

Australian Securities Term Fund

# Product Disclosure Statement

[ARSN 1605 224 600]

Issued 1 December 2023



**AUSTRALIAN  
SECURITIES**

# The Australian Securities Term Fund

“Australian Securities Limited is a fund manager whose origins date back to 1925 with experience in financial services and investment. The Australian Securities Term Fund gives investors access to a diversified investment pool, spread across mortgage securities and cash equivalent investments. Providing higher short-term returns on short-term investments and regular cash flows from monthly income payments.

The Australian Securities Term Fund invests in a range of Australian diversified first mortgage securities, where the Loan to Valuation ratio is below 66% and a range of cash equivalent investments with approved credit ratings from S&P, Moody’s and authorised deposit taking institutions protected by Australian Government’s Financial Claims Scheme.”

# Product Disclosure Statement

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# An Introduction to Australian Securities Term Fund

‘The Fund offers Investors the opportunity to invest in a diversified fund comprising mortgage securities and cash equivalent investments.’

**Product Name and issuer**

Australian Securities Term Fund ARSN 605 224 600 | the Fund | issued by Australian Securities Limited (ACN 005 428 231) (AFSL 260499) on 1 September 2023.

**Investment type**

The Fund offers Investors the opportunity to invest in a diversified fund comprising mortgage securities and cash equivalent investments.

**Objectives**

The Fund has been registered to meet the additional investment needs of investors seeking short-term higher investment return using ASL’s conservative prudential investment principles.

The key objectives of the Fund are to provide Investors:

- Regular interest returns paid monthly in arrears;
- A diversified investment comprising a mixture of first mortgage securities and cash equivalent investments; and
- A low-cost investment structure.

**Investment Strategy**

The Fund’s investment strategy is to invest in:

- a range of diversified first mortgage securities across Australia where the Loan to Valuation ratio does not exceed 66%; and
- a range of cash equivalent investments with approved credit ratings from S&P, Moody’s and authorised deposit taking institutions protected by the Australian Government’s Financial Claims Scheme.

**Investment timeframe**

Investors are able to withdraw their investment on 14 days notice after the initial 90 days investment or shorter terms if the withdrawal is made to invest in the Australian Securities Income Fund or Australian Securities Property Fund.

**Withdrawals**

Investments will be processed by ASL to meet the investment timeframe for an investment in the Australian Securities Income Fund [ASIF] or Australian Securities Property Fund [ASPF] otherwise each amount deposited after 90 days may be withdrawn by the investor giving ASL 14 days notice.

**Deposits and withdrawals**

Minimum initial investment	\$10,000
Minimum withdrawal	\$10,000

**Distributions**

Income Distributions will be payable monthly in arrears.

**Key Benefits**

The key benefits of investing in the Fund are:

- A fund manager whose origins date back to 1925 with experience in financial services and investment;
- Potential to earn higher short-term investment returns;
- Access to a diversified investment pool spread across mortgage securities and cash equivalent investments;
- Regular cash flows from monthly income payments;
- Opportunity to earn monthly interest on investments pending investment in ASIF or ASPF.

**Mortgage Security Summary**

The investor receives an investment summary containing a summary of the sub-scheme investment, copy mortgage, title, valuation, and if a nominee investment - trust declaration stating your member information, within 30 days of registration of the mortgage on the security.





### Fees and costs

<b>ENTRY FEE</b>	<b>Nil</b>
Withdrawal fee is payable only if an investor withdraws within 90 Days and does not invest in ASIF or ASPF	<b>2.00%</b>
Management fee (on gross assets)	<b>0.80%</b>
<b>EXIT FEE</b>	<b>Nil</b>

### Responsible Entity and Custodian

The Fund is managed by ASL as Responsible Entity and Custodian. ASL's experience in mortgage securities dates back to its origins in 1925 and has been the Responsible Entity & Custodian since:

- (a) 1999 - Australian Securities Income Fund; and
- (b) 2011 - Australian Securities Property Fund; and
- (c) 2015 Australian Securities Term Fund.

### Complaints

ASL is a member of the Australian Financial Complaints Authority | AFCA |. AFCA member companies comply with standards intended to inform and assist investors.

### Contact Details

Internet [www.australiansecurities.com.au](http://www.australiansecurities.com.au)  
 Phone Australian Callers: 1300 275 275  
 Overseas Callers: +61 3 9607 8111  
 Email [mail@asltd.com.au](mailto:mail@asltd.com.au)

# About The Fund

‘The Fund is an open unlisted term fund that invests in first mortgage securities and cash equivalent investments.’

## Fund Overview

The Fund is an open unlisted fund that invests in first mortgage and cash equivalent investments.

The income is variable based on the rate of return across all of the Fund’s investments on a daily basis.

## Fund Objectives

ASL as Manager, aims to provide investors with higher short-term interest returns than traditional short-term cash equivalent investments.

## About ASL

ASL is an unlisted public company that has a majority of independent Directors on the ASL Board to ensure investor interests are represented in the management of the Fund. ASL holds an Australian Financial Services licence to act as Responsible Entity for the Fund.

ASL through its origins has had over 95 years experience in financial services and investment.

Its wealth of experience in managed investments includes:

- as nominee Trustee of a private Melbourne mortgage fund with its origins dating back to 1925;
- as Responsible entity and custodian for the following managed investment schemes;
- Australian Securities Income Fund (ASIF) since 1999; and
- Australian Securities Property Fund (ASPF) since 2011.

The ASL Board members and executive management team have diverse expertise and experience in financial services and investments. Details of their expertise can be found at [www.australiansecurities.com.au](http://www.australiansecurities.com.au).

### Custodian

ASL as Custodian of the Fund will:

- (a) Receive, hold and disburse all monies for investors;
- (b) Hold in safe custody all mortgage securities and other fund assets;
- (c) Execute any necessary documents as Attorney for Investors under this PDS;
- (d) Act as Trustee to hold property on behalf of the Fund.

### Appointment as Attorney

By signing the Application attached to this PDS, you become an Investor in the Fund and irrevocably appoint ASL in its capacity as Responsible Entity to be your Attorney under an Enduring Power of Attorney to fulfil your duties under the Constitution and this PDS effective immediately after ASL accepts your signed Application. While you remain an investor in the Fund, ASL as your attorney may:

- (a) Execute a Mortgage, Mortgage Variation, Mortgage Discharge and (in the event of default) a Contract of Sale and Transfer for the sale of a mortgage security;
- (b) Recover or compromise any arrears of interest or principal;
- (c) Take possession of any security and exercise the mortgagee power of sale;

- (d) Appoint one or more agents to exercise the powers granted to an attorney and to revoke any appointment of any agent made under this document;
- (e) Do all things necessary or expedient to give effect to any document which ASL as attorney considers not contrary to your interests on the terms and conditions in this PDS.

# Investment Strategies

‘The asset allocation between mortgage securities and various cash-equivalent investments varies to ensure sufficient funds are available to meet all complying redemption requests’

## ASL Investment Strategy

The assets of the Fund comprise:

- (a) Investments in mortgage based securities (including investment in the Australian Securities Income Fund “| ASIF |”); and
- (b) cash equivalent investments, that meet the objectives of the Fund.

The allocation of these assets as investments will depend upon the liquidity requirements of the Fund.

The income earned by the Fund will vary on a daily basis, depending on the mortgage securities and cash-equivalent investments held at the end of each day. The rate of return will reflect on the risk of return on the Fund’s investments and is calculated on a daily basis.

## Investment Categories

### Mortgage Securities

Each mortgage security pays a defined income to the Fund. To maintain a stable and secure investment all mortgage securities are in

Australia and do not exceed 66% of the value of the security.

Mortgage Securities are categorised by the use of real estate security. Different types of mortgage securities may attract a higher interest rate, which generally reflects a perceived increased risk.

The Fund will invest in mortgage securities (whether direct or via ASIF) that fall within the following five categories:

### Commercial and Retail

Commercial property covering offices and retail shops are included in this category and will generally have a commercial lease or be owner occupied.

### Residential

Residential property comprises properties used for domestic purposes.

### Industrial

Industrial property comprises factories and warehouses used for manufacturing, mechanical or industrial purposes.

### Regional, Coastal or Rural

Rural securities comprise farms, vineyards, and residential properties outside metropolitan areas and include homes in coastal and seaside areas.

### Land

The Fund will invest in vacant land but only where the loan to valuation ratio does not exceed 50% and the land is considered to be readily saleable by ASL.

### Cash Equivalent Securities

Cash equivalent securities include investments in:

- (a) term deposits/bank bills; and
- (b) bonds issued by a state or federal government.

