

New entry and exit conditions apply when investing in Australian Securities Funds

Minimum Investment Entry	
Australian Securities Fund	Minimum Investment
Term Fund	\$10,000
Income Fund	\$50,000
Property Fund	\$100,000

Term Fund - Entry/Exit Conditions

Term Fund is not a Cash Management Account because each investment requires:

- Initial 90-day minimum term before the deposited amount becomes an “at call” to be withdrawn;
- A 14-day withdrawal notice is required to withdraw after the initial 90 days.

Term Fund Members can make additional deposits on the same withdrawal conditions for each subsequent deposit.

Monthly interest¹ is paid on the daily credit balance for the investor. Early redemptions are not permitted.

Investment below \$10,000 will be permitted in the Term Fund for Members already holding minimum amounts in the Income Fund or Property Fund.

Early redemption restrictions do not apply to investors moving funds from the Term Fund into a new investment in the Income Fund or Property Fund.

¹ Term fund daily rate varies from a number of factors relating to mortgage interest rates, term deposit rates and cash retained for liquidity. The minimum target rate is Cash Target rate plus 1% Example Current CTR (0.75%) + 1% = 1.75%



Income Fund - Entry/Exit Conditions

The Income Fund bundles contributory investors together into a new mortgage or rolled over mortgage securities with a \$50,000 minimum investment. Priority is given to investors having minimum funds in the Term Fund identified for investment in the next available mortgage security maturing or due for rollover.

Interest Reinvestment

Investors may have their interest automatically credited into the Term Fund if the investor has a \$50,000 minimum credit balance in the Term fund or interest transferred is a minimum \$10,000.

Assurance Funding

Assurance funding continues to assure T1 investors of a regular income from their investment.

T2 Investors

T2 Investments are available to existing T1 investors who have a \$200,000 minimum invested in T1 investments.

T2 amounts have a minimum amount of \$10,000 and a maximum amount of \$20,000. The T2 maximum cap can rise above \$20,000 when the T2 investor holds an amount that is equal to or higher than 5 times the T2 investment in T1 sub scheme relying on the T2 contribution. T2 investors have no access to assurance funding but will be paid the higher interest rate from any default recovery and take after the payment of all T1 entitlement to any proceeds of sale.

Principal Reinvestment

Funds being repaid to an investor from any sub-scheme will be paid to their nominated bank account. Investors requiring their funds to be reinvested in another Income Fund mortgage security may nominate the Term Fund to earn the variable monthly interest rate pending the new mortgage security.

DISCLAIMER

Australian Securities limited holds a Australian Financial Services Licence to be the Responsible Entity and Custodian to the Australian Securities Income Fund, the Australian Securities Property Fund and the Australian Securities Term Fund. Each of these Funds has a Product Disclosure Statement | PDS |. Investments in these funds are accepted only on signed request of an investor on the PDS Application form accepting PDS terms and conditions for investment.

Australian Securities Limited also holds an Australian Credit Licence to be a Credit Provider. The contents of this newsletter contain data from ASL records and may identify ASL sub schemes and investment products. ASL does not provide investment advice and recommends investors seek financial advice from a person holding an Australian Financial Advisers Licence.

New Product Disclosure Statements for the Income Fund, Term Fund and Property Fund will replace existing paper and electronic versions from 15 November 2019.

Updated versions can viewed or downloaded from our website www.australiansecurities.com.au after this date.



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