold more than 25% of the issued capital of a proprietary or private company<sup>2</sup></b></li> <li>&gt; <b>Beneficial owners/shareholders (individual or company) not residing in Australia must complete the relevant identification (individual or company).</b></li> </ul>	<input type="checkbox"/>
11	<b>Company – Unregistered Foreign Company (not registered with ASIC)</b> <ul style="list-style-type: none"> <li>&gt; Please provide the full name of company and complete all details, including the principal place of business of the company in its home country</li> <li>&gt; <b>You must provide the name of the country the company was formed, incorporated or registered and provide details of the foreign registration body, any identification number and the type of company</b></li> <li>&gt; <b>For a private company you must provide the full name, residential address and date of birth of each director</b></li> <li>&gt; <b>You must provide the full name, residential address and date of birth for beneficial owners/shareholders who hold more than 25% of the issued capital of a proprietary or private company<sup>2</sup></b></li> </ul>	<input type="checkbox"/>

<sup>1</sup>Refer to your adviser or phone 1800 224 124 for full details of information to be collected and verified, and acceptable identification documents.

<sup>2</sup>Proprietary/private companies licensed and subject to Australian regulatory oversight do not need to provide these details.

<sup>3</sup>Applicable to private companies only, as registered with the relevant foreign registration body.

People who can certify documents or extracts are:

- > A lawyer – a person who is enrolled on the roll of the Supreme Court of a State or Territory or High Court of Australia, as a legal practitioner (however described);
- > A judge of a court;
- > A magistrate;
- > A chief executive officer of a Commonwealth Court;
- > A registrar or deputy registrar of a court;
- > A Justice of Peace;
- > A notary public (for the purposes of the Statutory Declaration Regulations 1993);
- > A police officer;
- > (A postal agent) An agent of the Australian Postal Corporation who is in charge of an office supplying postal services to the public;
- > (The post office) A permanent employee of the Australian Postal Corporation with 2 or more years of continuous service who is employed in an office supplying postal services to the public;
- > An Australian consular officer or an Australian Diplomatic officer (within the meaning of the Consular Fees Act 1955);
- > An officer with 2 or more continuous years of service with one or more financial institutions (for the purposes of the Statutory Declaration Regulations 1993);
- > A finance company officer with 2 or more years continuous years of service with one or more financial companies (for the purposes of the Statutory Declaration Regulations 1993);
- > An officer with, or authorised representative of, a holder of an Australian Financial Services Licence, having 2 or more years of continuous service with one or more licensees; and
- > (An accountant) A member of the institute of Chartered Accountants in Australia, CPA Australia or the National Institute of Accountants with 2 or more years of continuous membership.

Please note: this list is subject to change.

# AMF Yield Fund Application Form

ARSN 113 735 407

Do not use this Application Form unless it is attached to the Product Disclosure Statement (PDS) comprising Part A - the AMF Yield Fund Booklet and Part B - the AMF Yield Fund Distribution Rate Sheet. You should read the PDS prior to completing this Application Form. A person may only give another person access to this Application Form if at the same time and by the same means, they give the other person access to the PDS.

Account name

## A Individual/Joint/Sole Trader Applicants

### Applicant 1

Individuals not residing in Australia are required to complete an additional KYC information form which is available on the Adelaide Managed Funds website: [adelaidemanagedfunds.com.au](http://adelaidemanagedfunds.com.au)

Title	First name(s)
<input type="text"/>	<input type="text"/>
Last name	
<input type="text"/>	
Residential address (PO Box is not acceptable)	
<input type="text"/>	
Postcode	
<input type="text"/>	<input type="text"/>
*Work phone number	*Home phone number
<input type="text"/>	<input type="text"/>
*Mobile phone number	Date of birth
<input type="text"/>	<input type="text"/>
Email address	
<input type="text"/>	
Business name (sole trader)	
<input type="text"/>	
ABN	
<input type="text"/>	
Principal place of business address	
<input type="text"/>	
Postcode	
<input type="text"/>	<input type="text"/>