## Investment Selection Criteria

ASL’s investment selection and investment allocation model is based on the following criteria:

### (a) Liquidity Requirements

The Fund will be required to maintain sufficient liquidity to meet all redemption requests.

### (b) Diversification

The Fund is diversified at multiple levels:

- (i) Between the asset classes involving mortgage securities (whether direct or in ASIF) and cash equivalent securities.
- (ii) By ensuring no single asset in the portfolio exceeds 10% of the total assets of the Fund.
- (iii) With variable mortgage securities:
  - Number of mortgage securities held by the Fund;
  - Size of the mortgage securities held by the Fund;
  - The number of borrowers involved in each mortgage security (including and ensuring that no single borrower exceeds 10% of the scheme assets);
  - The categories of properties over which the Fund’s mortgage securities are held (includes ASIF investments);
  - The geographic location of the properties over which the Funds’ mortgage securities are held;
  - The varying loan to valuation ratios in each mortgage security;

<sup>1</sup> The MSD excludes T2 investors from the Interest Advance Facility



- The different interest rate structures across each mortgage security.

(iv) Cash equivalent securities are further diversified between the varying types of cash equivalent securities described in **‘Investment Categories’** (on page 8) along with the size, rate and maturity profiles of those cash equivalent securities held by the fund.

**(c) Mortgage suitability assessment (including ASIF investments)**

ASL will assess whether a mortgage is suitable by taking into account:

- (a) The borrowers capacity to meet their loan obligations (including serviceability);
- (b) The borrower’s suitability for a loan based on credit history and historical loan performance;
- (c) The suitability of the property to ensure the real property over which the first mortgage is to be registered is suitable having regard to the issues raised in section ‘Investment Selection Criteria’ (b) (iii) (page 8).

**(d) Cash Equivalent Security Assessment including:**

- a. Review of the weighting of cash equivalent securities as within the Fund;
- b. Risk review of the cash equivalent security at the time of investment; and
- c. Risk review of the issuer / provider of the cash equivalent security at the time of investment.

- (b) The market valuation to be conservative and valuers to comply with the Property Institute Valuation Standards and specific guidelines from ASL relating to valuation and independence; and
- (c) Valuations are on an “as is” basis to generally provide a valuation based on comparative sales and summation separately valuing land from improvements (along with the insurance replacement value and rental value).

## Valuation Policy - Direct Mortgage Investments

ASL’s valuation policy is contained in the ASTF Compliance Plan (and for ASIF investments in the ASIF compliance plan).

The key components of the valuation policy can be summarised as follows:

- (a) An ASL panel valuer must:
  - (i) Be independent;
  - (ii) Have a minimum 5 years experience to value the property used as collateral for a mortgage security;
  - (iii) Be a member of an appropriate professional body in the jurisdiction in which the relevant property is located; and
  - (iv) Have professional indemnity insurance.

## Investment policy changes

The Constitution permits a wide range of investments and gives ASL broad investment powers. ASL may vary the investment objectives strategies and processes set out in this PDS, provided that ASL gives Investors written notice of any material variation it believes Investors would not have reasonably expected.

# ASIC Benchmark & Disclosure Principles

ASIC Regulatory Guide RG45 (revised 9 May 2012) has eight benchmarks for unlisted mortgage schemes for retail investors to better understand and assess the risks, rewards and suitability of this form of investment.

ASL explains how its Fund deals with each benchmark in the ASIC Benchmark Overview below. ASL will provide updates to investors regularly via its website.

References to the Product Disclosure Statement | PDS | provide more information on each benchmark.

#	Benchmark & Disclosure Principle	Overview	ASIF	Product Disclosure Statement Reference
1	<b>Liquidity</b>	Addresses the schemes ability to satisfy withdrawal requests and other operational commitments	<p><b>ASTF complies with this benchmark.</b></p> <p>ASTF complies with this benchmark by maintaining and continually updating its cash flow forecasts over a forecast twelve (12) month period to ensure it can meet its expenses, liabilities and other cash flow needs for the next twelve (12) months.</p> <p>The cash flow forecasts are approved by the Board when they meet every three (3) months.</p> <p>The cash flow forecasts are used to ensure there are sufficient liquid assets held in readily realisable investments to meet redemption requests.</p>	<p>Page 12 (Withdrawals)</p> <p>Page 18 (Risk)</p>
2	<b>Scheme Borrowing</b>	Addresses the Scheme's policy on borrowing	<p><b>ASTF complies with this benchmark.</b></p> <p>ASTF does not have current borrowings and does not intend to borrow on behalf of the scheme.</p>	Not Applicable
3	<b>Portfolio Diversification</b>	Addresses the scheme's lending practices and portfolio risk	<p><b>ASTF does not comply with this benchmark.</b></p> <p>ASTF holds a diversified portfolio of:</p> <p>(a) mortgage securities and</p> <p>(b) cash equivalent investments.</p> <p>All loans made by the scheme are secured by first mortgages over real property (including registered leasehold title).</p> <p>All mortgage investments made by the scheme in ASIF are on the basis that such investments are first registered mortgages over real property and meet the requirement for direct mortgage investments by ASTF.</p> <p>The Fund will not comply with aspects of this benchmark at inception as it may have an investment that exceeds 5% of the total scheme assets. In addition, ASL will disclose key components of the Fund's investment portfolio on a quarterly basis to current investors in the Fund.</p>	Page 8 (Investment Selection Criteria)
4	<b>Related Party Transactions</b>	Addresses the risks associated with related party lending, investments and transaction	<p><b>ASTF complies with this benchmark.</b></p> <p>ASTF Constitution prohibits related party borrowings (i.e. via mortgage securities).</p> <p>Related parties may contribute as an investor to ASTF in accordance with the ASTF Constitution and PDS.</p> <p>ASL benchmarks the effectiveness, relevance and service value of all service providers which includes all related parties.</p>	Page 7 (About ASL)

#	Benchmark	Overview	ASIF	Product Disclosure Statement Reference
5	<b>Valuation Policy</b>	Addresses the scheme's property related valuation practices	<p><b>ASTF complies with this benchmark.</b></p> <p>Licensed valuers (from ASL's approved panel) value each property over which a mortgage security is being taken, in accordance with valuation standards.</p> <p>Properties are valued on an "as is" basis.</p> <p>Valuations must be less than 3 months old before funds are advanced for mortgage securities.</p> <p>Independent re-valuations are obtained when a loan is renewed after 3 years or within two months of a likelihood that the security property valuation decrease may have caused a material breach of a loan covenant.</p> <p>Valuer certifies their valuation complies with current valuation standards.</p> <p>The Valuation Policy is contained in the ASTF Compliance Plan (or for ASIF investments in the ASIF Compliance Plan).</p>	Page 9 (Valuation Policy)
6	<b>Lending Principles (Loan to Valuation Ratios)</b>	Addresses the scheme's property related lending practices	<p><b>ASTF complies with this benchmark</b></p> <p>Loan to valuation ratios are limited to a maximum of 66% "as is" value below the ASIC benchmark of 80%.</p> <p>Lower Loan to Valuation ratios may be enforced by ASL to reflect higher risk for a specific security.</p> <p>The maximum and weighted average loan-to-valuation ratios of the Fund are disclosed on a quarterly basis.</p>	Page 8 (Investment Selection Criteria)
7	<b>Distribution Practices</b>	Addresses the transparency of the scheme's distribution practices	<p><b>ASTF complies with this benchmark</b></p> <p>Failure by the borrower to pay interest on time is a risk to the income of investors in the Fund. ASL does not guarantee interest payments. ASTF only distributes income made from the Fund's investments.</p> <p>However, the Income Assurance Fund is used to manage income risks associated with borrower default. The use of the Income Assurance Fund is at the discretion of ASL.</p> <p>Fixed income or variable income [tied to the cash target rate set by the RBA] and paid monthly to investors based on the daily interest earned by the Fund.</p> <p>ASL management fees as set out in the PDS are deducted from the monthly interest payment.</p>	Page 13 (Income Distributions)
8	<b>Withdrawal arrangements</b>	Addresses the transparency of the responsible entity's approach to withdrawals of investments	<p><b>ASTF complies with this benchmark.</b></p> <p>ASTF allows an investor to withdraw each deposit 90 days after each deposit and subject to 14 days notice being given by the investor and their being at least 66% (by value) of the scheme property that is:</p> <p>(a) money in an account or on deposit with a bank and available for withdrawal immediately or otherwise on expiry of a fixed term not exceeding 90 days, during the normal business hours of the bank; or</p> <p>(b) assets that ASL can reasonably expect to realise for market value within 10 business days.</p>	Page 12 (Withdrawals)  Page 13 (Early Withdrawal)

# How to Invest or Withdraw

Initial investment in ASTF is \$10,000 and can be made by completing the Application Form

## Investments and Withdrawals

### Investment in the Australian Securities Term Fund

Required Documents		Minimum
<b>Investing</b>		
Minimum initial investment	Completed Application Form and completed direct debit details	\$10,000
Minimum additional investment		\$10,000
<b>Withdrawing</b>		
Minimum withdrawal <sup>1</sup>	Email or use ASL on-line withdrawal request from the Investor or the authorised signatories to the investors bank account recorded on the Application	\$10,000

### Investing Directly

Initial investment in ASTF is \$10,000 and can be made by completing the Application at page 26. Instructions on page 24 will assist you complete the Application. Further assistance is available from our Investment Managers on Tel: 1300 275 275.

