

# { ADVANCE }

## { SHARIEMARKET FUND }

### { WHOLESale UNITS }

#### **PRODUCT DISCLOSURE STATEMENT (PDS)**

Issue date: 11 April 2008

This PDS is only for use by investors investing through an IDPS.

Issuer of this PDS and Responsible Entity of the Fund:

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**ADVANCE**  
A member of the St. George Group  
INVESTIGATE



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## **ADVANCED THINKING...**

Advance is the funds management arm of St.George. Since 1984, Advance has partnered with some of the smartest names in funds management – offering a distinct difference for clients through our unique suite of multi-manager and single manager investment solutions. These include single-sector and diversified investment funds, plus superannuation and retirement solutions.

Using a rigorous thinking approach, Advance hand picks the best performing fund managers from the global markets, provides clients a selection of fund managers and leading experts, and identifies and packages the perfect combination of fund managers.

We do the ground work so that when you invest, you can do it with peace of mind.

# Important information

## WHAT IS AN IDPS?

The term IDPS stands for 'Investor Directed Portfolio Service' and means an investment and reporting service operated by a master trust, wrap account or similar plan.

## WHAT HAPPENS WHEN YOU INVEST THROUGH AN IDPS?

When you invest through an IDPS you are investing indirectly in the Fund and, as such, you do not become a unit holder in the Fund.

This means you do not have the right to attend meetings of unit holders and you will not receive income, reports or other documentation from Advance in respect of the Fund. These are provided to you by your IDPS operator, who is the unit holder and is referred to as the 'unit holder' in this PDS. Issues relating to your investment in the Fund including when you wish to make additional investments, withdraw your investment, or transfer your investment, should be directed to your IDPS operator.

## THIS PDS IS AN IMPORTANT DOCUMENT, WHICH SHOULD BE READ BEFORE MAKING A DECISION TO INVEST IN THE ADVANCE SHAREMARKET FUND – WHOLESALE UNITS ('FUND').

Advance is a related company of St.George Bank Limited ABN 92 055 513 070 AFSL 240997, and a member of the St.George Group.

Investors, on directing the IDPS operator to invest in the Fund, should be aware that:

- An interest in the Fund is not a bank deposit or bank security. It is an interest in a managed investment scheme as defined in the Legislation and is subject to investment and other risks, including the possibility of delays in withdrawal proceeds in some circumstances or even income or capital losses.
- Neither Advance Asset Management Limited, St.George Bank Limited nor any other member of the St.George Group in any sense guarantees the capital value or performance of units in the Fund. Apart from Advance Asset Management Limited in its capacity as Responsible Entity, neither St.George Bank Limited nor any other member of the St.George Group has any liability at all in connection with the Fund or any statement or information contained in this PDS.

These statements in no way limit disclaimers elsewhere in this PDS.

In this PDS, 'ABN' means Australian Business Number, 'Advance' means Advance Asset Management Limited ABN 98 002 538 329 AFSL 240902 who is the issuer of this PDS, 'AFSL' means Australian Financial Services Licence number, 'Constitution' means the deed of the Fund (as amended from time to time), 'Fund' means the Advance Sharemarket Fund (ARSN 088 536 832) available through this PDS through an IDPS, 'Legislation' means the Corporations Act 2001 (Cth) and regulations, as relevant and as amended or updated from time to time and any other applicable statutory or regulatory instrument, 'St.George Bank' means St.George Bank Limited ABN 92 055 513 070 AFSL 240997, 'St.George Group' is used to describe St.George Bank and its wholly owned subsidiaries, 'unit holder' means the IDPS operator acting on your behalf, 'we'/'our'/'us' means Advance and 'you'/'your' means an investor or a potential investor in the Fund, investing through an IDPS. Advance agrees to the use of this PDS by IDPS investors only. Advance accepts no responsibility for any aspect of the IDPS or (without limitation) for any failure on the part of the IDPS in respect of its administration, payment of income or other distributions, payment of withdrawal proceeds, fees charged or the efficiency or viability of the IDPS. Specifically, Advance's consent to permit naming of the Fund in the PDS issued by the IDPS does not signify any endorsement of or support for that IDPS by Advance.

