



## AMP Capital Enhanced Yield Fund

Dated: 12 September 2008  
Issued by AMP Capital Investors Limited  
ABN 59 001 777 591  
AFSL 232497

### Product Disclosure Statement

For investments through a master trust or wrap platform

## Supplementary Product Disclosure Statement

# AMP Capital Enhanced Yield Fund

ARSN

104 127 013

APIR code

Platform (Class A) units – AMP0685AU

This is a Supplementary Product Disclosure Statement which supplements:

- the AMP Capital Enhanced Yield Fund Product Disclosure Statement dated 12 September 2008 (the PDS) and must be read together with the above document.

The purpose of this Supplementary PDS is to update the PDS as follows:

- Part 1: Liquidity
- Part 2: Borrowing facility
- Part 3: Asset valuation policy
- Part 4: Processing applications
- Part 5: Withdrawal process.

## Part 1: Liquidity

### 1.1 Overview

Under the heading 'Overview' on page 2, the first paragraph is deleted and replaced with:

The AMP Capital Enhanced Yield Fund aims to give investors access to high income investments through the Fund's investment in a strategic mix of traded high yield securities and private debt instruments, while also seeking to provide capital stability.

### 1.2 Liquidity

Under the heading 'Liquidity' on page 2

- The following is inserted before the first paragraph:  
Withdrawal requests are generally processed quarterly according to specified withdrawal dates. The processing of withdrawal requests in full is dependent on the amount of funds made available to meet withdrawal requests. We aim to process the payment of withdrawal requests within 15 business days of each specified withdrawal date.
- The last paragraph is deleted and replaced with:  
'Our investment approach' on page 5 provides further information about the Fund's investments, and how our investment process supports the Fund's return and capital stability objectives.

### 1.3 Benefits of investing in the Fund

Under the heading 'Benefits of investing in the Fund' on page 4, the sentence immediately before the first bullet point is deleted and replaced with:

For investors seeking to enhance the returns on their investments whilst also seeking to provide capital stability, the Fund provides:

### 1.4 Investment risks

Under the heading 'Investment risks' on page 4, the second bullet point is deleted and replaced with:

- liquidity – withdrawal requests are generally processed quarterly according to specified withdrawal dates. The processing of withdrawal requests in full is dependent on the amount of funds made available to meet the requests. We aim to process the payment of withdrawal requests within 15 business days of each specified withdrawal date.

### 1.5 Our investment approach

Under the heading 'Our investment approach' on page 5, the first sentence is deleted and replaced with:

The Fund aims to provide investors with high income while seeking to maintain capital stability.

### 1.6 Risks specific to the Fund

- Under the heading 'Liquidity' on page 9, paragraph 1 is deleted and replaced with:  
Liquidity refers to the ease with which an asset can be traded (bought and sold) in the marketplace at its current value. An asset subject to liquidity risk may be more difficult to trade and it may take longer for the full value to be realised.

A drop in the liquidity level of the Fund increases the risk that the amount of cash available to the Fund to meet withdrawal requests may be reduced. This could result in the part or non-payment of withdrawal amounts (see 'Accessing your money' on page 18).

- Under the heading 'Private debt assets' on page 9, the paragraph is deleted and replaced with:

Private debt assets may take longer to realise than more liquid assets such as listed securities, and their value may not be fully recoverable in the event of a sale. Private debt assets of the Fund are accessed through the AMP Capital Structured High Yield Fund. See 'Asset valuation policy' on page 7 for details about valuation of the assets in the Fund, including the valuation of private debt securities in the AMP Capital Structured High Yield Fund.

## Part 2: Borrowing facility

### 2.1 The Fund's investments

Under the heading 'The Fund's investments' on page 6, the second paragraph is deleted.

### 2.2 Liquidity support facility

Under the heading 'Liquidity support facility' on page 6, the first sentence is deleted and replaced with:

A liquidity support facility for up to \$100 million is in place and may be used to assist with satisfying acceptances of any withdrawal offers that we might make, where we consider it is in the best interests of investors .

## Part 3: Asset valuation policy

Under the heading 'Private debt assets' on page 7, all content is deleted and replaced with:

### Private debt assets

Private debt assets are accessed primarily through the AMP Capital Structured High Yield Fund. The AMP Capital Enhanced Yield Fund uses the most recent unit price of the AMP Capital Structured High Yield Fund to determine the market value of its investment in the AMP Capital Structured High Yield Fund.

The assets of the AMP Capital Structured High Yield Fund which are tradeable, are valued as for traded high yield securities.

Almost all of AMP Capital Structured High Yield Fund's assets are relatively illiquid private debt investments, with limited secondary trading.