Existing investors of the Fund can make additional investments of \$10,000 or more to their account. The application for additional investments must state the investor's existing account number at Section 1 on the Application Form.

Investment amounts are electronically transferred between investors and ASTF using a Direct Credit Authority or Electronic Funds Transfer.

Applications for investment are processed in strict order of receipt and monies received after 12:00pm on any business day will be deemed to have been received the next business day.

ASL will determine when monies received for investment in the Fund are invested into the Fund.

ASL reserves the right to establish higher minimum investment amounts, or decline part or all of any Application.

Investors should keep a copy of the current PDS and any information they receive from ASL for future reference. Copies of this document are available from ASL or on the ASL website [only while it is current].

[www.australiansecurities.com.au](http://www.australiansecurities.com.au)

### Fixed Term Option

Unit holders in the Term Fund may invested in a Fixed Term Option where rates will be set for a fixed term of 6, 12, 18 or 24 months.

### Investment Time Frame

Investors are not able to withdraw their investments before the maturity date when the investment has been placed on a term fixed longer than 90 days.

### Withdrawals

No transfers to Income Fund or Property Fund on Fixed Term investments.

From maturity date interest rate converts to the 90-day variable term rate and is at call on a 14-day notice from the Member.

### Investing Indirectly through a Financial Adviser

An investor may appoint their Financial Adviser as Authorised Representative to perform certain investor rights by completing Section 6 of the Application to this PDS.

Refer to Section 6 to appoint another person or entity (including a financial adviser) as an authorised representative.

### Cooling off Rights

If you are a retail investor (as defined in the Corporations Act) investing directly in the Fund, whilst the Fund is liquid, you have a 14 day cooling-off period to confirm that the investment meets your needs which commences on the date on which ASL receives your deposit. If you wish to exercise your cooling off rights, you must notify ASL by letter or email within this period.

<sup>1</sup> The minimum account balance for an Investor is \$10,000. Where a withdrawal request will result in an account balance of less than \$10,000, the remaining amount will be returned to the Investor.



## Withdrawals

Withdrawals from ASTF may be made whilst the Fund is liquid by written request to ASL in the approved form:-

- (a) The Investor gives ASL no less than 14 days written notice to withdraw part or all their investment; and
- (b) After the minimum investment period of 90 days (Minimum Investment Period) has expired (unless investing in an ASL Managed Fund).

ASL endeavours to process all withdrawals as early as possible.

Withdrawal payments will only be made payable to the Investor or directed to a bank account nominated in the Application Form.

ASL reserves the right to suspend in full or part large individual withdrawal requests over \$250,000.

Where ASTF is deemed by ASL to not be liquid, all withdrawal requests are immediately suspended. Once ASTF is deemed to be liquid, all withdrawal requests will be met in the order in which they have been received by ASL.

### Early withdrawal

An Investor is permitted to withdraw part or all of their investment before the end of the

Minimum Investment Period where:

- (a) The withdrawal is being made to invest in either ASPF, ASIF or any other fund managed by ASL; or
- (b) There is a case of serious financial hardship.

Where there is a case of serious financial hardship, ASL will endeavour to assist with the early withdrawal of an investment where special circumstances exist that require early withdrawal subject to the payment of any withdrawal fees along with interest adjustments and expenses set by ASL to process that request.

Expenses may include but is not limited to interest adjustments, fees and expenses set by ASL to process the request that could reduce the capital value of the investment.

Withdrawal payments will only be made payable to the Investor or directed to a bank account nominated in the Application Form.

## Investment Income

### Interest Income

ASL collects interest monthly in arrears by electronic debit from the borrower's nominated bank account on the date specified in the loan agreement (or as distributed by ASIF for ASIF Investments).

The collection of income on cash-equivalent investments will be dependent on each specific investment, but will generally be collected monthly in arrears or on maturity of the investment.

### Income Distributions

The income entitlements for each Investor of the Fund is calculated daily and paid monthly in arrears.

The payment of income will be via Electronic Funds Transfer | EFT | into an account held at an Australian bank or financial institution nominated in the investor's Application.



# Authorised Representatives

## Authorised Representatives

An Investor may appoint another person or entity (including their Financial Adviser) with the legal capacity to contract as their authorised representative to operate investments by completing the relevant section of the Application Form.

The authorised representative can do everything the Investor can do with their investment in the Fund, including:

- (a) Apply to make additional contributions;
- (b) Receive reports and statements, attend meetings and make complaints;
- (c) Approve an increase or decrease in the amount invested in the Fund;
- (d) Request withdrawal of part or all of the investment and specify how much and to whom the withdrawal amount is to be paid; and
- (e) Change the Investor(s) bank account details.

The authorised representative appointed by the Investor does not have the power to appoint other authorised representatives. The exercise of any of the powers by a person reasonably believed to be acting on behalf of the Investor's authorised representative will be treated as if the Investor had personally exercised those powers.

### **Cancellation**

This arrangement will continue until the Investor cancels the appointment in writing. ASL may cancel this facility or vary these conditions, but only after giving the Investor 14 days written notice.

### **Conditions**

The Investor agrees to release, discharge and indemnify ASL from and against any liabilities arising out of the use of this Authorised Representative facility.

The Investor agrees that neither the Investor, nor any person claiming through them, have any claim against the Fund or ASL in respect of any payment from the Fund on the instructions of their authorised representative.

If the Investor appoints an authorised representative, the Investor cannot later claim that the authorised representative, or any person(s) appointed by the Investor acting on behalf of their authorised representative, was not acting on their behalf. For example, if the Investor is a company and it appoints an employee to be its authorised representative, that person will still be able to operate the account even if they leave the company unless the company notifies ASL in writing that the person no longer is its authorised representative.

# Fees

## Fees and other costs

### Consumer Advisory Warning Statement

The warning below is required by law.

The fees and other costs associated with investing in the Fund are described in this section.

This document shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole.

You should read all the information about fees and costs because it is important to understand their impact on your investment. The fees and other costs that may be charged are set out below.

#### 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 (<http://www.moneysmart.gov.au>) has a managed funds calculator to help you check out different fee options.

Type of Fee or Cost	Amount	How and when paid
Fees when your money moves in or out of the Fund		
<b>Establishment fee</b>	Nil	Not applicable
The fee to open your investment		
<b>Contribution fee</b>	Nil	Not applicable
The fee on each amount contributed to your investment		
<b>Withdrawal fee</b>	Nil	Not applicable
The fee on each amount you take out of your investment		
<b>Exit Fee</b>	Nil	Not applicable
The fee to close your investment		
<b>Management costs</b>		
<b>Management Fees</b>	Management fee of 0.80% per annum	The management fee is calculated on the funds under management and accrued daily
The fees and costs for managing your investment		
<b>Service fees</b>		
<b>Switching fee</b>	Nil	Not applicable
The fee for changing investment options		

<sup>1</sup>Inclusive of GST.

# Example of annual fees and costs for ASTF

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 these products with other management investment products.

Example – ASTF		Balance of \$50,000 with contribution of \$5,000 during the year
<b>Contribution Fees</b>	Nil	Not Applicable
<b>Plus Management Costs</b>	0.80%*	And, for every \$50,000 you have in the fund you will be charged \$400 each year.
<b>EQUALS Cost of fund</b>		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees from: \$400 to \$440**

\* The management fee is based on gross assets of the Fund and gearing is assumed to be 0% in the example above and assumes you leave your investment in the fund for 12 months.

The fee is proportionate to the duration of your investment. Example \$50,000 invested for 6 months your management cost would be only \$200.

\*\*If you leave the fund early, you may be charged withdrawal fees of between 0 and 2% of your total fund balance (between \$0 and \$1,000 for every \$50,000 you withdraw).