The information in this PDS is general information only and does not take into account your individual objectives, financial situation or needs. Consequently, you should consider whether the information in this PDS is appropriate for you in light of your individual objectives, financial situation or needs before making a decision to invest in the Fund. To obtain investment advice on the Fund offered through this PDS you should consult a financial adviser who is an Australian financial services licensee or an authorised representative. The offer made through this PDS is only available to persons receiving this PDS (including an electronic version) in Australia. If you are in possession of this PDS outside Australia, you should seek advice regarding restrictions on investing. Failure to comply with relevant restrictions may violate laws.

Future returns can vary from past returns. You should not solely base your decision to invest in the Fund on past returns. Advance may update past return figures and other details (including terms and features of the Fund when Advance is so permitted under the PDS or the Fund's Constitution) that are not materially adverse without issuing a Supplementary PDS. You can obtain this updated information free of charge by contacting the IDPS operator or our Contact Centre on **1800 819 935** or by visiting **advance.com.au**

We may charge you for further information depending on what type of information you request. All persons and entities named in this PDS have consented to the statements relating to them in this PDS in the form and context in which they are included and have not withdrawn this consent before the date of this PDS.

# An introduction

## HOW WE SELECT THE SPECIALIST INVESTMENT MANAGER

Our investment team makes a stringent, detailed assessment of the managers behind each of our funds. We regularly meet with the managers and conduct an intense investigation of everything from their investment philosophy and current market views to how well the team is working together or how they would react in periods of high volatility.

When choosing a manager, we review:

- investment style and process,
- their consistency in applying that style and process,
- the proficiency and experience of their investment team,
- whether they have strong risk management controls in place,
- past performance and attribution, and
- their potential to add value over the long term.

## WORKING WITH THE SPECIALIST INVESTMENT MANAGER

We are responsible for deciding how funds are allocated to the investment manager, and we set the performance objectives and risk management guidelines. Once we allocate funds to the investment manager, they decide the specific investments they will make.

## CONTINUAL REVIEW

Our research team formally reviews each manager every quarter on a variety of levels:

1. Their performance in relation to our investment expectations.
2. Whether they are holding 'true to label' – managing the investment allocation as per the agreed investment philosophy, process and style.
3. Staff stability – assessing reasons for increased turnover, remuneration developments and overall resource adequacy.

## HOW THE FUND WORKS

The Fund is a registered managed investment scheme. This means that investors' funds are pooled and managed in accordance with a set objective and strategy. An investor acquires interests in the Fund in the form of units. When you invest in the Fund through this IDPS, the IDPS operator will do so on your behalf and will be issued with units. The Constitution of the Fund allows for more than one class of units to be offered to investors. The rights of investors in different classes of units may vary.

Please note: A unit does not give the IDPS operator any direct interest in any underlying asset in the Fund.

## DERIVATIVES

Under the terms of the Constitution, we may invest in options, futures and other derivative contracts.

The underlying investment manager may use derivatives such as futures, options and other derivative contracts to:

- help protect the Fund against possible changes in the market value of investments, or
- achieve desired investment positions without actually buying or selling the physical asset.

Losses as well as gains are possible on these contracts. Advance does not use derivatives to leverage the Fund.

## BORROWINGS BY THE FUND

Whilst the Constitution for the Fund allows borrowing, it is currently our intention that the Fund will not borrow other than to meet short-term cash requirements.

## **CHANGES TO THE FUND**

We may close the Fund, change the rules that govern the Fund or alter its investment objective, strategy or underlying investment manager at our discretion. We will provide the IDPS operator with notice of such changes as required by contractual obligation or Legislation.

We will notify the IDPS operator of any material change or significant event in relation to the Fund and/or its investment objective and/or strategy. If we consider the change or event is adverse to unit holders, we will notify the IDPS operator as required by contractual obligation or Legislation, but in any event within three months. If the change or event is not considered adverse, we will notify the IDPS operator of the change or event within 12 months. If the change is an increase in fees or charges, we will give the IDPS operator advance notice of 30 days in writing.

