

Additional Information Guide

Dated 25 September 2017

This Additional Information Guide is issued by Ausbil Investment Management Limited (ABN 26 076 316 473 AFSL 229722) (**Responsible Entity, Ausbil, Ausbil Investment Management, we**) as responsible entity of the Candriam Sustainable Global Equity Fund (ARSN 111 733 898) (**Fund**).

Contents

1. How we invest your money.....	2
2. How the Fund works	3
3. How unit prices are calculated.....	5
4. Additional information about distributions	5
5. Risks of managed investment schemes.....	5
6. Investor communication	6
7. How the Fund is governed	7
8. Fees and other costs.....	7
9. Taxation considerations	8
10. Additional general information.....	9
11. How to apply.....	10

Important notes

This Additional Information Guide (**Guide**) contains important information which should be read before deciding to invest in the Fund listed below. The information in this Guide forms part of the Product Disclosure Statement (**PDS**) for the Fund listed below. You should consider these documents together before making a decision about the Fund. The information provided in this Guide is general information only and does not take account of your personal financial situation or needs. You should obtain financial advice tailored to your personal circumstances. The information in this Guide is current as at the issue date but may change from time to time. Unless otherwise defined in this Guide, defined terms have the same meaning as used in the PDS.

Contacts

Responsible Entity

Ausbil Investment Management

Toll Free
1800 287 245

Phone
+61 2 9259 0200

Fax
+61 2 9259 0222

Mail
Ausbil
GPO Box 2525
Sydney NSW 2001

Email
contactus@ausbil.com.au

Website
www.ausbil.com.au

Administrator

National Australia Bank

Fax
1300 365 601

Mail
National Australia Bank
Registry Services
PO Box 1406
Melbourne VIC 3001

FUND	ARSN	APIR	PDS Dated
Candriam Sustainable Global Equity Fund	111 733 898	AAP0001AU	25 September 2017

The PDS and this Guide are available at www.ausbil.com.au. You can also request a copy by calling Ausbil on 1800 287 245 (toll free Australia) or +61 2 9259 0200.

1. How we invest your money

Construction of the SRI Universe

In order to select the most sustainable and socially responsible companies in each sector, Candriam has developed a structured and rigorous three-step SRI analysis framework. Each company is rated according to a 'best-in-class' analysis complemented by a norms-based assessment and examination of its exposure to armament-related and other controversial activities.

The Fund's investments are regularly reviewed to determine whether they continue to form part of the Fund's SRI universe. If Candriam becomes aware that the Fund is invested in a company that no longer forms part of the Fund's SRI universe, the investment will be sold in a reasonable period of time.

a) Best-in-class analysis

The 'best-in-class' analysis of companies consists of evaluating their ability to manage the sustainable development issues specific to their sector. These are addressed from two separate, but related, perspectives:

i) Macro-Analysis evaluates the company's exposure (services/products, production areas, etc) to the major sustainable development challenges. These are the global long-term trends considered to substantially impact the economic environment in which companies operate and to determine the future challenges in its market as well as the long-term growth opportunities. Candriam has identified six major sustainability challenges: Climate Change, Resource Depletion, Demographic Evolution, Interconnectivity, Health & Wellness, and Developing Economies.

ii) Micro-Analysis evaluates the extent to which a company's policy incorporates stakeholder (investors, employees, customers, etc.) interests in its long-term strategy, insofar as these items are a source of risks and/or opportunities that arise from a company's interactions with its stakeholders. Relations with the six categories of stakeholders are assessed through an in-depth analysis of 14 sub-categories covering 32 themes.

Macro-Analysis and Micro-Analysis together make up the Best-in-Class analysis of companies. Both types of analysis encompass a two-layer evaluation framework: a sector review and an analysis of each company within its sector and region. The 50% top-scored companies based on micro and macro analysis results are part of the "Best-in-Class" universe selection.

b) Norms-based analysis

Candriam also conducts a norms-based examination of companies in order to determine whether companies comply with the principles of the United Nations Global Compact (UNGC). These principles cover four main categories: human rights, labour rights, the environment and anti-corruption. The analysis is designed to filter out companies that have significantly and repeatedly breached one of the principles of the UNGC without acknowledging its responsibility of wrongdoing and without taking corrective actions.

c) Assessment of the exposure to armaments-related and other controversial activities

This step consists in evaluating the company's involvement in the armaments industry and other controversial activities such as adult content media, alcohol, gambling, genetic modifications, nuclear power, animal testing and activities exercised in oppressive regimes.

In addition, any company exposed to the armaments industry is permanently excluded from the SRI universe if:

- they are involved in the manufacturing or sale of anti-personnel mines, cluster bombs, depleted uranium weapons and/or chemical, nuclear or biological weapons, regardless of the income generated;
- more than 3% of their revenues are generated from the manufacturing or sale of conventional weapons.

ESG engagement and proxy voting

In addition, Candriam has established an ESG engagement and an active voting policy for all its SRI funds. Candriam's engagement takes the form of a direct and individual dialogue between SRI analysts and the representatives of the company (contacts with investors, sustainable development department, etc.) and other stakeholders (trade unions, sector federations, etc.) via conference calls, written exchanges, company visits, meetings with management, etc. Candriam's voting policy favours resolutions that support sustainable development principles in accordance with Candriam's SRI analysis framework.

The goal is to raise the awareness of companies and to receive additional information from companies on specific topics, to encourage them to think about these issues and to adopt transparency and, indirectly, to get them to take responsibility when it comes to certain specific themes relating to ESG.