### Applicant 2

Title	First name(s)
<input type="text"/>	<input type="text"/>
Last name	
<input type="text"/>	
Residential address (PO Box is not acceptable)	
<input type="text"/>	
Postcode	
<input type="text"/>	<input type="text"/>
*Work phone number	*Home phone number
<input type="text"/>	<input type="text"/>
*Mobile phone number	Date of birth
<input type="text"/>	<input type="text"/>
Email address	
<input type="text"/>	
Business name (sole trader)	
<input type="text"/>	
ABN	
<input type="text"/>	
Principal place of business address	
<input type="text"/>	
Postcode	
<input type="text"/>	<input type="text"/>

\*At least one contact field must be completed. All other fields are mandatory.

## B Australian company

Foreign Companies are required to complete an additional KYC information form which is available on the Adelaide Managed Funds website: [adelaidemanagedfunds.com.au](http://adelaidemanagedfunds.com.au)

Full name of company (as registered with ASIC)	ACN
<input type="text"/>	<input type="text"/>
Residential office address (PO Box is not acceptable)	Principal place of business (PO Box is not acceptable)
<input type="text"/>	<input type="text"/>
Postcode	Postcode
<input type="text"/>	<input type="text"/>
Company type	<input type="checkbox"/> Proprietary <input type="checkbox"/> Public (If Public, proceed to section G)
Is the company regulated (licensed by Australian Commonwealth, State or Territory statutory regulator):	
<input type="checkbox"/> No <input type="checkbox"/> Yes – Please specify	Regulator name
<input type="text"/>	Licence details
<input type="text"/>	<input type="text"/>

### Details of Director(s)

The full name of all Directors must be provided for proprietary companies. If there are more than two Directors attach additional page(s).

Title	First name(s)
<input type="text"/>	<input type="text"/>
Last name	
<input type="text"/>	

Title	First name(s)
<input type="text"/>	<input type="text"/>
Last name	
<input type="text"/>	

**Details of shareholder(s)**

To be completed for each shareholder who owns 25% or more of the issued capital of a proprietary or private company (except companies licensed and subject to Australian regulatory oversight).

Title  First name(s)

Last name

Residential address (PO Box is not acceptable)

Postcode

Title  First name(s)

Last name

Residential address (PO Box is not acceptable)

Postcode

**C Trust/Superannuation Fund**

Full name of Trust / Superannuation Fund

Full business name of the Trustee in respect of the Trust (if any)

Country in which Trust was established  Type of Trust (e.g. Managed Investment Scheme, Regulated Trust, Self Managed or Government Superannuation fund, other - please specify)

**Details of Beneficiary**

Trusts licensed and subject to Australian regulatory oversight do not need to complete this section (e.g. Managed Investment Scheme, Superannuation Funds). If there are more than two Beneficiaries attach additional page(s).

Title  First name(s)  Title  First name(s)

Last name

If the terms of the Trust identifies the beneficiaries by reference to membership of a class, provide details of the class(es):

**Details of Trustee(s)**

One Trustee must complete the relevant section above (individual or company) in all cases and complete the relevant verification requirements. Complete the relevant section above (individual or company) unless the Trust is licensed and subject to Australian regulatory oversight.

**D Association/Co-operative**

Incorporation Association  Unincorporated Association  Co-operative

Full name of Association / Co-operative

Any identifying number (issued upon incorporation/registration)

Registered office or Principal Place of Operations (PO Box is not acceptable)

Postcode

**Officer details**

Name of Public Officer (or President / Secretary / Treasurer if no public officer)

Title  First name(s)

Last name

Address of Public Officer or Principal Place of Operations (PO Box is not acceptable)

Postcode

**Chairman**

Title  First name(s)

Last name

Position title (e.g. Treasurer)

**Secretary**

Title  First name(s)

Last name

**Treasurer**

Title  First name(s)

Last name

Either the Chairman, Secretary or Treasurer must complete the individual customer identification requirements, refer to section A.