## **OTHER CONSIDERATIONS**

Our priority is to maximise returns with an acceptable level of risk.

We don't make investment decisions or appoint investment managers based on labour standards, environmental concerns and social and ethical considerations.

The underlying investment managers we select may have their own policies to determine if these issues are taken into account when making investment decisions, however, we don't require them to.

# Fund profile

## ADVANCE SHAREMARKET FUND – WHOLESALE UNITS – APIR ADV0066AU

Investment objective <sup>1</sup>	To provide long term capital growth by investing from a diversified portfolio of Australian shares. The Fund aims to provide investors with a total investment return (before fees and taxes) that outperforms the S&P/ASX 200 Accumulation Index over five years or longer.			
Investment strategy	To invest in a wide range of Australian shares listed or expected to be listed on the Australian Stock Exchange.			
Investment timeframe <sup>2</sup>	5 years +			
Investment management <sup>3</sup>	Maple-Brown Abbott Limited			
Asset sector ranges (%) <sup>4</sup>	<b>Min.</b>	<b>Max.</b>		
	Australian shares	95.00	100.00	
	Cash	0.00	5.00	
Fund size <sup>5</sup>	\$78.00 million			
Distribution period	Quarterly (Mar, Jun, Sep, Dec)			
Performance (%p.a.) <sup>6</sup>	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	
	Growth	-0.77	-0.60	4.24
	Distribution	10.41	17.13	13.26
	Total	9.64	16.54	17.50

1. Statements regarding the performance objectives of the Funds are aims only, not forecasts or guarantees. These objectives may not be achieved.
2. The investment timeframe is a suggestion only. You should review your investment in the Fund regularly to ensure it meets your investment needs.
3. Advance has the right to add or remove an investment manager at any time without prior notice to the unit holder and you.
4. The asset sector ranges for each asset sector may be exceeded from time to time due to a number of factors such as large inflows into the particular Fund or through significant market movements. We aim to maintain the Fund's exposure within these ranges over the long term.
5. As at 31 December 2007. Up-to-date information can be obtained from [advance.com.au](http://advance.com.au) or our Contact Centre on **1800 819 935**.
6. Performance figures are annualised returns as at 31 December 2007, and are calculated using withdrawal unit prices and assume that income is reinvested. Ongoing management costs and expenses have been taken into account. No allowance has been made for Contribution (or entry) fees or taxes. Total return figures include realised capital gains, unrealised capital gains as well as distributed and undistributed income. Past performance is not indicative or a guarantee of future performance.

# Understanding investment risk

## WHAT ARE THE SIGNIFICANT RISKS?

All investments carry some level of risk. In investment terms, risk is the variability in short term returns and the potential to lose your capital. There is also a risk that the investment manager may not perform according to expectations.

The value of your investment may be affected by factors such as:

- financial market volatility,
- economic cycles,
- political events,
- legislation,
- tax,
- interest rates,
- exchange rates, and
- individual company factors.

Investment risk means it is not possible to predict the returns that the Fund will achieve. Investment returns are not guaranteed and past performance is not an indicator of future performance.

Generally, the higher an investment's expected return, the higher the expected risk. Shares are generally considered more volatile (that is, they are likely to experience greater fluctuations in value) than property, while property is generally more volatile than fixed interest and cash. Higher risk asset sectors such as shares and property have historically produced higher long term returns than fixed interest and cash.

## HOW TO REDUCE INVESTMENT RISK

There are two main ways in which you can reduce investment risk:

### 1. Investing for an appropriate length of time

The longer you hold an investment in a growth asset such as shares, the greater the chance of riding out short-term market fluctuations.

### 2. Diversification

Different types of investments perform differently under different market conditions. Diversifying investments across asset sectors and within asset sub sectors can reduce investment risk.