The quantitative investment process

The exponential growth of financial information available to investors makes it increasingly difficult to identify and take advantage of investment opportunities in a fully objective and exhaustive fashion. Moreover, behavioural finance research shows that investors are often influenced by emotions and unconscious biases, which harm the effectiveness of their investment strategies. In order to exploit these inefficiencies and take advantage of the investment opportunities that arise, Candriam's quantitative equity team has developed a purely quantitative bottom-up stock-picking approach based on companies' published financial data, analyst information and market-related data (price, volume, short interest, etc).

a) Identification of alpha drivers and alpha factors

Stock-selection models are based on a diversified combination of alpha factors that belong to different alpha drivers/styles (valuation, quality, analyst sentiment, momentum, etc.) allowing for optimal risk diversification. An alpha factor is a metric-or attribute-sorted portfolio of stocks that is expected to separate winning stocks from losing stocks (e.g. book-to-price, accruals, EBITDA-to-EV). The team has constructed a database of over 200 factors intended to drive returns. Most factors also have an industry group-relative version to capture the heterogeneity of certain sectors at industry-group level. All factors have been designed by the team itself and many have proprietary characteristics that are the result of several years of empirical research.

b) Model development

Using the database of more than 200 alpha factors as input, the quantitative team has developed a tailor-made stock selection model for each sector within each region reflecting the different economic and structural characteristics of each sector. The quantitative team employs a consistent and diversified, factor-based, weighting methodology that was developed in-house.

Each sector model consists of a weighted combination of alpha factors. The weighting of factors is the result of historical back testing, simulation and, above all, risk-controlled

optimisation in order to construct the most optimal factor composition for each individual sector in each region taking into account a whole set of risk/return related features. The objective is to generate a high, and above all, stable return spread (relative to the sector performance). Additional evaluation criteria that are considered during the optimisation process include the turnover a factor requires to generate its alpha, the correlation between factors, possible drawdowns and the avoidance of the risk of overfitting the data (that is, the model describes noise/random error instead of a real economic relationship).

c) Portfolio construction and management

The quantitative scores generated by the different sector-specific stock picking models are applied to the SRI universe to obtain a model portfolio of SRI compliant companies that is likely to outperform their respective market. By construction, these model portfolios are neutral on the 10 main Global Industry Classification Standard (GICS) sectors and the global regions (North America, Europe and Asia-Pacific). Portfolios are rebalanced monthly. In order to distinguish between the alpha generated by the SRI screening process (sustainable alpha) and the alpha generated by the quantitative models (financial alpha), a “Best-Tracking-Portfolio” for the three regions, i.e. North America, Europe and Asia-Pacific, is constructed. This portfolio invests in equities from the eligible sustainable universe and displays the lowest risk versus the benchmark MSCI World Index (low tracking error, no style or size biases, and neutral on sectors and regions).

The quantitative team determines the final investment portfolio of the Fund by systematically and directly implementing:

- i) the output of the quantitative sector models in the North American and European regions applied to the SRI universe; and
- ii) the SRI best-tracking portfolio for the Asia-Pacific region taking into account any additional risk or trading constraints.

Your investment decision

In making a decision it is important to consider the investment, its level of risk and diversification and how it relates to your investment goals and other investments you may hold. You should carefully read the PDS, including all the information in this Guide, and seek appropriate professional advice before you make your decision. Ausbil does not provide personal advice to any clients.

Considering your investment goals

To meet your investment goals you should consider:

- your return expectations - this reflects the types of returns that you are seeking from an investment;
- your investment time horizon - which is based on the length of time you expect to hold an investment; and
- your risk tolerance - which refers to the extent of variation in the value of your investment and returns (if any) from your investment that you are willing to bear over the course of your investment time horizon.

Standard risk measure

The standard risk measure is based on industry guidance to allow you to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period.

The standard risk measure is not a complete assessment of all forms of investment risk. For instance it does not detail what could be the size of the negative return or the potential for a positive return to be less than you may require to meet your objectives. Further, it does not take into account the impact

of administration fees and tax on the likelihood of a negative return and should not be used to compare fees. You should still ensure you are comfortable with the risks and potential losses associated with your chosen investment option/s.

The following table is used to determine the risk label that applies to a fund:

Risk Band	Risk Label	Estimated number of negative annual returns over any 20 year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 5
7	Very high	6 to greater

The Responsible Entity has developed a methodology consistent with the guiding principles outlined by the Financial Services Council and the underlying assumptions are structured to reflect a conservative bias i.e. in favour of overstating risk. The methodology applies a set of relevant capital market assumptions (returns, volatility, correlation) to calculate the forward-looking return distribution for the investment strategy of a fund. The probability of a negative return in any one year is derived and then multiplied by 20 to achieve the estimated number of negative returns over any 20 year period. This number is compared to the table above to identify the Risk Band and Risk Label applicable to a fund.

2. How the Fund works

Applications into the Fund

Applications will be processed with an effective date being the date the Administrator receives both a valid Application Form, Client Identification Form (where required) and your application money in cleared funds.

The Application Form and Client Identification Form include details of the identification documentation that the Responsible Entity is required by law to collect from you before the Responsible Entity can issue units in the Fund to you.

Please note that Application Form and Client Identification Form for an initial investment are not accepted by fax or email due to legislative requirements. The forms must be mailed as originals to the Administrator, whose contact details are on page 1.