## Other expenses and costs

In addition to the fees outlined above, you may also incur costs directly associated with transactions made on your account, such as Government taxes, stamp duty and bank fees. These costs will be directly deducted from your investment. We are unable to estimate these costs until they are incurred.

## Management Fees

Management fees comprise fees or costs you incur by investing in the fund rather than by directly into the relevant asset.

The Management Fee is paid to ASL as the responsible entity for the Fund.

The Management Fee covers administration for Investors, human resources, office rental, insurance, audit and compliance requirements, regulatory fees, computer equipment and systems, disclosure documents, bank charges, independent directors fees, etc.

## Responsible Entity removal/retirement fee

A Responsible Entity removal/retirement fee of 2.0% of the gross assets of the Fund is payable on the date of resignation, retirement or removal of the Responsible Entity of the Fund and is subject to the proper performance of its duties. When applicable, this fee is deducted from the assets of the Fund.

## Fund termination fee

A Fund termination fee of 2.0% of the gross assets of the Fund is payable to the Responsible Entity on the date of the termination of the Fund and is subject to the proper performance of its duties. When applicable, this fee is deducted from the assets of the Fund.

## Early Withdrawal Fees

Early Withdrawal fees payable to ASL to process the early withdrawal from the Fund and are calculated as a portion of the future Management Fees that would otherwise be payable to ASL along with any costs and expenses in processing such request.

## Goods and Services Tax

All fees and charges shown are inclusive of the impact of Goods and Services Tax (GST), any Input Tax Credits (including Reduced Input Tax Credits) available to the Fund, unless otherwise stated.

## Indirect Cost Ratio [ICR]

The ICR for an investment option offered by a managed investment scheme, is the ratio of the management costs for the option that are not deducted directly from a product holder's account, to the total average net assets of the managed investment scheme that relates to the investment option.

The ICR includes investment management fees and other similar expenses, but excludes transaction costs that would be incurred if an Investor invested in any specific asset themselves.

The ICR of the Fund is expected to be between 0% and 0.29%.

## Changes in Fees

Fees can change following changes in regulation or economic conditions. ASL will give an investor no less than 30 days notice of any proposed changes. Management Fees are not negotiable.





HERALD SUN

NEW  
GREAT WEST

southgate

PRINCES BRIDGE  
1811

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# Risks and Safeguards

## Risks

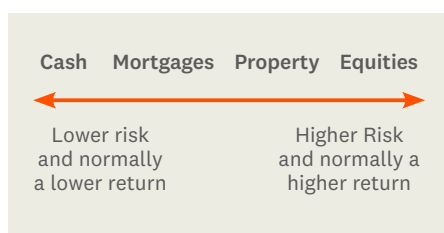
### Introduction to risk

Risk generally refers to the variability and volatility of an investment return and the likelihood of incurring a loss on your investment.

Like all investments, this Fund has an element of risk. Before making an investment in the Fund the investor should consider their:

- (a) Specific risk assessment by investing in this Fund;
- (b) Other investments compared with the risks in this Fund;
- (c) Personal risk tolerance; and
- (d) Personal investment objectives and expected return and outcome from this investment.

It is commonly accepted that there is a relationship between the level of return generated by an investment, and its level of risk. The spectrum below shows the four main types of investments according to their relationship between risk and return for you to consider.



An investment with lower risk should be chosen if investment security is of greater concern than higher returns. Conversely, if an Investor aims for higher returns, there is more likely to be a higher risk.

It is also important to note that not all risk can be foreseen; therefore it is not possible for ASL to protect the value of an investment from all risks.

## What are the risks of this Fund?

### Market Risk

Market risk is the risk that negative market movements will affect the price of assets within a particular market and may include, by way of example, a decline in the whole property market in line with various trends in the Australian or overseas markets due to various internal factors (e.g. over supply of real estate), or external factors (e.g. general economic conditions).

Property risk is the risk that values on property assets will be affected by the supply and demand for relevant property used as security, vacancy levels, insurance (and any exclusions like terrorism) competing developments, interest rates, inflation, rental levels, property outgoings, economic cycles, investor demand levels, business confidence, government and central bank policies and general market conditions.

Inflation risk is the danger that the rate of inflation is higher than the return received on investments. This can have an adverse impact on the value of an investment in a mortgage security or a cash equivalent investment.

ASL researches and analyses the factors effecting market risk to try to limit the market risk to the Fund and its Investors.

### Economic Risk

Economic risk is the risk that there is a general downturn in economic conditions that may adversely impact investments (both from an income perspective and capital value perspective).

### Capital Risk

Capital risk involves the risk that the capital invested in an investment (whether a mortgage investment or cash equivalent investment) is eroded away.

ASL does not guarantee the repayment to an investment of 100% of their monetary contribution invested in the Fund.

ASL manages this risk by:

- (a) ensuring the investment portfolio is diversified as outlined at page 5;
- (b) ensuring the loan to valuation set for mortgage securities is conservative (i.e. capped at 66%);
- (c) undertaking appropriate due diligence on all borrowers (both via legal enquiries, credit check and evaluation of real estate used as security).
- (d) Ensuring all cash equivalent investments have appropriate investment ratings.

### Valuation Risk

Valuation risk is the risk that the value attributed to a property used as collateral for mortgage security is misstated.

ASL's valuation policy aims to reduce this risk by requiring:

- (a) An ASL panel valuer to have 5 years minimum experience to value the specific security, is a member of the Property Institute [or equivalent] and has professional indemnity insurance.
- (b) The market valuation to be conservative and valuers to comply with the Property Institute Valuation Standards and specific guidelines from ASL relating to valuation and independence.
- (c) Valuations to generally provide a valuation based on comparative sales and summation separately valuing land from improvements as well as including the insurance replacement value and rental value are also included.



### **Income Risk**

The Fund's income is derived from both mortgages and cash equivalent investments. There is a risk that either of these investments will not generate the expected income returns.

In addition, the distributable income of the Fund will be adversely affected by:

- (a) mortgage defaults leading to a loss of income and increased costs as a result of enforcement action; or
- (b) the availability of suitable investments for the Fund.

ASL does not guarantee interest payments.

The income risk is managed partly by the Income Assurance Fund and the diversification of the Fund's investments.

### **Liquidity Risk**

Liquidity relates to how quickly an investor can access their money from an investment.

An Investor is only able to redeem an investment from the Fund and access their invested funds where:

- (a) there is sufficient cash in the Fund to meet all redemption requests; and
- (b) after the initial investment period has been satisfied.

Whilst ASL manages this liquidity risk through diversification and setting minimum cash and cash equivalent investment requirements, the Fund may not be able to pay redemption requests within the time frames provided for in the Constitution and this PDS where it does not have sufficient cash to realise those requirements on a short term basis.

Liquidity is frequently dependent on continuing inflow from new investors, borrowings or "rollovers" by existing investors because the underlying assets of the scheme may not be easily realised within a short period of time.

### **Portfolio Diversification Risk**

Portfolio diversification risk is the risk that the Fund's investments are not sufficiently diversified. The criteria used is prone to risk especially where:

- (a) Loan-to-Valuation ratios are higher than traditional lending; and
- (b) Loans made are highly concentrated to particular types of commercial activities, location or borrowers. Lack of diversification may mean that an adverse event effecting a borrower will simultaneously affect majority of borrowers and put the portfolio at risk.

ASL manages this risk through adopting conservative LVR requirements and setting investment parameters.

### **Operational Risk**

ASL Financial Services Division constantly monitors mortgage securities to verify all mortgage securities are performing within investor expectations.

#### **Insurance risk**

The borrower of each mortgage security is required to keep the property insured at all times with the interest of the Fund (or ASIF) recorded on the policy. ASL will contact the insurer and pay the insurance premium when a borrower fails to provide insurance otherwise the borrower must immediately repay the loan.

ASL does not require Lenders Mortgage Insurance on any of its loan as the loan-to-valuation ratio never exceeds 66%.

#### **Non Performing Loans**

Any form of lending has an element of risk to the lender that either interest or principal may not be repaid on the due date. The probability of a single default increases with a loan to valuation ratio on a specific mortgage, security or the size of the Fund.

ASL mitigates this risk by:

- (a) Adopting conservative LVR investment practices for each loan (whether direct or via ASIF);
- (b) Appointing a case manager to assess non performing loans to implement a measured response to the situation; and
- (c) Where the loan default cannot be remedied, appoint experienced legal and real estate professionals to realise any property security.