## SPECIFIC RISKS OF INVESTING

**Individual investment risk** – Assets held by the Fund may fall in value for many reasons such as a change in the internal operations or management of a fund or company invested in or in its business environment. A change in the value of individual investments can also arise should dividend payments change.

**Market risk** – Assets held by the Fund are all exposed to some level of market risk. Market risk is not stock specific. It is the risk derived from macro-economic factors and events that affect the market as a whole. Economic, technological, political or legal conditions, and even market sentiment, change and this can mean that the value of investment markets change affecting the value of the assets held by the Fund. These factors include shocks to the economy such as a spike in the oil price, terrorist threats, political elections, environmental catastrophes and changes to monetary and/or fiscal policy.

**Interest rate risk** – Changes in interest rates can have a positive or negative impact directly or indirectly on the investment value or returns of the assets held by the Fund. For example, the cost of a company's borrowing can decrease or increase.

**Erosion in real values** – The value of certain assets held by the Fund may be eroded through inflation or changes in interest rates.

**Currency risk** – The Fund invests in companies with exposure to other countries. If there is a change in the relative value of the Australian dollar to other currencies, the assets of the Fund can decrease or increase in value.

**Derivatives risk** – See 'Derivatives' on page 3. Risks associated with derivatives include the value of the derivatives failing to move in line with the underlying asset, potential illiquidity of the derivative, the Fund may not be able to meet payment obligations as they arise, and counter party risk (this is where the counter party to the derivative contract cannot meet its obligations under the contract). In futures markets, counter-party risk is removed as a clearing house (usually an exchange) assumes the counter-party role.

**Fund risk** – Risks specific to the Fund include closure to new investments or termination, replacement of the Responsible Entity and/or our investment manager could change and/or not meet expectations. There is also a risk that investing into the Fund may give different results than investing directly due to the accrual of income or capital gains and the cash flow effect as other investors make contributions or redeem out of the Fund.

**Changes to Legislation** – Changes can be made to the Legislation, which may affect your investment in the Fund.

**Changes to taxation** – Changes can also occur to the Australian taxation legislation, which may affect the value of your investment in the Fund.

**Changes in personal factors** – Changes in your personal situation may affect the suitability of the investment for each investor, such as changes in your investment objectives, personal borrowings, personal financial situation or individual needs.

**Regulatory risk** – A government or regulator may affect the value of securities that the Fund invests in by introducing regulatory or tax changes.

### IMPORTANT NOTE

Your investment in the Fund is not guaranteed. The value of your investment can rise and fall in line with the changing value of the underlying investments.

It may be useful to consult your financial adviser especially in the case of a market downturn to ensure this investment is appropriate to your needs.

## ASSET SECTOR BENEFITS AND RISKS:

The table below lists the benefits and risks of the underlying asset sectors in which the Fund invests:

Asset sector	Benefits	Risks
Australian shares	<p>Shares represent part ownership of a company and are generally bought and sold on a stock exchange. Returns from shares can include both capital growth and an income component from dividends paid by the company. Imputation credits attached to some dividend payments may offset other taxes payable.</p> <p>Investing in Australian shares gives investors the opportunity to benefit from the performance of Australian companies across a wide range of industries such as banking, health care and information technology.</p>	<p>Shares are generally classified as more volatile than other asset sectors because their value tends to fluctuate over the short term. However, over the longer term, shares have tended to perform better than other asset sectors.</p> <p>The specific risks of investing in shares include that the company, or the industry in which it operates, may not perform as well as expected or that there may be adverse changes in a company's financial position.</p>
Cash	<p>Cash investments are held in cash securities such as term deposits and bank bills, which can be up to one year in duration. Investing in cash provides a high level of security and the lowest level of risk.</p> <p>It can be used by the more conservative investor or those with shorter investment timeframes.</p>	<p>Whilst cash produces the most stable investment returns when compared to other asset sectors, there is limited scope to generate higher long term returns relative to growth assets.</p> <p>There is also a risk that cash returns will not keep pace with inflation.</p>

# Fees and other costs

The following statement is prescribed by current Legislation.