Ausbil retains absolute discretion to accept or reject any application in whole or in part. Specifically, if the Responsible Entity is unable to approve an application due to a lack of documentation or failure of verification procedures required by the Anti Money Laundering and Counter Terrorism Financing Act 2006 (Cth) (**AML/CTF Act**), your application will not be processed until these procedures are complete.

Incomplete or rejected Application Forms

Under the Constitution, the Responsible Entity can accept or reject any application for units and is not required to give any reason or grounds for such a refusal. To ensure that your application is processed efficiently, you need to complete all sections of the Application Form and provide all required customer identity verification documents outlined in the applicable Client Identification Form and Application Form.

If your Application Form is not completed to the Responsible



Entity's satisfaction and the Responsible Entity is not able to proceed with your request the Responsible Entity may:

- attempt to contact you; and/or
- hold your application monies in a non-interest bearing trust account until the Responsible Entity receives the required information.

Monies will be held for a maximum period of 30 days commencing on the day the Responsible Entity receives the monies. After this period your funds will be returned to the source of payment. If your Application Form is subsequently completed to the Responsible Entity's satisfaction prior to the expiration of the 30 day period and:

- before 2.30pm on any Business Day the monies held will be used to apply for units which will be issued at the application price next calculated for that Business Day; or
- after 2.30pm on any Business Day or on a non-Business Day, the monies held will be used to apply for units which will be issued at the application price calculated for the next Business Day.

Identification and verification requirements

The AML/CTF Act requires the collection and verification of specific information from investors, including information in relation to the underlying beneficial owners of an investor or potential investor and the source of any payment. As well as completing the Application Form, you may also be required to provide documentation to verify your identity. The actual documentation required will depend on what type of investor you are (for example, individual, sole trader, superannuation fund, trust or Australian company). The required identification documents are outlined in the Client Identification Form.

Under relevant laws, the Responsible Entity may be required to ask you for additional identity verification documents and/or information about you or anyone acting on your behalf, either when the Responsible Entity is processing your investment request or at some stage after the Responsible Entity have issued units in the Fund, and may need to re-verify information previously provided. The Responsible Entity may pass any information it collects and holds about you or your investment to relevant government authorities. Further, under the AML/CTF Act, the Responsible Entity is required to disclose information about suspicious matters to regulatory and/or law enforcement agencies and may be prevented from informing you of such disclosure. If the Responsible Entity does not receive all the required valid customer identity verification documents, or it is unable to verify your identity at any time, it may not be able to commence your investment or may not process any future withdrawal requests until it receives the required document(s). The Responsible Entity will contact you as soon as possible if it requires more information. Where a transaction is delayed, blocked, frozen or refused, the Responsible Entity is not liable for any loss you suffer (including consequential loss) as a result of compliance with the AML/CTF Act as it applies to the Fund.

Transferring ownership

Transferring units may have tax implications and you should consult your taxation adviser before you arrange any transfer of units. The Responsible Entity may, in its discretion, refuse to register any transfer of units and is not required to give any reasons. For further information about how you may transfer your units, please contact us.

Withdrawals out of the Fund

Restrictions on withdrawals

Redemption monies will only be paid to your nominated Australian bank account. Cheques and third party payments are not available. A transaction confirmation will be sent within 5 Business Days of when the withdrawal proceeds have been paid.

The Responsible Entity may, in accordance with the Constitution and the Corporations Act, delay withdrawals if, before redemption proceeds are paid to a unitholder and within fourteen days of the receipt of the withdrawal notice:

- the Responsible Entity receives over a period of two consecutive Business Days requests for redemption in respect of 10% or more of the units issued in the Fund; or
- there is a fall in the S&P/ASX All Ordinaries Index quoted by the Australian Stock Exchange of 5% or more compared to the level of that index at the date of receipt of the redemption request.

In either case we may delay the processing of withdrawals requests for up to 28 days after the date of receiving a redemption request. The redemption price paid on redemption requests processed after any delay will be calculated in accordance with the constitution.

If the Fund is illiquid, withdrawals from the Fund will only be possible if the Responsible Entity makes a withdrawal offer in accordance with the Corporations Act. As at the date of this PDS the Fund is liquid.

For further details on the circumstances where the Responsible Entity may delay or suspend withdrawals, please contact the Responsible Entity or refer to the Constitution, a copy of which is available free of charge by contacting the Responsible Entity.

Instructions by fax

None of the Responsible Entity nor its duly appointed agents, including the Custodian and Administrator accepts any responsibility or liability for any loss caused as a result of fraud or errors in or non-receipt or illegibility of, any faxed communication or for any loss caused in respect of any action taken as a consequence of faxed instructions believed in good faith to have originated from properly authorised persons.

The Custodian and the Administrator

National Australia Bank's role as Custodian is limited to holding assets of the Fund. As the Administrator, National Australia Bank provides administration services in relation to the Fund, which includes keeping the register of unitholders, arranging for the issue and withdrawal of units and calculation of unit prices and fees. In accordance with the relevant agreements between the Responsible Entity and National Australia Bank, National Australia Bank has no supervisory role in relation to the operation of the Fund, and has no liability or responsibility to unitholders for any acts or omissions. The Custodian does not make investment decisions in respect of the assets held or manage those assets. The Responsible Entity will pay the Custodian a fee for acting as the Fund's custodian. This fee is not an additional fee to you and is included in the management costs described in the PDS.