## E Partnership

Full name of partnership

Registered business name of the partnership (if any)

Country in which partnership was established

### Details of Partner(s)

Each Partner must complete the individual customer identification requirements, refer to section A. Where the Partnership is a member of a professional association only one Partner is required to complete the individual customer identification requirements. If there are more than two Partners attach additional page(s).

## F Government Bodies

Full name of Government Body

Address of Principal Place of Operations (PO Box is not acceptable)

Postcode

Is this Government Body established under legislation of the:

Commonwealth of Australia

Australian State or Territory (specify in space provided)

Foreign Country Government (specify in space provided)

## G Mailing address

Unit

Street number

Street name or PO Box

Suburb

State

Postcode

## H Nominated account details

**MANDATORY – All withdrawals must be paid into this account.**

Name of financial institution

BSB

Account number

Account name

**NB: If nominating a Credit Union or Building Society, the account must be held in exactly the same name.**

Would you like your monthly income distribution returns paid into this account? Please tick (✓) applicable box

Yes  No

**NB: Your monthly income distribution returns will be reinvested into the trust if no box is ticked.**

## I Investment details

\$  (minimum \$50,000.00) Note: Cash is not accepted.

## J Investment operating instructions

Please indicate how you wish to operate your account:  Any one of us to sign  All of us to sign

If you select 'any one of us to sign', each of you (including any person you appoint as an authorised operator) will be able to transact on or otherwise operate your account independently of the others. If you select 'all of us to sign', you will not be able to transact on or otherwise operate your account without the written authorisation of all account holders. You can change the account operating authority at any time by written request signed by all account holders.

For accounts in the name of a company or other incorporated body, please affix the common seal if required by the body's constitution. Please note that any of the individuals signing this application for the company or incorporated body will be able to operate the account on behalf of the body without affixing the common seal in the future.

**If you do not select an option we will assume that 'anyone of us to sign' option will apply**

## **K** Tax file number collection and exemption

It is not an offence if you decide not to supply us with your tax file number (TFN). However, if you do not supply us with your TFN we will be required to deduct withholding tax from distribution returns paid to you, calculated at the highest marginal tax rate plus the Medicare Levy, and forward it to the Australian Taxation Office. Entries investing in the furtherance of their enterprise may provide an ABN instead of a TFN.

If you choose to supply us with your TFN(s), please tick (✓) applicable box and complete the TFN details:

I <input type="checkbox"/> Individual	Name of applicant 1 (or entity)	Name of applicant 2 (or entity)
J <input type="checkbox"/> Joint	<input type="text"/>	<input type="text"/>
P <input type="checkbox"/> Partnership	Tax file number	Tax file number
C <input type="checkbox"/> Company	<input type="text"/>	<input type="text"/>
T <input type="checkbox"/> Trust		
S <input type="checkbox"/> Superfund		
G <input type="checkbox"/> Government Body		

If you wish to claim an exemption from quoting a tax file number(s), please indicate the type of exemption you wish to claim.

Age, service, invalid or veteran's pension     Other pension (e.g. wife, carer, widow)     Entity not required to lodge a tax return

If you are a non-resident or territory resident, we will deduct non-resident withholding tax from distribution returns paid to you providing that you have supplied us with your overseas or territory address. If we do not receive your overseas or territory address, we will be required to deduct tax from distribution returns paid to you, calculated at the highest marginal rate plus the Medicare Levy.

Please tick (✓) applicable box

Non-resident of Australia     Territory resident

Address

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

I/We authorise the application of this exemption to this and subsequent investment.