Illiquid debt assets of AMP Capital Structured High Yield Fund are valued at par or acquisition value plus any accrued interest up to the valuation date, if there is no evidence of a 'material risk of loss'. Material risk of loss is defined as an expectation that there is likely to be an event of default under the senior loan obligations of the borrower leading to a potential loss for senior and junior (subordinated) lenders to the business, based on the projected performance of the business involved.

Where we believe that a material risk of loss will eventuate or does exist, our Private Debt team obtains an independent valuation by an external appropriately qualified valuer. Based on this valuation, the value at which the private debt investment is carried within the AMP Capital Structured High Yield Fund is adjusted accordingly and may be reduced.

If the illiquid private debt investments of the AMP Capital Structured High Yield Fund are sold, the value of the Fund's investment in the AMP Capital Structured High Yield Fund may be realised for less than the carrying value of that investment. In these circumstances, this may have an adverse effect on the price of units in the AMP Capital Structured High Yield Fund.

## Part 4: Processing applications

Under the heading 'Processing applications' on page 16, all content is deleted and replaced with:

We generally process applications each business day, using the close of business issue price for that day. A business day for us is any day other than Saturday, Sunday or a bank or public holiday in NSW. If we receive an application after 2.00pm Sydney time or on a non-business day for us, we treat it as having been received before 2.00pm the next business day.

We normally determine the net asset value of the Fund at least each business day, using the prices of the assets in which the Fund is invested. Valuations are carried out in accordance with the AMP Capital Asset Valuation Policy (see 'Asset valuation policy' on page 7).

The issue price of the AMP Capital Enhanced Yield Fund is determined under the Fund's constitution by reference to the net asset value and transaction costs pertaining to the relevant class of units, and the number of units on issue in that unit class.

## Part 5: Withdrawal process

### 5.1 At a glance

In the 'At a glance' table on page 3, the statement headed 'Withdrawals' is deleted and replaced with:

Withdrawal requests will generally be processed quarterly according to specified withdrawal dates. Withdrawal amounts may be reduced on a pro-rata basis, and the unmet portion of withdrawal requests cancelled, where the amount of funds available for meeting withdrawal requests is not sufficient to fully meet all withdrawal requests relating to a specified withdrawal date.

We aim to process the payment of withdrawal requests within 15 business days of each specified withdrawal date.

The unit price used to calculate your withdrawal value will be the price prevailing on the business day prior to the day we process the payment of your withdrawal request (or part of your withdrawal request), not the day you notify us of your intention to withdraw (see 'Risks of investing' on page 8 and 'Accessing your money' on page 18).

### 5.2 Accessing your money

Under the heading 'Accessing your money' on page 18, all content is deleted and replaced with:

#### Requesting a withdrawal

##### Platform operators

Contact us in writing by mail or fax, telling us how much you wish to withdraw and giving your account details (see the back cover of this PDS for our mailing address and fax number). Withdrawal amounts, whether in part or in full, will be paid to your nominated account. A minimum withdrawal amount of \$5,000 applies.

##### Indirect investors

Contact your financial adviser or platform operator for details about:

- how to withdraw or transfer money from your investment account
- withdrawal prices, payment times and conditions
- how your withdrawal will be paid, and
- the minimum withdrawal amount and account balance set by the platform operator.

### Processing withdrawal requests

You can submit a withdrawal request at any time. However, withdrawal requests that are to be paid into your nominated bank account are processed quarterly, according to the relevant 'specified withdrawal date'.

The specified withdrawal dates are 31 January, 30 April, 31 July and 31 October, or the next business day if the specified withdrawal date is not a business day.

A business day for us is any day other than Saturday, Sunday or a bank or public holiday in NSW.

We only accept withdrawal requests for any quarter if the request is received before 2.00pm Sydney time on any specified withdrawal date. Requests received after 2.00pm on a specified withdrawal date will be held over to the next specified withdrawal date.

Unless we determine otherwise, we will only accept one withdrawal request per investor in relation to any specified withdrawal date. If we receive more than one withdrawal request from you, we will process the withdrawal request last received before the specified withdrawal date.

Withdrawal requests will be met out of the total amount of funds available for the purpose of meeting withdrawal requests. In determining this amount, we will act in the best interests of investors, while taking into account a number of factors, including the amount of cash available in the Fund.

### Reducing withdrawal payment amounts

Where we determine cash is not available to fully meet withdrawal requests relating to a specified withdrawal date, withdrawal payment amounts will be reduced on a pro rata basis for all withdrawal requests.

If we reduce withdrawal payment amounts, you will need to submit a new withdrawal request for the balance of the unpaid withdrawal amount. This new withdrawal request will be processed at the specified withdrawal date relevant to the date we receive the request.

We will notify you in writing if we reduce withdrawal payment amounts.