3. How unit prices are calculated

You will be issued units when you invest in the Fund. Each of these units represents an equal undivided interest in the Fund. As a result, each unit has a dollar value which is determined in accordance with the Constitution and is generally calculated each Business Day (**unit price**).

Under the Constitution, unit prices are calculated by dividing the NAV of the relevant class by the number of units in the relevant class on issue in the Fund. Application and withdrawal unit prices are then calculated by applying a buy or sell spread to the NAV unit price. The NAV of the Fund means the total value of the assets (including income accumulated since the previous distribution) less any liabilities (including borrowings and expenses). The buy/sell spread is an estimate of the costs of buying and selling the underlying assets of the Fund.

The unit price will change as the market value of assets in the Fund rises or falls. All unit prices are calculated to six (6) decimal places.

The Responsible Entity has adopted a Unit Pricing Discretions Policy that sets out policies and procedures when exercising discretions under the Constitution. For the purpose of calculating the NAV of the Fund, the Responsible Entity will rely on financial data obtained from independent third party pricing services. The Responsible Entity may also use and rely on industry standard financial models in pricing any of the Fund's securities or other assets. These methods are consistent with ordinary commercial practice for valuing units in the Fund.

A copy of our Unit Pricing Discretions Policy is available at www.ausbil.com.au

4. Additional information about distributions

The distributions you receive are generally assessable income and can be made up of both income and realised capital gains. Distributions are generally calculated based on the Fund's net income at the end of the distribution period divided by the number of units on issue. This gives a distributable income amount per unit. Your distribution entitlement is then determined by multiplying the number of units you hold by the distributable income amount per unit.

Reinvestment of distributions will normally be effective the first day following the end of the distribution period at an application price calculated by dividing the NAV of the Fund at the end of the distribution period (excluding the distribution amount) by the number of units on issue. No buy/sell spread will apply in this circumstance.

The Responsible Entity may pay interim distributions throughout the year where the Responsible Entity considers it appropriate, for example, where there is a large withdrawal it may distribute income and net realised capital gains before processing the withdrawal so that remaining unitholders are treated fairly. Prior notice of interim distributions will not be provided.

The size of the distribution will vary depending on the factors that influence the performance of the Fund (such as security

selection, interest rates and market conditions) and may not be paid at all. Distributions may include a part return of capital. Details will be provided in your tax statement.

Distributions are calculated in accordance with the Constitution. Undistributed gains accrue in the unit price of the Fund during the relevant distribution period. This means that if an investment is made just before the end of a distribution period, you may receive some of the investment back immediately as income. The Fund's unit price will usually fall following a distribution because the income and net realised capital gains accumulated during the distribution period have been distributed.

5. Risks of managed investment schemes

Risk generally refers to the variability or volatility in the value of your investment, a fluctuation or a decrease in the amount of income generated from the investment, a lower than expected rate of return, the fact that the value of your investment may not keep pace with inflation or possible delays in redeeming your investment.

All investments, including investments in managed investment schemes such as the Fund, come with a degree of risk. As such, it is important to be aware of the risks involved, your investment objectives and the level of risk you are able or willing to accept, before making a decision to invest.

A number of risks potentially affect the value of your investment and the distributions paid by a Fund. Different levels of risk exist depending on the underlying asset classes in which a fund invests and the strategies used to manage the various risks. In general, higher potential returns mean higher levels of risk, and lower potential returns mean lower levels of risks. This means the higher the level of risk associated with a fund, the greater the potential volatility of returns and, therefore, the longer the investment time horizon that is generally recommended for that fund.

Defensive assets (cash and fixed interest) generally have relatively lower risk and lower expected returns than growth assets (listed property and equities) which have higher expected risk and potential for the greatest return. However, in extraordinary market environments, with extreme market volatility, the expected risk and return profile of assets may differ.

Candriam manages the risks of investing in sustainable global equity strategies through diversification, in-house financial and ESG research and rigorous risk management practices.

The recommended time frame for investing in the Fund, based on the risks associated with the Fund, is listed in section 4 of the PDS. In addition to the key risks outlined in section 4 of PDS, other significant risk of investing in the Fund are summarised below.

Fund risk

Fund risks include potential termination of the Fund, a change in the Fund's characteristics (such as distribution frequency, change in fees and expenses etc.), the closure of the Fund to new and/or additional applications (due to, for example, the Fund reaching capacity) and the replacement of the Responsible Entity or laws that affect managed investment schemes may change. There is also a risk that investing in the Fund may give different results than investing directly because

of the income or capital gains or losses accrued in the Fund and the consequences of applications and redemptions by other unitholders.

Manager risk

The risk that Candriam will not achieve the Fund's stated investment objective or deliver returns that compare favourably to alternative investment options. Many factors can negatively impact Candriam's ability to generate acceptable returns, including loss of key staff.

Withdrawal risk

To meet withdrawal requests or to raise cash to pursue other investment opportunities, the Responsible Entity may be forced to sell securities at an unfavourable time and/or under unfavourable conditions, which may adversely affect the Fund.

If a situation occurs where the assets that the Fund invests in are no longer able to be readily bought and sold, or market events reduce the liquidity of a security or asset class, there is a risk that the generally applicable timeframe of five business days for meeting withdrawal requests may not be able to be met. This is because it may take longer to sell these types of investments at an acceptable price. In this case, withdrawals from the Fund may take significantly longer than the generally applicable timeframe.