## **L** Your personal information

We, Adelaide Bank, collect your personal information to assess your application and to provide you with the product or service that you have requested. We may also use your personal information to carry out marketing activities, research and product development. We treat your personal information as confidential and only disclose it to others where necessary. For example, we usually disclose your information to organisations to whom we outsource functions such as mailing and printing houses, to IT providers, to account holders and operators and to your adviser or broker. Your information may also be disclosed to related companies within the Adelaide and Bendigo Bank Group, where its confidentiality is maintained at all times. We do not sell, rent or trade your personal information. In most cases you can gain access to your personal information. Should you wish to do so, or if you have any queries about your personal information, please contact us.

If you do not wish to receive offers unrelated to your Adelaide Bank product and services, please tick here.

## M Declaration and signatures

Please read the product disclosure statement before signing this form

I/We the undersigned:

1. Confirm that I/we have received, read and understood this PDS;
2. Agree to be bound by the provisions of the constitution of the Fund, and this PDS;
3. If an individual or joint investor, declare that I/we are 18 years of age or older;
4. Have the legal power to invest in accordance with the application and have received and completed this application in Australia;
5. Understand and acknowledge that investments in the Fund are not deposits with or other liabilities of the Bank or of any Adelaide or Bendigo Bank Group company, and are subject to investment risk, including possible delays in repayment and loss of income and capital invested;
6. Further acknowledge that neither the Bank, the Manager, or any company within the Adelaide or Bendigo Bank Group, guarantees the performance of the Fund nor the repayment of capital from the Fund;
7. Authorise the Manager and the Bank to provide a financial adviser, whose details appears on this form (or any new financial adviser that I/We have appointed and notified to the Manager), with Limited Operator Access to my account enabling them to access personal and financial information relating to my/our Application or account including copies of documents issued in relation to the account;
8. Agree that, in addition to receiving statements, transactions may be confirmed by telephone instruction by the Manager;
9. Agree to pay the Manager for any service(s) we request it to perform and authorise the Manager to redeem units from my/our investment account reflecting the cost of the service(s) for that purpose, the applicable fee for the service(s);
10. Declare that the information shown on this Application Form is true and correct.

Affix Seal here  
if required

### Applicant 1

Name

Corporate title (if applicable)

Signature

Date

### Applicant 2

Name

Corporate title (if applicable)

Signature

Date

## N Adviser use only

Adviser name

Firm name

Dealer group

State

Broker code

Client reference no

Adviser  
Stamp

Please remember to provide the AMF Yield Fund Distribution Rate Sheet to your client with Part A of the PDS.

By signing this section, I acknowledge and confirm that I have identified the customer(s) in accordance with the applicable 'Know Your Customer' requirements.

Signature

## (Office use only)

Customer number

Valid TFN/ABN

Yes

No

Scan number

KYC completed for all applicants and signatories  Yes

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# AMF Yield Fund Authorised Operator Form

Account name

Account number

## **A** Appointment of your financial adviser

### Full access

If you open your account through your financial adviser, they are automatically authorised as a Limited Access Operator on your account. You can use this form to increase the level of their authority by appointing them as a Full Access Operator.

Would you like to appoint your financial adviser whose stamp appears on this form, and their partners, officers, employees, agents and service providers to have Full Access Operator status on your account?

- Yes, I/We do wish to appoint my/our financial adviser whose stamp appears on this form to operate this account through their partners, officers, employees, agents and service providers.
- No, I/We DO NOT wish to appoint my/our financial adviser to operate this account.

### Modify access

- Please change my financial adviser/dealer group whose stamp appears on this form to have Limited Operator Access.