## 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 2.00% of your fund balance rather than 1.00% could reduce your final return by up to 20.00% 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** ([www.fido.asic.gov.au](http://www.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 investment, from the returns on your investment or from the assets of the Fund as a whole. All fees and charges described in the following fee information table are inclusive of GST, after the benefits of Reduced Input Tax Credits have been taken into account. Taxes are set out in another part of this document.

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

Please note: These fees do not take into account any rebates that we may provide to the IDPS operator, which may be passed on to you, or include any additional fees that may be charged by the IDPS operator.

In line with ASIC policy on differential fee arrangements, fees may be negotiated on an individual basis with 'wholesale clients' (within the meaning of the Corporations Act).

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
<b>FEES WHEN YOUR MONEY MOVES IN OR OUT OF THE FUND</b>		
<b>Establishment fee</b> <i>The fee to open your investment.</i>	n/a	n/a
<b>Contribution (or entry) fee<sup>1</sup></b> <i>The fee on each amount contributed to your investment.</i>	n/a	n/a
<b>Withdrawal fee</b> <i>The fee on each amount you take out of your investment.</i>	n/a	n/a
<b>Termination fee</b> <i>The fee to close your investment.</i>	n/a	n/a
<b>MANAGEMENT COSTS</b>		
<b>Management fee<sup>1</sup></b> <i>The fees and costs for managing your investment.</i>	0.82% p.a. of the net asset value <sup>2</sup> of the Fund.	The Management fee is deducted from the Fund prior to a unit price being determined. It is accrued on a daily basis and paid from the Fund on a monthly basis.
<b>SERVICE FEES</b>		
<b>Investment switching fee</b> <i>The fee for changing funds.</i>	n/a	n/a

1. This fee may include an amount payable to a financial adviser. [See 'Adviser remuneration' under the heading 'Additional explanation of fees and costs' on page 10]. The Constitution of the Fund allows for a Contribution (or entry) fee of up to 6.00% but this is not currently payable.

2. The net asset value of a fund is the value of its assets less liabilities (for example, less tax).

## EXAMPLE OF ANNUAL FEES AND COSTS FOR THE ADVANCE SHAREMARKET FUND

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

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### EXAMPLE – ADVANCE SHAREMARKET FUND – WHOLESALE UNITS

Balance of \$50,000 with a contribution of \$5,000 <sup>1</sup> during the year		
<b>Contribution fee</b>	nil	For every \$5,000 <sup>1</sup> you put in, you will be charged \$0.
<b>PLUS Management costs</b>	0.82%	And, for every \$50,000 you have in the Fund you will be charged \$410 each year.
<b>EQUALS Cost of Fund</b>		If you put in \$5,000 <sup>1</sup> during the year and your balance was \$50,000, then for that year you will be charged:  <b>\$410</b>  What it costs you will depend on the Fund you choose and the fees you negotiate with your financial adviser.

1. This amount is prescribed by Legislation.

Please note: Transaction costs may apply to this Fund. See page 10.

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# Additional explanation of fees and costs

## CONTRIBUTION (OR ENTRY) FEE

There is currently no intention for this fee to be charged for the Fund described in this PDS. The Constitution for the Fund limits the maximum Contribution (or entry) fee we can charge to 6.00% (excluding GST). If charged, it will be payable as a percentage of each amount contributed into the Fund and the balance invested as instructed by the IDPS operator.

## MANAGEMENT COSTS

### What Management costs include

**Management fee** – charged as a percentage of the value of the Fund. It is accrued daily and paid from the Fund on a monthly basis. The Constitution limits the Management fee for the Fund to a maximum of 2.00% p.a. (excluding GST).

We are entitled to be reimbursed from the Fund for authorised expenses incurred in its management and administration. Currently routine Fund expenses including trustee, registry, custodian, accounting, audit and legal expenses (excluding Transaction costs, see below) are paid out of our Management fee. If extraordinary or unusual expenses are incurred, we may choose to recover costs from the Fund and this will be reflected in the unit price of the Fund.