The maximum timeframe in which we, as responsible entity, have to meet a withdrawal request is set out in the constitution of the Fund. Where the Fund is not liquid (as defined in the Corporations Act), you may only withdraw when we make an offer to withdraw to all investors, as required by the Corporations Act. Please refer to 'Restrictions on withdrawals' on page 4 of this Guide for further information about an unitholder's ability to withdraw when the Fund is liquid, including the timeframes, and an unitholder's ability to withdraw if the Fund is not liquid.

6. Investor communication

As a unitholder in the Fund, you will receive the following reports:

Confirmations

You will receive confirmations of all your application(s) and withdrawal(s).

Distribution statement

You will receive a distribution statement for each period that the Fund makes a distribution to unitholders.

Tax and annual statements

Taxation statements will be provided to you annually for the year ending 30 June. You will also be provided with an annual periodic statement which contains your transaction history for the year ending 30 June.

Keeping you informed

Online access to your investment account. Direct Investors can access information about their investment in the Fund by logging onto Investor Online: a secure client website with access restricted by client ID and password.

Information on the site includes:

- your account balance;
- your transaction history;
- unit prices;
- performance returns;

- distribution statements; and
- year end tax statements.

In completing the application form you will automatically receive online access (unless you elect otherwise). Investors who wish to register for Investor Online will receive an email containing a secure link to the registration page of the Investor Online website (www.ausbil.com.au).

Audited financial statements

Audited financial statements of the Fund are issued annually for the year ending 30 June. They will be prepared in accordance with Accounting Standards applicable to general financial statements in Australia to the extent that the Fund is required to comply with those standards by the Corporations Act or under the Constitution. The audited financial statements are made available to unitholders at www.ausbil.com.au. A hard copy may be requested free of charge by contacting the Responsible Entity. Audited financial statements will not be mailed to unitholders unless specifically requested.

Continuous disclosure

The Fund is subject to regular reporting and disclosure obligations under the Corporations Act. Ausbil will satisfy its continuous disclosure requirements via web-based disclosure on the basis of ASIC's best practice disclosure recommendations for continuous disclosure. To keep informed of important information and updates relating to the Fund, visit www.ausbil.com.au for further information which should be read in conjunction with this PDS, including:

- Fund updates; and
- Unit prices, performance and asset allocations.

The Responsible Entity recommends that you obtain and review such information before you invest. Alternatively, you can call Ausbil on 1800 287 245 (toll free) and the Responsible Entity will send you the requested information free of charge. The Fund's Constitution is also available upon request. If you are unsure as to any aspect relating to the Fund, Ausbil recommends that you consult your financial or other professional adviser. Indirect Investors should contact their IDPS operator.

The Fund is currently not a disclosing entity as defined by the Corporations Act. If the Fund becomes 'disclosing entity' (generally this is where the Fund has 100 investors or more) the Fund will be subject to associated reporting and disclosure obligations.

In addition, you have the right to receive the following documents at no charge:

- the annual financial report most recently lodged with ASIC;
- any half-year financial report lodged with ASIC by the Fund after the lodgement of the annual report most recently lodged with ASIC and before the date of the PDS; and
- any continuous disclosure notices given by the Fund after the lodgement of the annual report most recently lodged with ASIC and before the date of the PDS.

Copies of documents lodged with ASIC in relation to the Fund are able to be obtained from, or inspected at, an ASIC office. All continuous disclosure information is available at www.ausbil.com.au

Keeping us informed

Our records about you are important. Please inform the Administrator in writing of any change to the personal details

that you have given us. This may be a new postal address, email address, or a change of name or new bank account details. When requesting a change of personal details please complete the Change of Details Form or provide:

- your account number;
- the full name(s) in which your investment is/are held;
- the change(s) you are requesting;
- a daytime telephone number;
- email address; and
- ensure the request is signed by the appropriate signatories.

Some changes may also require additional documentation, such as a change of name request. If you wish to change your nominated bank account to which withdrawal payments are made, you will be required to complete the Change of Details Form or the relevant sections of the Additional Investment Form and the relevant Client Identification Form, and send the original form and documents to the Administrator.

7. How the Fund is governed

The Fund is governed by the Constitution. The Constitution (in addition to the Corporations Act and general law) provides an operational framework for the ongoing management of the Fund. It also provides for the Responsible Entity's powers, duties and obligations in respect of the Fund, the limits to our liability and our right to be indemnified for proper administration of the Fund.

The Constitution

The Constitution contains the rules relating to a number of issues including:

- unitholder rights;
- the process by which units are issued and may be withdrawn;
- the calculation and distribution of income;
- the investment powers of the Responsible Entity;
- the Responsible Entity's right to claim indemnity from the Fund and charge fees and expenses to the Fund; and
- the termination of the Fund.

The Constitution also contains provisions designed to limit your liability to the amount invested in the Fund. However, you should be aware that the effectiveness of such a limitation is yet to be conclusively determined by the courts.

A copy of the Constitution, which has been lodged with ASIC, is available free of charge by contacting the Responsible Entity.

Termination

The Constitution, together with the Corporations Act, governs how and when the Fund may be terminated. The Responsible Entity may terminate the Fund at any time by three months' written notice to unitholders. On termination, a unitholder is entitled to a share of the net proceeds of the realisation of the assets in proportion to the number of units the unitholder held at the time of termination.

Unitholder meetings

The conduct of unitholder meetings and unitholders' rights to requisition, attend and vote at those meetings are subject to the Corporations Act and (to the extent applicable) the Constitution.