### Payment times

We aim to process the payment of your withdrawal request within 15 business days of the specified withdrawal date relevant to your withdrawal request. You should be aware, however, that the amount paid to you may be less than the amount requested or that no amount may be payable in a quarter.

### **Extension of withdrawal period**

The withdrawal period may be extended in certain circumstances. These circumstances are specified in the Fund's constitution and may include:

- if it is not considered to be in the best interests of unitholders to realise the required assets, and
- where we are unable to realise assets due to circumstances beyond our control, such as restricted or suspended trading in the relevant markets.

Where these circumstances exist, we will keep investors informed on the website.

The withdrawal provisions outlined in this PDS only apply while the Fund is liquid. Where the Fund ceases to be 'liquid' as defined in the Corporations Act, withdrawals are suspended.

### **Withdrawal price**

The withdrawal price is determined under the Fund's constitution by reference to the net asset value and transaction costs pertaining to the relevant class of units, and the number of units on issue in that unit class.

We normally determine the net asset value of the Fund at least each business day in accordance with the AMP Capital Asset Valuation Policy.

The unit price used to calculate your withdrawal value will generally be the price prevailing on the business day prior to the day we process the payment of your withdrawal request (or part of your withdrawal request), not the day you notify us of your intention to withdraw.

### **Total withdrawals**

Where the total withdrawals exceed 5% of the net assets of the Fund on any one day, we may determine that part of the withdrawal amount payable consists of income.

### **Transfer of units**

Please contact us for all transfer requests.

Stamp duty will generally need to be paid on the transfer of units.

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## About this Product Disclosure Statement (PDS)

This PDS contains important information about investing in the AMP Capital Enhanced Yield Fund (the Fund) and may be used by platform operators to:

- apply for units in the Fund, and
- give to their customers (indirect investors) to provide them with Fund information they may use in making a decision about instructing the platform operator to invest in the Fund on their behalf and to compare to other funds they may be considering.\*

It is important that all investors read this PDS and obtain appropriate financial advice before investing in the Fund.

\*See 'Our legal relationship with you' on page 19 for information about how the rights of direct investors such as platform operators differ from the rights of indirect investors.

AMP Capital Enhanced Yield Fund  
ARSN 104 127 013  
APIR code AMP0685AU  
Unit class – Platform (Class A)

## Important information

AMP Capital Investors Limited (AMP Capital) is the responsible entity of the AMP Capital Enhanced Yield Fund (the Fund) and issuer of this Product Disclosure Statement (PDS). No other company in the AMP Group is responsible for any statements or representations made in this PDS.

The Fund is a managed investment scheme structured as a unit trust and registered under the Corporations Act 2001 (Cwlth), referred to in this PDS as the Corporations Act.

In this PDS, AMP Capital or AMP Capital Investors is referred to as 'we' or 'us'.

Investments in the Fund are not deposits or liabilities of any company in the AMP Group. The Fund is subject to investment risks, which could include delays in repayment, and loss of income and capital invested. No company in the AMP Group assumes any liability to investors in connection with investment in the Fund or guarantees the performance of our obligations to investors, the performance of the Fund or any particular rate of return. The repayment of capital is not guaranteed.

Where the Fund has more than 100 unitholders it is subject to regular reporting and disclosure obligations under the Corporations Act. Copies of documents lodged with the Australian Securities and Investments Commission (ASIC) in relation to the Fund may be obtained from, or inspected at, an ASIC office or can be obtained by contacting us on 1800 658 404. These documents may include:

- the Fund's annual financial report most recently lodged with ASIC
- the Fund's half year financial report lodged with ASIC (after the lodgment of the annual financial report and before the date of this PDS), and
- any continuous disclosure notices given by the Fund (after the lodgment of the annual financial report and before the date of this PDS).

The offer in this PDS is available only to eligible persons as set out in this PDS who receive the PDS (including electronically) within Australia. We can only accept applications signed and delivered from within Australia. We cannot accept cash.

This offer is subject to the terms and conditions described in this PDS. We reserve the right to change these terms and conditions (see 'Changes to the information in this PDS' on page 17) and to refuse or reject an application.

Unless otherwise specified, all dollar amounts in this PDS are Australian dollars.

The information in this PDS is of a general nature only and does not take into account your personal objectives, financial situation or needs. Consequently, you are encouraged to obtain appropriate financial advice before investing, and to consider how appropriate the Fund is to your objectives, financial situation and needs.

# About AMP Capital Investors

AMP Capital Investors is a specialist investment manager with over \$101 billion in funds under management as at 30 June 2008.

As a wholly owned subsidiary of AMP Limited, we operate with a pure investment focus, while benefiting from the resources of our parent. Our team of over 200 in-house investment professionals and a carefully selected global network of investment partners allows us to offer significant depth and breadth of investment expertise.