### Delete access

- Please cancel the authority of my financial adviser/dealer group

**Please note:** Cancelling financial adviser authority means they will no longer be noted on your account.

## **B** Appointment of other authorised operators

If you would like to appoint an alternative person as an authorised operator on your account, please complete all of the following details:

### Authorised operator 1

Individuals not residing in Australia are required to complete an additional KYC information form which is available on the Adelaide Managed Funds website: [adelaidemanagedfunds.com.au](http://adelaidemanagedfunds.com.au)

Please tick applicable box (✓)  Add  Modify  Delete

Title First name(s)

Last name

Residential address (PO Box is not acceptable)

Postcode

Contact number

Please tick (✓) required operator access level

- Full Operator  Limited Operator

Signature of Authorised Operator 1

### Authorised operator 2

Please tick applicable box (✓)  Add  Modify  Delete

Title First name(s)

Last name

Residential address (PO Box is not acceptable)

Postcode

Contact number

Please tick (✓) required operator access level

- Full Operator  Limited Operator

Signature of Authorised Operator 2

## Appointment of corporate entity as a Limited Access Operator

If you would like to appoint a corporate identity as a Limited Access Operator to this account please complete this section:

Corporate entity name

Address

Postcode

Contact number

(Limited access option only - Code 11)

- Duplicate statement required

## Estate of the late accounts only - full access operator appointment

- Yes, I/we authorise my/our financial adviser/broker whose stamp appears on this form to act as my/our agent and to be appointed as a Full Access Operator on this account. I/We also acknowledge that by appointing an agent that I/we will no longer have access to this account.

Please note, all executors must sign this form and will be removed from the account. All future requests must be facilitated via the appointed agent.

## C Account operating authority

Please indicate how you wish to operate your account  Any one of us to sign  All of us to sign

If you select 'any one of us to sign', each of you (including any person you appoint as an authorised operator) will be able to transact on or otherwise operate your account independently of the others.

If you select 'all of us to sign', you will not be able to operate your account without the written authority of all account holders. You can change the account operating authority at any time by written request signed by all account holders.

If you do not select an option we will assume that 'any one of us to sign' option will apply.

## D Declaration and acknowledgement

You should read and understand the PDS. In particular, your attention is drawn to the section of the PDS titled "Appointing an Authorised Operator" which outlines the powers of accounting operators, which includes the ability to close your account, change your account details, and withdraw some or all of your units to your nominated account.

I/We the undersigned:

1. Authorise each operator in this form to operate my/our account subject to the level of access specified for each operator in Section A and B, 2 and the instructions I/we have provided in Section C of this form;
2. Understand that any such appointment continues until I/we cancel the appointment by giving notice in writing to the Manager or the Bank;
3. Acknowledge that the instructions provided in this form supersede all prior authorities.

### Customer 1

Name

Corporate title (if applicable)

Signature

Date

### Customer 2

Name

Corporate title (if applicable)

Signature

Date

## E Adviser use only

Adviser name

Firm name

Dealer group

State

Broker code

Client reference no

Adviser  
Stamp

By signing this section, I acknowledge and confirm that I have identified the customer(s) in accordance with the applicable 'Know Your Customer' requirements.

Signature

## (Office use only)

Investment number

Signature verified

 Yes No

Scan number

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## DIRECTORY

### **The Manager**

Adelaide Managed Funds Limited  
ABN 81 062 274 533  
AFSL 240517

### **Registered office**

169 Pirie Street  
Adelaide SA 5000

### **Postal address**

Adelaide Managed Funds Limited  
Reply Paid 6632  
GPO Box 1048  
Adelaide SA 5001  
Telephone: 1800 224 124  
Fax: (08) 8300 6661  
Office Hours: 8am - 6pm (Central Standard Time)

### **Email address**

[enquiries@adelaidemanagedfunds.com.au](mailto:enquiries@adelaidemanagedfunds.com.au)

### **Internet address**

[adelaidemanagedfunds.com.au](http://adelaidemanagedfunds.com.au)

### **Alternative postal address for cheque deposits**

GPO Box 9987, in your capital city (your cheque must be accompanied by a personalised Deposit Form)



Adelaide Managed Funds Limited is a member of the Investment and Financial Services Association Limited.

Adelaide Managed Funds

A subsidiary of Adelaide Bank