Compliance plan and compliance committee

The Fund has a compliance plan which has been lodged with ASIC (**Compliance Plan**). It sets out measures that the Responsible Entity is to apply in operating the Fund to ensure compliance with the Constitution. A compliance committee has been appointed to monitor compliance by the Responsible Entity with the Constitution and Compliance Plan. A copy of the Compliance Plan is available free of charge on request by contacting the Responsible Entity.

8. Fees and other costs

Indirect Costs

Indirect costs include any amount, not already disclosed as a fee or cost, which reduces (directly or indirectly) the performance return of the Fund.

These indirect costs are reflected in the unit price of your investment in the Fund and include any expenses of the Fund (see below), as well as underlying (indirect) management costs, underlying (indirect) performance-related fees and other indirect costs. The indirect costs may vary from year to year, including to the extent that they rely on estimates. Where a Fund invests in other funds for which Ausbil is the responsible entity, the Responsible Entity will ensure there is no doubling up of management fees.

Expenses

Under the Fund's constitution, the Responsible Entity is entitled to recover expenses incurred in the proper performance of the Fund's operations. These expenses comprise of normal expenses (eg investment management fees, custody charges, administration and accounting costs, registry fees, audit and tax fees) and abnormal expenses (eg expenses incurred in holding a unitholder meeting or complying with regulatory changes).

Transactional and operational costs

Buy/sell spreads

The Fund's current buy sell spread and dollar based examples are set out in the table below.

Generally, there will be no buy spread incurred on distributions which are re-invested. The Responsible Entity has discretion to waive or reduce the transaction costs on investments or withdrawals where no, or reduced costs, are incurred.

The buy/sell spread can be changed at any time by us. The Responsible Entity will provide notification to unitholders of any changes to buy/sell spread transaction costs at www.ausbil.com.au

A copy of our Unit Pricing Discretions Policy, including details of any discretions that the Responsible Entity may exercise

Fund	Buy spread	Sell spread	Dollar based example based on a \$50,000 application or withdrawal amount	
			Buy spread	Sell spread
Fund	0.40%	0.40%	\$200	\$200

in various circumstances (including in respect of transaction costs) is available at www.ausbil.com.au

Other transaction costs

The Fund's estimated other transaction costs are set out in the table below. The figure is calculated as a percentage of the average fund gross asset value and is estimated based on the financial year ending 30 June 2017. You can determine the dollar value of these costs over a 1 year period by multiplying the transaction cost rate with your average account balance. For example, the value of other transaction costs on an average account balance of \$50,000 invested in the Fund is \$70.

Fund	Total transaction costs	Minus: Buy/sell spread recovery	Equals: Other Transaction costs
Fund	0.32%	0.18%	0.14%

Can fees be different for different unitholders?

For wholesale investors the Responsible Entity may, in its discretion and, in accordance with relevant ASIC policy and the Corporations Act, negotiate and agree a rebate or waiver of part of the management fee to a person who acquires an interest in the Fund in response to an offer made to them as a wholesale client within the meaning of section 761G of the Corporations Act. Any fee rebate or waiver is subject to the Responsible Entity determining that the giving of the rebate or waiver satisfies, or continues to satisfy, the requirements of ASIC policy and the Corporations Act.

Third party payments

The Responsible Entity may provide benefits to other financial services intermediaries where the law permits. If the Responsible Entity does, it will provide these benefits from its own resources so that they are not an additional cost to the Fund or its unitholders.

The Responsible Entity may also sponsor professional development days and training. If permitted by law, the Responsible Entity may pay rebates, based on the amount of funds under management or operating expenses, to IDPS operators, dealer groups and financial advisers.

The Responsible Entity may enter into arrangements to pay administration fees to IDPS operators in connection with the listing of the Fund on their investment menus. This fee is paid by the Responsible Entity and not by the Fund. There is no additional charge to unitholders.

Increases to fees and other costs

The Responsible Entity will provide 30 days' written notice in advance of any proposed increase in its fees. The Responsible Entity cannot charge more than the Constitution allows. The maximum allowable fees under the Fund's constitution are set out in the table below.

Fund	Contribution Fee plus GST	Management Fee plus GST	Responsible Entity Fee plus GST
Fund	5.00% of the application amount	0.80% pa of gross asset value	0.05% pa of gross asset value

9. Taxation considerations

There are tax implications when investing, withdrawing and receiving income from the Fund. The Responsible Entity cannot give tax advice and the Responsible Entity recommends that you consult your professional tax adviser as the tax implications for the Fund can impact unitholders differently. What follows is a general outline of some key tax considerations for Australian resident unitholders. This information is based on our current interpretation of the relevant taxation laws. As such, unitholders should not place reliance on this as a basis for making their decision as to whether to invest.

Income earned by the Fund, whether distributed or reinvested, can form part of the assessable income for unitholders in the year of entitlement or allocation. The composition of distributions can be made up of assessable income (such as dividends, interest and other assessable income), net realised capital gains (including CGT concession amounts, if any), tax credits, such as franking credits attached to dividend income and foreign income tax offsets and/or non-taxable distributions such as returns of capital or tax-deferred amounts. If tax credits are included in your distribution, you must determine your entitlement based on your individual circumstances. Further, the timing of when the Fund's income is brought to account for tax purposes may be different to when amounts are distributed to you, so that you may be required to pay tax on income that has not yet been or may not be distributed to you.

For each year ending 30 June the Responsible Entity will send to you the details of assessable income, foreign income, tax credits and any other relevant tax information to include in your tax return.