## TRANSACTION COSTS

In managing the assets of the Fund, the investment manager may incur transaction costs such as brokerage, settlement costs, clearing costs and applicable stamp duty when underlying assets are bought and sold. This generally happens when the assets of a Fund are changed or when there are net cash flows into or out of the Fund.

Transaction costs will be charged in the form of 'buy and sell spreads'. These costs are determined after the daily unit price is calculated and are applied either in addition to the daily unit price for investments or deducted from the daily unit price for redemptions. The buy and sell spread is an additional cost to you and is paid to the Fund.

The table below shows the transaction costs that apply for the Fund and the percentage applicable on the date of issue of this PDS.

Fund	Transaction costs on buying or selling (%)
Advance Sharemarket Fund	0.25

In dollar terms a \$50,000 investment in, or withdrawal from, the Fund would incur a transaction cost of \$125 (calculated as  $\$50,000 \times 0.25\%$ ).

## IMPORTANT ADDITIONAL DISCLOSURE

We may increase our fees or charges from time to time. We will provide your IDPS operator with advance notice of 30 days in writing of any increase.

## ADVISER REMUNERATION

We may pay a commission of up to 0.20% p.a. to dealer groups for recommending the Fund to you. These payments may be on a once off basis or ongoing. They are paid from our Management fee and are not an additional charge to you.

## PAYMENTS TO PLATFORMS

In addition, we may also enter into a variety of arrangements with IDPS operators that may involve us making payments to these operators in return for offering the Fund on their platform. Such payments may be product access payments of up to \$100,000 p.a. and/or ongoing fund manager payments of up to 0.65% p.a. of the funds invested through the relevant platform. These payments are paid out of our fees and are not an additional cost to you.

## ALTERNATIVE FORMS OF REMUNERATION REGISTER

Advance is a member of the Financial Planning Association (FPA) and Investment and Financial Services Association (IFSA) and as such is required to keep a register on alternative forms of remuneration. We record information about material forms of alternative remuneration (\$300 per item or more) that are paid and/or received by fund managers, product providers, or financial advisers or their representatives.

The register is publicly available for inspection. A copy of Advance's register can be obtained by calling our Contact Centre on **1800 819 935**.

# Investing in the Fund

## HOW TO INVEST

To invest in the Fund, complete the documents provided by the IDPS operator. You do not need to complete any of our forms. The IDPS operator will then apply to invest in the Fund on your behalf.

When the IDPS operator's application is accepted and we receive the corresponding monies, a number of units (in a class of units offered in the Fund you are investing in) will be allocated to the IDPS operator's account. The number of units is based on the amount of the investment, less any Contribution (or entry) fee payable to the IDPS operator and the current application unit price. The value of the investment at any time is calculated by multiplying the number of units held by the IDPS operator by the Fund's current withdrawal unit price.

$$\text{Value of the investment} = \text{Number of units held} \times \text{Withdrawal unit price}$$

## UNIT PRICES

The unit price for the Fund is determined each business day by dividing the net asset value of the assets held in the Fund by the number of units on issue (adjusted for any transaction costs). Unit prices are calculated to four decimal places. The daily unit price reflects changes in the value of underlying assets held in the Fund (and therefore may rise and fall), plus investment income, less Management Costs and any taxes we are required to deduct. Underlying assets are valued at market prices.

Our Unit Pricing Discretions Policy sets out the discretion that Advance as responsible entity may exercise when calculating unit prices under the Fund's constitution and how that discretion is exercised. You can obtain a copy of the Unit Pricing Discretion Policy free of charge by calling our Contact Centre on **1800 819 935**.

## HOW WE PROCESS TRANSACTIONS

Where we receive an application and corresponding monies or withdrawal request from your IDPS operator in our Perth office by noon (Perth time) the instruction will receive the unit price calculated for that day. Any discretion involved in applying the method for determining the unit price is exercised in accordance with the Unit Pricing Discretion Policy.

Where our Perth office receives an application or withdrawal request after noon (Perth time) it will not be processed until the following business day and the unit price for that day will apply.

Advance may decline to accept all or part of an application without giving reason.