Where there is prolonged litigation with a borrower, this increases the risk of reduced income and potential for capital loss.

### **How you can manage your risk**

In managing your risk, we recommend that you:

- Seek your own professional advice to help you understand how your current financial situation, and your investment objectives, affect the selection of investments that you can make;
- Consider your investment timeframe, your investment objectives and your risk tolerance; and
- Diversify your investments to help reduce risk and volatility of investment returns.

# Other Information

## Other information you need to know

### Cut off times for investments

Instructions for applications, withdrawals or any other notifications must be received at ASL by 12:00pm [AEST] on a business day to be processed on the following business day.

### Tax

ASL recommends Investors seek independent professional advice on their specific circumstances about the taxation implications of investing in the Fund.

Some of the general tax implications of investing in the Fund are explained below. It is intended to be a brief guide only and does not purport to be a complete statement of the relevant tax law nor should it be considered advice.

The following summary applies to individual investors who hold their investment on capital account for tax purposes.

### Income Tax

#### **Payment of income tax**

The Fund generally does not pay income tax on the income it derives as it distributes all taxable income to the Investors each year. Rather, tax is payable by Investors in the Fund and is calculated according to the distributions in the year in which the distribution relates, even if it is received in the next financial year.

Your tax liability arises upon becoming presently entitled to the income of the distributions. This is so regardless of whether you receive the distributions or not.

Fees paid to ASL are typically tax deductible against your taxable income.

### **Withholding taxes**

You may quote your tax file number | TFN | or claim an exemption from doing so by completing the TFN section in the Application form. The Fund is required to collect withholding tax for international investors. Australian residents have the highest marginal rate of tax deducted when an investor does not supply a TFN. If you are a non-resident you may be subject to the laws of the country of your domicile and should consult a taxation adviser before investing.

### **Goods and services tax | GST |**

GST applies to fees and charges only.

GST which is applicable will be deducted from the income collected. The amount of any GST deduction is set out in the investor's periodic income statement which may be treated as a tax invoice.

### **Reporting**

If investing through a Financial Adviser please refer directly to them for your reporting needs. ASL will provide regular reporting information to Financial Advisers.

Direct investors will receive:

- Confirmation for every investment contribution and redemption / withdrawal requests processed;
- An annual income report after the end of a financial year to assist with their tax return;
- ASTF Quarterly Performance Reports; and
- **ASTF Annual accounts** (at the end of each financial year with financial information, management and performance reports.)
- Information is regularly updated on ASL's website.

### **Complaints**

If you are unhappy with our service for any reason, we want to know. We value complaints to assist us to improve our service and remain an industry leader. Please raise your concern with the relevant person who you believe is responsible for your complaint. If they cannot assist you please contact Australian Securities Complaints Officer to report your complaint.

ASL adopted the Australian Standard AS ISO 10002 – 2022 for handling complaints and is confident all genuine complaints are speedily resolved using our internal dispute resolution service.

If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority, [AFCA]

In writing to:

Australian Financial Complaints Authority,  
GPO Box 3,  
Melbourne Vic 3001.

AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: [www.afca.gov.au](http://www.afca.gov.au)

Email: [info@afca.gov.au](mailto:info@afca.gov.au)

Telephone: 1800 931 678 (freecall)

# Privacy Policy

## Privacy Policy

ASL is committed (without reservation) to respect and protect the privacy of the personal information of individuals with whom it deals.

### Information Collection

Whenever it is reasonable and practicable to do so, ASL only collects information about investors directly from them.

ASL collects limited personal information of Financial Adviser Investors in connection with their investments in ASTF. Financial Adviser Investors should contact their Financial Adviser for this information.

### Information Purpose

This personal information is collected to –

- Identify the investor and satisfy the requirements of the Anti-Money Laundering [AML] and Counter Terrorism Financing [CTF] regulations;
- Provide suitable investments that meet the investor's criteria;
- Consider applications and approaches made by the investor to ASL;
- Maintain investor contact details; and
- Comply with the law [for example Financial Transactions Reports Act 1988, AML/ CTF, Corporations Law, Tax Law, State Revenue, Land Registration, etc.]

### Holding Information

ASL holds personal information relating to:

- The products and services it provides or has provided to an investor; and
- Contact details for the investor.

No sensitive information is retained about the investor unless required by applicable laws or rules.

### Use and Disclosure of Information

ASL will only use and disclose personal information about an investor for the purpose for which it was disclosed to ASL or related purposes which would reasonably be expected without investor permission.

ASL may disclose personal information to service providers who provide services in connection with its products and services or to their nominated financial adviser [with their permission].

### Maintaining accurate information

ASL takes all reasonable steps to ensure that all information held is as accurate as possible. An investor can contact ASL at any time and ask for its correction if the investor feels the information held by ASL is inaccurate or incomplete.

### Protecting Information

ASL protects the investor information it holds. Access is limited to prevent misuse or unlawful disclosure of the information.

Information no longer required is deleted or permanently rendered non-identifiable.

### Information Access

An investor can access all information unless a legal or administrative reason requires ASL to deny access. If access is denied, ASL will provide the investor with the reason why.

## Investment Ratings

Investment ratings are an opinion by a ratings agency about the likely performance of an investment or its relative performance compared to other similar investments.

It is currently impracticable to rate the Fund given the short time frame in which the Fund has been operating.

ASL intends on obtaining an investment rating for the ASTF in due course.

### Need to know more about ASIC benchmarks

Download from the ASIC website RG45 Investing in Mortgage Funds – Independent guide for investors about unlisted mortgage funds

[www.asic.gov.au](http://www.asic.gov.au) .

**Investment Warning – ASL recommends you obtain independent financial advice before any investment.**

# Glossary

**Applicant** - A person who has applied to become an investor in ASTF by completing the Application form accompanying this PDS

**Application Form** - An application by the Applicant for an interest in ASTF in the form attached to this PDS

**Application Money** - The amount received by ASL or Custodian from the Applicant for the Contribution applied for in this PDS

**ASL** - Australian Securities Limited [ACN 005 428 231]

**ASIC** - Australian Securities and Investments Commission

**Assets** - All the property, rights and income of the Scheme including costs, fees and other intangibles which may be reasonably determined by ASL from time to time to be assets but not application money or property in respect of which Contributions have not yet been issued

**ASTF** - Australian Securities Term Fund

**Board** - The Board of Australian Securities Limited

**Business Day** - A day on which trading banks are open for business in Melbourne, Victoria

**Compliance Officer** - A manager appointed by the Responsible Entity to ensure compliance with the Constitution, Compliance Plan and the Corporations Law

**Compliance Plan** - The Fund's current Compliance Plan registered with ASIC

**Constitution** - The constitution dated 19 November 2015 established the Fund

**Contribution** - The interest of an Investor as a proportion to their monetary contribution (compared to other investors in the Fund)

**Corporations Act 2001** - The Corporations Act 2001 (Cth) as amended from time to time

**Custodian** - Australian Securities Limited or any other person authorised under the Constitution to hold the Scheme Assets

**Directors** - The Directors of ASL

**Distribution Period** - The period commencing on the first day of each calendar month or as determined by ASL

**Financial Year** - The period of 12 months ending 30 June in each year

**Fund** - The registered managed investment scheme known as the Australian Securities Term Fund [ARSN 605 224 600]

**Fund Assets** - The funds, investments, assets and any other property derived from the money contributed by Investors, but excluding any assets or other property vested directly in the Investors

**GST** - As defined in A New Tax system (Goods and Services Tax) Act 1999

**Income Assurance Fund** - A funding arrangement arranged by ASL to fund the distribution of all income where it has not been paid either due to:

(a) it not falling due for payment under the investment terms  
or

(b) a defaulting borrower failing to pay interest on their loan on time

**Investor** - Any person who has signed an Application form to become a member of and hold an investment in the Fund

**Law or the Law** - The Corporations Act 2001 unless it is otherwise apparent from the context

**Liabilities** - Any and all liabilities of the Fund including any provision ASL considers should be taken into account in determining liabilities