Applications and withdrawals

If you acquire units part way through a distribution period, that amount of accumulated income which is included in the unit price for the units acquired will eventually be distributed to you as income. Depending on your tax circumstances, this could result in you receiving assessable income, and on disposal of units, generating a capital loss of a similar amount. However, the capital loss cannot be offset against that income - it can only be offset against your realised capital gains.

If you withdraw units part way through a distribution period, the value of accumulated income is included in your withdrawal price. The Responsible Entity will advise you what part (if any) of the proceeds on withdrawal reflect your share in the net income of the Fund and therefore is assessable income for tax purposes. The balance reflects the capital proceeds on disposal and may, dependent upon your tax circumstances, be subject to the capital gains tax (CGT) provisions.

Your assessable income for each year may include net realised capital gains (ie after offsetting capital losses). This will include capital gains made upon withdrawing units from the Fund.

Individuals, trusts and complying superannuation entities may be eligible for CGT concessions in relation to capital gains made with respect to units which are held for at least 12 months.

If you hold your units on revenue account, gains and losses will be taxable as ordinary income or allowed as a deduction, as the case may be, and will not qualify for the CGT discount.

Foreign taxes and foreign tax compliance

Australian residents are required to include in their assessable income their share of any foreign taxes paid by the Fund. Australian residents will normally be entitled to a tax offset for foreign taxes paid by the Fund.

The Responsible Entity believes that the Fund will be required to comply with the US Foreign Account Tax Compliance Act (**FATCA**). The Responsible Entity will require you to provide certain Information about yourself so as to enable compliance with FATCA obligations.

Common Reporting Standards

The Australian Government has implemented the OECD Common Reporting Standard effective from 1 July 2017. The Common Reporting Standard, similar to the FATCA regime, requires banks and other financial institutions (like the Fund) to collect and report to the ATO financial account information on non-residents which the ATO may exchange with the relevant foreign tax authorities of the non-residents.

GST

The application for and withdrawal of units in the Fund and receipt of distributions will not be subject to GST. However, GST is payable on our fees and certain reimbursement of expenses. The Fund may be able to claim input tax credits and/or RITCs of at least 55% of the GST incurred.

Unless otherwise stated, all fees quoted in this Guide and the PDS are quoted on a GST inclusive basis and net of any applicable RITCs.

10. Additional general information

Consents

National Australia Bank Limited (ABN 12 004 044 937) (**National Australia Bank**) is the Custodian and Administrator for the Fund. National Australia Bank makes no statement in this PDS and has not authorised or caused the issue of it. National Australia Bank has given and not withdrawn its consent to be named in this PDS before the date of this PDS. Investments of the Fund do not represent investments in, deposits with or other liabilities of, National Australia Bank or any other member of the National Australia Bank group of companies (**NAB Group**). Neither National Australia Bank, nor any other member of NAB Group, in any way stands behind the capital value, nor does it guarantee the performance of the investment or the underlying assets of the Fund, or provide a guarantee or assurance in respect of the obligations of the Responsible Entity or its related entities.

New York Life Insurance Company has given and has not withdrawn its consent to its name appearing in the PDS of the Fund and to references and statements in the PDS concerning New York Life Insurance Company in the form and context in which they are included. Other than the consent provided, New York Life Insurance Company does not take any responsibility for any other part of the PDS and has not authorised or caused the issue of the PDS.

New York Life Investment Management Holdings LLC has given and has not withdrawn its consent to its name appearing in the PDS of the Fund and to references and statements in the PDS concerning New York Life Investment Management Holdings LLC in the form and context in which it is included. Other than the consent provided, New York Life Investment Management

Holdings LLC does not take any responsibility for any other part of the PDS and has not authorised or caused the issue of the PDS.

Candriam has given and has not withdrawn its consent to its name appearing in the PDS of the Fund and to references and statements in the PDS concerning Candriam in the form and context in which it is included. Other than the consent provided, Candriam does not take any responsibility for any other part of the PDS and has not authorised or caused the issue of the PDS.

Privacy

The Responsible Entity must comply with the Privacy Act. This Act generally regulates the collection, storage, quality, use and disclosure of personal information. The Responsible Entity may collect personal information from investors to provide its products and services. The Corporations Act and AML/CTF Act require the Responsible Entity to collect some personal information about you.

The Responsible Entity will need to collect personal information from you in order to process your investment and provide services to you. We may also need to disclose your personal information collected to third party service providers in order to carry out these activities. If you do not want us to use your personal information for direct marketing purposes please contact the Privacy Officer at the address set out below.

We aim to ensure that the personal information the Responsible Entity retains about you is accurate, complete and up-to-date. To assist the Responsible Entity with this, please contact the Responsible Entity if any of the details you have provided change. If you have concerns about the completeness or accuracy of the information the Responsible Entity has about you, it will take steps to correct it. In accordance with the Responsible Entity's Privacy Policy, in most cases, investors also have rights to access their personal information.

The Responsible Entity may disclose your personal information to anyone you have authorised or any adviser, consultant or dealer group advising you or acting on your behalf, government departments or agencies as well as any related entities of the Responsible Entity and anyone acting on its and/or the adviser/consultant/dealer group's behalf such as external service suppliers who supply administrative, financial or other services to assist the Responsible Entity and/or the adviser/consultant/ dealer group in providing financial services.