## DISTRIBUTIONS

The type of distribution received will depend on the performance of the Fund's underlying assets.

Distributions could comprise:

- income (such as dividends and interest),
- realised capital gains from the sale of the Fund's underlying assets (including CGT concession amounts),
- tax credits (such as imputation credits attached to dividend income and credits for tax paid on foreign income),
- return of capital,
- tax-deferred amounts (these amounts are generally subject to special taxation treatment).

The amount of income distributed is calculated according to the number of units held in the Fund as a proportion of the total number of units on issue in the Fund at the end of the distribution period, regardless of how long they have been held.

There may be times when the Fund does not generate enough income to pay a distribution.

Any realised capital gains are usually only distributed at the end of the financial year. Advance may use its discretion to distribute realised capital gains at the end of any distribution period.

In general, we pay distributions to the IDPS operator within 30 days of the end of the distribution period (refer to the Fund Profile on page 5 for details on the distribution period for the Fund).

The IDPS operator may pay distributions at times that vary from the above. Refer to your IDPS operator for further information.

## **WITHDRAWALS**

The IDPS operator can at any time request the withdrawal of any or all units by forwarding to Advance a written withdrawal request.

We generally pay withdrawals within five business days after we receive a written request in our Perth office, although the Constitution permits up to 30 days for the Fund.

We will deduct any taxes or duties or other applicable costs we are required to from the amount we pay the IDPS operator as required or permitted by Legislation.

We will divide the withdrawal amount by the current unit price on the day on which the withdrawal is processed to determine the number of units to be redeemed.

Advance may, at its absolute discretion and as permitted by Legislation, nominate any part of the withdrawal proceeds of any units to be taxable income, where it is necessary to ensure that the taxable income of the Fund is distributed equitably amongst the unit holders in the Fund at the end of each distribution period and those who withdraw during that period. Advance expects to take this action only in unusual circumstances, such as significant withdrawals occurring in any single distribution period.

## **SUSPENSION OF WITHDRAWALS**

Under the Fund's Constitution, we may suspend withdrawals in unusual circumstances such as where it is impractical to process withdrawals (for example where financial markets are closed or their operation is significantly impacted) or where we consider it to be in the interests of all unit holders. We may suspend withdrawals for up to 60 days.

For withdrawals lodged during a suspension period, withdrawal values will be calculated and paid as if the withdrawal was lodged immediately after the end of the suspension.

# Taxation

The following information is a general summary only in relation to Australian resident investors and is current as at the date of this PDS.

An Australian resident investor in a Fund is generally taxed on the following:

- distributions of income (including realised capital gains); and
- gains from disposal of units in the Fund.

Distributions of income comprising assessable amounts should be included in your taxable income in the year to which the distribution relates. The tax you pay will depend on the composition of the distribution.

Upon disposal of units, whether by withdrawal or transferring, you must include any realised capital gains or losses on the disposal of units in the calculation of your net capital gain for the year. This net capital gain should be included in your assessable income.

We recommend you obtain financial or tax advice relevant to your particular circumstance before investing in this Fund.

# Additional information

## OUR ROLE AS RESPONSIBLE ENTITY

Advance is the Responsible Entity for the Fund. As the Responsible Entity, we are responsible for the day to day administration of the Fund and for ensuring it complies with its Constitution and the Legislation. This responsibility includes the establishment, implementation and monitoring of the Fund's investment objective and strategy.

## THE CONSTITUTION

The Fund is governed by a Constitution, which sets out rules covering:

- our powers, rights and duties as the Responsible Entity (including the right to fees, recovery of expenses and indemnification),
- our remuneration,
- unit holders' rights and obligations,
- liability of unit holders and the Responsible Entity,
- issue and redemption of units,
- distributions and distribution reinvestment,
- authorised investments of the Fund,
- how assets and liabilities of the Fund are valued,
- how the net asset value of the Fund is determined,
- how the Fund may be terminated,
- how we may be removed or replaced as Responsible Entity.