**Month** - A calendar month

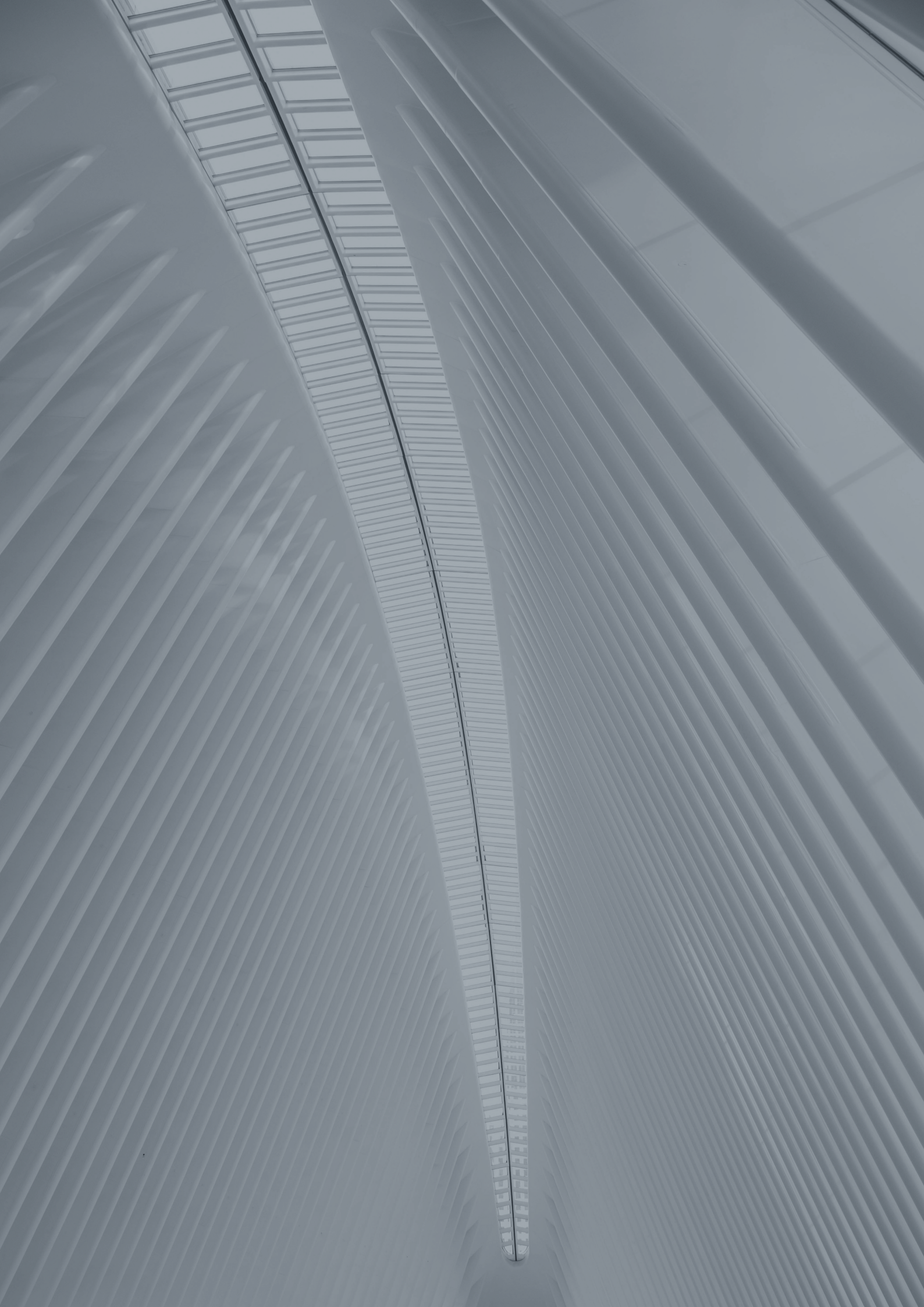
**Nominee or Trustee** - Australian Securities Limited

**PDS** - This Product Disclosure Statement and Application Form

**Power of Attorney** - The power of attorney given by the Member to Australian Securities Limited under the terms of the PDS as evidence by their signature on the Application

**Responsible Entity** - ASL, the manager of the Fund







# Investor Guide to completing the Application Form

## Investor Details

Applicants may be one or more individuals, a company, incorporated association, partnership or unincorporated association.

Persons signing for:

Corporations and Incorporated Associations

Acknowledge:

- You are the officers of the corporation or incorporated association;
- You have the authority to bind the corporation or incorporated association;
- The Certificate of Incorporation attached to the application is a true and current copy;
- Company applicants may sign under seal, although seal is not required.

### Joint Investors

Agree to hold the interests jointly:

- Acknowledge that unless otherwise stated, both signatures are required for written redemption requests and additional applications;
- Acknowledge all liability shall be both joint and several.

### Partnerships

- Acknowledge that you are a partner in the partnership and are investing on behalf of the partnership;
- Acknowledge that you have the authority to bind the partnership;
- Agree all liability shall be both joint and several.

### Trustees

- If you are joint trustees and you elect in the relevant section of the application that either trustee can sign authorities for future transactions you acknowledge the relevant trust deed authorises you to do this;

- Acknowledge that holding units is an authorised investment of the trust into the investments.

### Unincorporated Associations

Acknowledge you:

- Have authority to bind the unincorporated association;
- Invest for and on behalf of the unincorporated association.

### Investment Adviser

Accept ASL and any financial adviser names in the Application may exchange personal investment details and relevant account information.

### Communication

All communications from ASL will be sent to the address shown on the Application. For joint applicants only one address is required. Please include telephone, facsimile, e-mail and mobile telephone details should ASL need to contact you urgently.

### Payment Details

Complete the payment details in the Application. Your contribution will be allocated to the Fund within a short period from when your contribution has been received and accepted by ASL (along with your Application);

Payment may be by Bank Cheque payable to Australian Securities Term Fund for <name of investor> and crossed "not negotiable";

Payment can also be collected by ASL for the amount you nominate to invest in the Application by debiting any bank account you nominate for that purpose in the Application;

Investment amounts payable to you on redemption can be credited by electronic funds transfer to any bank account you nominate for that purpose in the Application.

## Income Payments

Your interest income from the Fund will be credited to the bank account you nominate in the attached application form.

You understand and acknowledge that:

- Your nominated financial institution may in its absolute discretion decide the order of priority of payment by it of any monies pursuant to this request or any authority or mandate;
- ASL may, in its absolute discretion, at any time by notice in writing to you, terminate this request as to future debits;
- You can modify, defer, stop or cancel any Direct Debit Request (DDR) at any time by giving ASL 14 days notice, in writing;
- If at any time you feel that a direct debit against your nominated account is inappropriate or incorrect, it is your responsibility to notify ASL as soon as possible;
- It is your responsibility to ensure that there are sufficient cleared funds in your nominated account to honour the DDR. ASL will charge the cost of dishonoured direct debits against your account;
- Macquarie Bank, as sponsor for ASL, may need to exchange information with other parties involved in processing your direct debit request to assist with the checking of any incorrect or wrongful debits to your nominated account.

# Additional Information

## **Signature Declarations**

The Applicant must sign each Application personally.

A person signing under a Power of Attorney must provide a certified copy of the original Power of Attorney with the Application.

Joint applicants must each sign the Application.

An Application by a company may be under seal and must be executed in accordance with its Constitution. A copy of its Constitution need not be provided. The Application should also be dated.

By completing and signing the Application Form the investor gives ASL their Power of Attorney as set out in the PDS and the investor agrees to be bound by all provisions in this PDS, the Constitution and any PDC approved in compliance with this PDS.

## **Completed Application Forms**

No investment payment can be received before the Application is first received and approved by ASL.

Investment is by electronic funds transfer to the nominated fund from your bank account or your authorised Direct Debit Authority. Please tick the relevant box and complete the bank account information at Section 4 of the Application then mail the Application form to us at -

Australian Securities Limited  
Level 34, 140 William Street  
Melbourne VIC 3000

# Fund Application Form

This is an Australian Securities Limited, Fund Application Form. To be completed if you are investing in any or all of the Funds listed below

## Australian Securities Fund Application.

This form accompanies the Product Disclosure Statement for each of the following funds

Please tick chosen fund application boxes:

- Australian Securities Income Fund  
 Australian Securities Property Fund  
 Australian Securities Term Fund  
 All of the above

When you complete this form please print in clear BLOCK LETTERS and use crosses in boxes.