If we are not able to collect all the personal information we require, we may not be able to assess your application for the investment product or manage the product. The Responsible Entity may be required to transfer your personal information to entities located outside of Australia where it may not receive the level of protection afforded under Australian law. By completing the Application Form you consent to your personal information being transferred overseas for these purposes. Please note that if you provide personal information to the Responsible Entity about another person, you warrant that you are authorised by that person to do so and that you have informed that person of the information in this Privacy section.

Please contact the Responsible Entity's Investor Services Team on 1800 287 245 (toll free) if you want to change or correct personal details. It is important that you contact us because until you do so the Responsible Entity will assume

that by investing in the Fund, you have consented to our using your personal information as indicated above.

A copy of the Responsible Entity's Privacy Policy is available at www.ausbil.com.au or may be obtained from the Ausbil Privacy Officer.

Further information on how the Responsible Entity handles personal and sensitive information can be found in the Privacy Policy. The Privacy Policy also contains information about how you can access and correct the information about you held by the Responsible Entity as well as how complaints may be made and how the complaint will be dealt with by it.

If you are investing in the Fund via an IDPS, please be aware that the Responsible Entity does not collect or hold personal information in connection with an investment in the Fund.

If you have further questions about privacy, please write to us or contact us at:

Mail:

Privacy Officer
Ausbil Investment Management Limited
GPO Box 2525
Sydney NSW 2001 Australia

Telephone:

1800 287 245 (toll free) or
+61 2 9259 0200 (if calling from outside Australia)

Fax:

+61 2 9259 0222

Indirect Investors

The Responsible Entity has authorised the use of the PDS as disclosure to investors and prospective investors of an IDPS or IDPS-like scheme (known commonly as a master trust or wrap account). These investors are referred to as Indirect Investors. Indirect Investors in the Fund do not themselves become unitholders in the Fund, and accordingly have no rights as a unitholder. The offer document for your IDPS or IDPS-like scheme should have further details. If you are an Indirect Investor, generally the IDPS or IDPS-like scheme operator acquires the rights of a unitholder. Your rights and liabilities will be governed by the terms of the relevant IDPS or IDPS-like scheme disclosure document, which you should read carefully prior to directing the relevant operator to invest in the Fund.

Indirect Investors complete application forms for the IDPS or IDPS-like scheme, not the Fund, and receive reports from their operator. Enquiries should be directed to that operator or your financial adviser. Minimum investment and withdrawal requirements may not always be relevant to Indirect Investors because the IDPS or IDPS-like scheme operator may invest on behalf of a number of Indirect Investors. Also, the tax information in this Guide and the PDS does not specifically cater for Indirect Investors.

Related Parties

The Responsible Entity is owned by its employees and indirectly by New York Life Investment Management Holdings LLC, a wholly-owned subsidiary of New York Life Insurance Company (**New York Life**). For these purposes, a related party includes certain entities and individuals that have a close relationship with the Responsible Entity, including, but not limited to New York Life itself, other subsidiaries of New York Life and other funds operated or managed by any other member of the New York

Life group of companies.

The Responsible Entity may from time to time use the services of related parties (including, but not limited to, investment management and administration) and pay commercial rates for these services. The Responsible Entity may also enter into financial or other transactions with related parties in relation to the assets of the Fund and such arrangements will be based on arm's length commercial terms or as otherwise permissible under the law.

In the course of managing the Fund the Responsible Entity may come across conflicts in relation to its duties to the Fund, related funds and its own interests. The Responsible Entity has internal policies and procedures in place to manage all conflict of interest appropriately. These policies and procedures will be reviewed on a regular basis and may change from time to time. In addition to complying with these policies and procedures, all conflicts will be resolved in a fair and reasonable manner, in accordance with the relevant law and ASIC requirements.

11. How to apply

Steps

1. Read PDS and this Guide

Before completing the Application Form and the Client Identification Form please ensure you have read the PDS together with this Guide.

2. Complete and sign the Application Form

The Application Form is available at www.ausbil.com.au or by calling Ausbil on 1800 287 245 (toll free).

If you are applying for additional units in the Fund, please complete all relevant sections of the Additional Investment Form, available at www.ausbil.com.au or by calling Ausbil on 1800 287 245 (toll free) and return to the Administrator, or fax to 1300 365 601.

3. Complete the relevant Client Identification Form

The relevant Client Identification Form is available at www.ausbil.com.au or by calling Ausbil on 1800 287 245 (toll free).

4. Make payment

Make payment of monies in accordance with the payment options set out below.

5. Mail documents

Mail (not fax) the forms and cheque (if payment by cheque) to the administrator:

National Australia Bank
Registry Services
PO Box 1406
Melbourne VIC 3001



Payment options

The Responsible Entity accepts the following payment options:

1. By electronic funds transfer

The details to transfer funds by electronic funds transfer are as follows:

Account name: **NNL-Ausbil Application Account**
BSB: **083 043**
Account number: **561 830 901**
Description: **Please insert Investor ID (existing unitholder ID) or the applicants' name, ie surname or super fund name (for initial applications).**

2. By real time gross settlement (RTGS)

To use this option your bank must offer RTGS. The details to transfer funds electronically via RTGS are as follows:

Account name: **NNL-Ausbil Application Account**
BSB: **083 043**
Account number: **561 830 901**
Description: **Please insert Investor ID (existing unitholder ID) or the applicants' name, ie surname or super fund name (for initial applications).**

3. By cheque

Please make your cheque payable to '**NNL-Ausbil Application Account**' and please ensure that you complete the cheque details on the application form.