We may vary the Constitution without unit holders' consent if we, as the Responsible Entity, reasonably believe that the variation will not adversely impact unit holders' rights. Otherwise we must obtain unit holders' approval in accordance with the Legislation. You can view a copy of the Constitution for the Fund at our registered office during business hours or we will provide you with a copy free of charge on request. For a copy please call our Contact Centre on **1800 819 935**.

## COOLING-OFF

As you are investing through an IDPS you should consult the IDPS operator in relation to cooling-off rights that may apply to your investment in the IDPS.

## YOUR IDPS OPERATOR'S RIGHTS AS AN INVESTOR

The rights of a unit holder in the Fund are governed by the Constitution of the Fund and the Legislation. The IDPS operator has identical rights for each unit it holds in the Fund.

This includes the right to:

- receive distributions (where applicable),
- receive copies of accounts and other information for the Fund,
- attend and vote at unit holder meetings,
- receive a share of distributions if the Fund is terminated,
- transfer units to any other entity.

The IDPS operator does not have the right to participate in the management or operation of the Fund.

Under the Constitution, the IDPS operator's liability is limited to the amount invested in the Fund. You should be aware that the effectiveness of such a limitation is yet to be conclusively determined by the courts.

## OUR RELATIONSHIP WITH ST.GEORGE BANK

Advance is a wholly owned subsidiary of St.George Bank. St.George Bank provides certain advisory and administrative services to us. We may also place a Fund's cash on deposit with St.George Bank.

Asgard Capital Management Limited (Asgard) ABN 92 009 279 592 AFSL 240695, a subsidiary of St.George Bank, provides administrative services to us such as registry and unit holder reporting. Any fees we pay to St.George Bank or Asgard are paid by us out of our Management fee and are not an additional charge to you.

## INTERFUNDING AND RELATED PARTIES

The Fund may acquire investments directly or may invest in other funds, including any Fund we manage. Member companies of the St. George Group, their employees, and any other fund we manage may invest in the Fund.

## CONTINUOUS DISCLOSURE

The Fund offered in this PDS may be subject to certain regular reporting and disclosure requirements under Legislation.

You can obtain the following information or documents from us:

- the most recent annual financial report lodged with ASIC for the Fund,
- any half year financial reports lodged with ASIC for the Fund after the lodgement of the above annual financial report and before the date of this PDS,
- any continuous disclosure notices provided by us for the Fund.

You can inspect or obtain copies of the documents lodged with ASIC in relation to the Fund from any ASIC office.

We can also send you copies of these documents (free of charge) if requested.

## COMPLAINT RESOLUTION

As you are investing through an IDPS, you should consult the IDPS operator if you have a complaint about your investment. If the issue remains unresolved you should contact the complaints scheme of which the IDPS operator is a member.

If your IDPS operator wishes to make a complaint, they can contact us. We will acknowledge any complaint in writing to your IDPS within five business days and respond in writing within 45 days.

## PRIVACY

As you are investing through an IDPS, we will not receive or hold any personal information about you. Please contact your IDPS operator for details on how your personal information is dealt with.

If we do receive any personal information we will deal with it in accordance with our Privacy Policy available on [advance.com.au](http://advance.com.au), by calling our Contact Centre on **1800 819 935** or by written or faxed request. Our contact details are set out on the back cover of this PDS.

# How to find updated information

Information in this PDS about the Funds may change from time to time and, if not materially adverse, will be updated and made available through your IDPS operator, on [advance.com.au](http://advance.com.au), by calling our Contact Centre on 1800 819 935, faxing us on 08 9481 4318, or writing to us at:

**Advance Asset Management Limited**  
PO Box B87  
Perth WA 6838

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## **DIRECTORY**

**Contact Centre:**

1800 819 935

**Email address:**

[investorservices@advance.com.au](mailto:investorservices@advance.com.au)

**Address:**

Advance Asset Management Limited

PO Box B87

Perth WA 6838

**Fax:** 08 9481 4318

**Internet address:**

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

**Head office:**

Advance Asset Management Limited

Level 5, 182 George Street

Sydney NSW 2000