Adviser's stamp:

ASL use only:

- Step One** Identify the applicant type for your investment account by ticking the appropriate box
- Step Two** Complete the mandatory sections identified against the Applicant type you ticked
- Step Three** Complete section 5 only if you appoint a third party or representative to act for you.
- Step Four** Sign the Application at Section 6 [initial any amendments or white outs]
- Step Five** Return the signed Application to Australian Securities Limited along with a copy of the following:
- Photo ID (eg Drivers licence, Passport)
  - Recent utilities bill (eg Gas, electricity, water)
  - Certified copy of a Power of Attorney (if account is opened under a Power of Attorney)
- [Authorised Representative or Third Party appointments also require Photo Identification]

## Applicant type (please tick box)

## Mandatory Sections to complete

- |  |                     |
|--|---------------------|
| <input type="checkbox"/> Individual or Joint Individuals.....                | 1, 2A, 2B, 3, 4, 6A |
| <input type="checkbox"/> Company.....  | 1, 2A, 2C, 3, 4, 6B |
| <input type="checkbox"/> Trust - Trustees are individuals.....               | 1, 2A, 2B, 3, 4, 6A |
| <input type="checkbox"/> Trust - Trustee is a company.....                   | 1, 2A, 2C, 3, 4, 6B |
| <input type="checkbox"/> Superannuation Fund - Trustees are individuals..... | 1, 2A, 2B, 3, 4, 6A |
| <input type="checkbox"/> Superannuation Fund - Trustee is a corporation..... | 1, 2A, 2C, 3, 4, 6B |
| <input type="checkbox"/> Partnership - partners are individuals.....         | 1, 2A, 2B, 3, 4, 6A |
| <input type="checkbox"/> Partnership - partners are companies.....           | 1, 2A, 2C, 3, 4, 6B |
| <input type="checkbox"/> Deceased Estates.....                               | 1, 2A, 2B, 3, 4, 6A |
| <input type="checkbox"/> Trust (no trust deed) - individual.....             | 1, 2A, 2B, 3, 4, 6A |
| <input type="checkbox"/> Trust (no trust deed) - Company.....                | 1, 2A, 2C, 3, 4, 6B |
| <input type="checkbox"/> Unincorporated body - office bearers.....           | 1, 2A, 2C, 3, 4, 6B |

# Australian Securities Limited Fund Application Form

1. Investor Name: \_\_\_\_\_

Your investment is/or will be recorded in this name

2. Do you have an existing investment in this name?  Yes ASL INVESTOR NUMBER: \_\_\_\_\_

If YES and you do not wish to use this form to update our records, proceed to Signing Clause at Section 6 and return this Application with your preferred method of payment. If NO, continue to complete this Application Form.

3. Initial Investment Method<sup>9</sup> (Minimum requirements apply) **If this is an A Term Fund Application only, please proceed to number 11.**

\$ \_\_\_\_\_ (Cash is not accepted)  Direct Credit  Direct Debit

Only Direct  Only Contributory  Only Nominee  All Types

4. Investment Options<sup>10</sup> **Applies to Income Fund (ASIF)**

5.  T1  First  T2<sup>11</sup>  All Types Mortgage Security Priority Type **Applies to Income Fund (ASIF)**

6. Preferred Term **Applies to Income Fund (ASIF)**

One Year  Two Year  Three Year  Four Year  Five Year  Any term up to 5 Years

7. Security Category<sup>12</sup> **Applies to Income Fund (ASIF)**

Industrial  Residential  Regional Coast  Development & Construction  All Types  Regional/Rural

8. Interest Rate **Applies to Income Fund (ASIF)**

Fixed  Variable  Both Fixed and Variable

9. Interest Advance Facility<sup>TM13</sup> **Applies to Income Fund (ASIF)**

If you do not require this facility for direct investments tick this box  Hold – I do not require the interest Advance Facility

10. Investment Summary<sup>14</sup> **Applies to Property Fund (ASPF) & Income Fund (ASIF)**

Investment summaries are issued electronically.  Tick box to opt out of receiving summary

11. Annual Accounts and Reports **Applies to Property Fund (ASPF) & Income Fund (ASIF)**

The Annual Report for all Australian Securities Limited Funds are available on the ASL website. You can "opt in" to receive a paper version by post. Tick this box if you wish to receive the Australian Securities Limited, Funds Annual Accounts & Report by post.

12. GST

Yes  No ABN No. \_\_\_\_\_

13. Privacy Notice

Your personal information is collected to enable us to provide you with information about existing or new investments, investment opportunities and Fund performance. Please cross the box if you do not wish to receive this marketing information.

No marketing information

<sup>9</sup> Initial Investment (Page 12 ASTF PDS) <sup>10</sup> Investment options (Page 9 ASIF PDS) <sup>11</sup> T2 Investments (Page 12 ASIF PDS) <sup>12</sup> Security Categories (Page 10 ASIF PDS)

<sup>13</sup> Interest Advance Facility (Page 19 ASIF PDS) <sup>14</sup> Mortgage Security Summary (Page 6 ASIF PDS) / Property Description Certificate [PDC] (Page 9 ASPF PDS).

# Australian Securities Limited Fund Application Form

## A INFORMATION TYPE

 New Investor Information

 Updated Investor Information

## B INDIVIDUALS (COMPLETE ALSO IF TRUSTEE IS INDIVIDUAL(S))

### 1. Individual Investor A or Trustee

 Title (Mr/Mrs/Miss/Ms/Other) \_\_\_\_\_  This person is an Individual Trustee for this Investment

Given Names: \_\_\_\_\_

Last Name: \_\_\_\_\_ Date of Birth \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Tax File Number: \_\_\_\_\_

### 2. Individual Investor B or Trustee

 Title (Mr/Mrs/Miss/Ms/Other) \_\_\_\_\_  This person is an Individual Trustee for this Investment

Given Names: \_\_\_\_\_

Last Name: \_\_\_\_\_ Date of Birth \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Tax File Number: \_\_\_\_\_

### 3. Relationship Investor A & B. If contact details for each investor the same, please state "AS ABOVE" for Investor B

 Joint

 Tenants in  
Common

 Partnership

 Trustee

### 4. Account signing authorities for future transactions

 For two  
investors only

 A&B

 Either A or B

 Only A

 Only B

## C NON INDIVIDUAL

5. Name: \_\_\_\_\_

If the Trustee is an Individual, complete Question 1 and Mark the BOX as Trustee.

6. Tax File Number: \_\_\_\_\_

Australian Registered Business Number or Exemption Reason: \_\_\_\_\_

\_\_\_\_\_

ARBN Non-resident OR Exemption Reason: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



## D TARGET MARKET DETERMINATION QUESTIONNAIRE

Please complete the following questionnaire by putting a tick in the relevant box. Further information on the below can be found in the TMD document.

1. What is your investment objective? Tick the most important.

- Capital Growth
- Capital Preservation
- Capital Guaranteed
- Income Distribution

2. How many of your investable Assets are you intending to invest with ASL and their funds?

- Solution/Standalone (75-100%)
- Core Component (25-75%)
- Satellite/small allocation (<25%)

3. What investment time frames are you seeking before you require your capital returned?

- Short (< 2 years)
- Medium (> 2 years)
- Long (> 8 years)

4. What is your risk appetite to bear loss?

- Low
- Medium
- High
- Very High

5. How regularly do you envisage needing to withdraw capital from your investment/s with ASL?

- Daily
- Weekly
- Monthly
- Quarterly
- Annual or Longer

# Australian Securities Limited Fund Application Form

## Contact Information

1. Contact Name: \_\_\_\_\_

2. Contact Details

Address: \_\_\_\_\_ Suburb: \_\_\_\_\_

State: \_\_\_\_\_ Postcode: \_\_\_\_\_ Country of Residence (If other than Australian): \_\_\_\_\_

Telephone (Home): + 61 ( ) \_\_\_\_\_ (Work): + 61 ( ) \_\_\_\_\_ (Mobile): \_\_\_\_\_

Fax: + 61 ( ) \_\_\_\_\_ E-mail address: \_\_\_\_\_

3. Alternative Contacts: \_\_\_\_\_ Phone (Day time) + 61 ( ) \_\_\_\_\_

4. Relationship: \_\_\_\_\_

### ADVISERS DETAILS (if applicable)

5. Lawyers Details

Contact Name: \_\_\_\_\_ Phone No: + 61 ( ) \_\_\_\_\_

Business No: \_\_\_\_\_ Address: \_\_\_\_\_

Suburb: \_\_\_\_\_ State: \_\_\_\_\_ Postcode: \_\_\_\_\_

6. Accountant Details

Contact Name: \_\_\_\_\_ Phone No: + 61 ( ) \_\_\_\_\_

Business No: \_\_\_\_\_ Address: \_\_\_\_\_

Suburb: \_\_\_\_\_ State: \_\_\_\_\_ Postcode: \_\_\_\_\_

7. Financial Advisor Details

Contact Name: \_\_\_\_\_ Phone No: + 61 ( ) \_\_\_\_\_

Business No: \_\_\_\_\_ Address: \_\_\_\_\_

Suburb: \_\_\_\_\_ State: \_\_\_\_\_ Postcode: \_\_\_\_\_

7. Attorney or Administrator Details

Contact Name: \_\_\_\_\_ Phone No: + 61 ( ) \_\_\_\_\_

Business No: \_\_\_\_\_ Address: \_\_\_\_\_

Suburb: \_\_\_\_\_ State: \_\_\_\_\_ Postcode: \_\_\_\_\_

Power of Attorney  Appointment as administrator \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ Date of Appointment

Attach Certified copy of EPA or Order of Appointment as Administrator

8. Next of Kin (Emergency Only)

Contact Name: \_\_\_\_\_ Phone No: + 61 ( ) \_\_\_\_\_

Business No: \_\_\_\_\_ Address: \_\_\_\_\_

Suburb: \_\_\_\_\_ State: \_\_\_\_\_ Postcode: \_\_\_\_\_

# Australian Securities Limited Fund Application Form

## Capital & income payments electronic banking

### 1. DEFT INVESTMENT ACCOUNTS - AUTHORITY

Direct Credit Authority     Direct Debit Authority

### 2. Bank Account Details (ASL User ID 161318, 484021 & 476158)

The following nominated bank account will be:

- (a) Credited for payment of income distributions and withdrawals if applicable, and  
 (b) Debited for your initial and additional investments (if paying by direct debit).

(i) Primary Bank Account (incorporating Direct Debit request)

Name of Institution: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Postcode: \_\_\_\_\_

Account Name: \_\_\_\_\_ BSB Number: \_\_\_\_\_ Account Number: \_\_\_\_\_

**Direct Debit Authority!**/We acknowledge this Direct Debit arrangement is governed by the Direct Debit Facility in this Product Disclosure Statement to Australian Securities Ltd (ASL User ID 161318, 484021 & 476158)

BANK SIGNATORIES All signatories for account to be debited must sign

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

### 3. ALTERNATE BANK ACCOUNT FOR INCOME DISTRIBUTION ONLY

Please complete if you wish to nominate an alternative bank account for payment of the following:

Income distribution payments

(ii) Optional Alternative Bank Account (for direct credit payments only)

Name of Institution: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Postcode: \_\_\_\_\_

Account Name: \_\_\_\_\_ BSB Number: \_\_\_\_\_ Account Number: \_\_\_\_\_

### 4. INSTRUCTIONS FOR ALL CAPITAL REPAYMENTS FROM INCOME FUND INVESTMENTS\*:

Please complete the following.

Return capital to the nominated primary bank account

OR

Return Capital to the Australian Securities Term Fund (ASTF) account. Note this Capital will then be subject to the 90 day minimum investment term as defined by the ASTF PDS; the 14 day cooling-off period will not apply.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

\* Note that these instructions can be changed by providing written notice to ASL 10 business days prior to the next capital repayment

# Australian Securities Limited Fund Application Form

## Authorised Representative

### Authorised Representative

You may appoint another person or entity with legal capacity to contract as your authorised representative to operate investments on your behalf by completing this section. Complete company name & ASL reference if authorised representative is known.

Company Name: \_\_\_\_\_

Title (Mr/Mrs/Miss/Ms/Other): \_\_\_\_\_ ASL INVESTOR NUMBER: \_\_\_\_\_

Given Names: \_\_\_\_\_ Last Name: \_\_\_\_\_

### CONTACT DETAILS

Address 1: \_\_\_\_\_

Address 2: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Postcode: \_\_\_\_\_

Telephone (Home): + 61 ( ) \_\_\_\_\_ (Work): + 61 ( ) \_\_\_\_\_ (Mobile): \_\_\_\_\_

Fax: + 61 ( ) \_\_\_\_\_ E-mail address: \_\_\_\_\_

I/We agree to the conditions relating to the appointment of an authorised representative as shown in the declarations, conditions and acknowledgments. All investors must countersign the authorised representative's signature

Authorised Representative: All signatories for account to be debited must sign  Enduring Power of Attorney held?

Signature: \_\_\_\_\_ Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

### SIGNATORIES APPOINTED AUTHORISED REPRESENTATIVES

Given Names: \_\_\_\_\_ Last Name: \_\_\_\_\_ Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_  
Investor A (Print Name and Date)

Given Names: \_\_\_\_\_ Last Name: \_\_\_\_\_ Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_  
Investor B (Print Name and Date)

Signature: \_\_\_\_\_ Signature: \_\_\_\_\_

You must indicate your company title

Director or Secretary  Sole Director and Sole Secretary

You must indicate your company title

Director  Secretary

COMPANY SEAL



# Australian Securities Limited Fund Application Form

## Investor Authorisation

### SIGNATURE(S)

All investors must sign and date the Application.

In signing this Application I/We acknowledge that I/We have read and understood the Product Disclosure Statement to which this Application relates AND agree, consent and acknowledge the declarations, conditions and acknowledgments provided in the Prospectus AND declare that all the details given in this Application are true and correct.

NOTE: If signing under a Power of Attorney, you are verifying that at the time of signing you have not received notice of revocation of that Power. Please provide a certified copy of the Power of Attorney including appointed signature

### A INDIVIDUALS & INDIVIDUALS ACTING AS TRUSTEES

Investor A (Print Name and Date)

Given Names: \_\_\_\_\_ Last Name: \_\_\_\_\_

SIGNING CLAUSE: \_\_\_\_\_ Date: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

Investor B (Print Name and Date)

Given Names: \_\_\_\_\_ Last Name: \_\_\_\_\_

SIGNING CLAUSE: \_\_\_\_\_ Date: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

### B CORPORATE INVESTORS

COMPANY SEAL

Company Name: \_\_\_\_\_

ACN: \_\_\_\_\_



CORPORATE DIRECTORS SIGNING CLAUSE Director (Print Name and Date)

Two directors or a director and a company secretary MUST sign (unless Sole Director and Sole Secretary)

1. Given Names: \_\_\_\_\_ Last Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

You must indicate your company title  Director or Secretary  Sole Director and Sole Secretary  Other

2. Given Names: \_\_\_\_\_ Last Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

You must indicate your company title  Director or Secretary  Sole Director and Sole Secretary  Other

3. Given Names: \_\_\_\_\_ Last Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

You must indicate your company title  Director or Secretary  Sole Director and Sole Secretary  Other

4. Given Names: \_\_\_\_\_ Last Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

You must indicate your company title  Director or Secretary  Sole Director and Sole Secretary  Other



# Australian Securities Term Fund

## Important Notices

This Product Disclosure Statement | PDS | is for the Australian Securities Term Fund | ASTF |. This is a pooled fund.

## Product Disclosure Statement

This Product Disclosure Statement is dated 1 December 2023. This PDS can be downloaded from the ASL website at – [www.australiansecurities.com.au/investment-resources/](http://www.australiansecurities.com.au/investment-resources/)

ASL can provide a paper copy of this PDS free on request. The PDS can only be used by investors within Australia. Fees and expenses are current and inclusive of GST unless otherwise stated or notified. Information relating to ASTF is subject to change.

## Responsibility

The Australian Securities and Investments Commission |ASIC| has been notified that this PDS is “in use” in accordance with section 1015D(2) of the Corporation Act 2001. ASIC takes no responsibility for the contents of the PDS or any subsequent PDS

## Statement

ASL administers the ASTF with care, diligence and skill. The Fund is designed to suit investors seeking short term investment providing a regular income. The performance of the Fund is not guaranteed. ASL and their related Bodies Corporate together with their Officers and Directors are permitted to invest in ASTF from time to time.

## Investment Advice

ASL does not provide investment or financial advice to investors or general public. We do not know the extent of your personal needs.

You should only invest in the Fund after giving careful consideration to your personal needs, the risks of this form of investment and your personal investment strategy. Before making any investment you may wish to seek advice from an independent financial adviser.

Non independent financial advisers unfortunately can only provide advice on the products for which they have a licence to market and may not be qualified to advise on this product.

If investing directly, additional information can be obtained by calling the Investment Services team between 9AM and 5PM Melbourne time weekdays on 1300 275 275.

The fund has a legal obligation to make necessary disclosures and provide regular reports. ASL does not pay any commissions.

Copies of the latest ASTF Annual report can be downloaded from the ASL website by going to [www.australiansecurities.com.au/investment-resources/](http://www.australiansecurities.com.au/investment-resources/) or by request to our Investment Services team.

## AFCA

ASL is a member of the Australian Financial Complaints Authority | AFCA |. AFCA member companies comply with standards intended to inform and assist investors.



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**Australian Securities Limited**

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1300 275 275

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**Responsible Entity and  
Fund Custodian**

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Licence No. 260499

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**Managed Investment Fund**

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