Increasingly, delivering superior returns to our clients involves looking beyond traditional techniques, to a new generation of investment portfolios. This involves the blending of any number of inputs such as securities, asset classes, geographic regions, styles and even managers to obtain the optimal risk and return outcome. To do this well requires real depth of in-house investment expertise, a business philosophy open to partnering, and specialist capabilities designed to integrate and maximise the two.

At AMP Capital we have specialist investment teams across a diverse range of disciplines. Each team focuses on searching out and creating the best investment outcomes for our clients. We also collaborate with like-minded investment specialists around the world, leveraging our joint expertise to create new investment opportunities.

Our investment approach is characterised by three distinctive capabilities:

- **Great investment research** Our specialist investment teams interact, sharing knowledge and insights to gain multiple perspectives. This diversity of thought allows us to see things differently and discover new ways to capitalise on the inefficiencies in the market. Most importantly, we make use of our research findings to add value to our clients' portfolios.
- **Deal sourcing** Our scale, brand and relationships give us a competitive edge in deal sourcing and origination. Strong networks and industry contacts, combined with our reputation and experience, provide access to scarce assets. This opens up new and different investment opportunities for our clients.
- **Portfolio construction and packaging** The new generation of investment portfolios demand increasingly complex portfolio construction decisions. With this in mind, we have developed proprietary skills and processes that allow us to select and blend a wide range of investment inputs, from individual securities to the right investment partner. We use these skills to meet the diverse risk return objectives of our clients.

Underpinning these capabilities are our people. We seek to attract the best people, invest in their ongoing professional development, and ensure their interests are clearly aligned with those of our clients.

The combination of our scale, breadth and capability provides access to superior investment opportunity. Reliably, consistently, repeatedly.

## Investing. It's what we do.

# About the AMP Capital Enhanced Yield Fund

## Overview

The AMP Capital Enhanced Yield Fund aims to give investors access to high income investments through the Fund's investment in a strategic mix of traded high yield securities and private debt investments, while seeking to provide capital stability and maintain the Fund's liquidity.

A potentially high level of income and low to medium levels of volatility make investment in the Fund an attractive alternative to traditional high income investments which can expose investors to high levels of volatility.

### Enhanced income

Access to high income with lower volatility than traditional high income investments is sought through the Fund's asset allocation, targeting approximately:

- 50% to traded high yield securities, and
- 50% to private debt investments (accessed through the Fund's investment in the AMP Capital Structured High Yield Fund).

The Fund's investment in a mix of actively traded high yield securities includes investments in listed hybrid securities, corporate bonds, mortgage-backed securities, asset-backed securities, other debt holdings including loans traded on the secondary market, and derivatives.

Private debt investments are sourced from local and international markets and may include assets in a range of defensive industries, including infrastructure assets such as airports and gas distribution networks.

### Capital stability

Changes in market interest rates can affect the capital value of investments. Floating rate returns from traded high yield securities together with interest rate derivatives can help provide capital stability as they are not as sensitive to interest rate movements as traditional bonds. Diversification of the Fund's income sources across a wide range of industry, geographic and risk profiles also adds to capital stability by helping to manage credit risk.

### Liquidity

The Fund's investment in traded high yield securities is the main liquidity source for the Fund. The Fund may also invest in cash from time to time.

The traded high yield securities are actively traded, generally on a day-to-day basis. This helps balance the low liquidity level of the Fund's private debt investments, while the Fund's liquidity support facility provides an additional source of liquidity.

'Our investment approach' on page 5 provides further information about the Fund's investments, and how our investment process supports the Fund's return, capital stability and liquidity objectives.

## At a glance

<b>Asset class</b>	Fixed interest	
<b>The Fund's investments</b>	The Fund invests primarily in: <ul style="list-style-type: none"> <li>• traded high yield securities, and</li> <li>• private debt investments.</li> </ul>	
<b>Investment objectives</b>	To provide: <ul style="list-style-type: none"> <li>• a regular and consistent level of income, and</li> <li>• returns above the Fund's performance benchmark (after costs and before tax), with low to medium levels of volatility in returns.</li> </ul> <b>Performance benchmark</b> Reserve Bank of Australia cash rate	
<b>Suggested minimum investment timeframe</b>	3 to 5 years	
<b>Who can invest?</b>	Applications to invest in the Fund can be made by: <ul style="list-style-type: none"> <li>• platform operators, who can invest directly into the Fund through this PDS, and</li> <li>• indirect investors, who can invest in the Fund through a master trust or wrap platform.</li> </ul>	
<b>Minimum investment amounts</b>	<b>Platform operators</b> Initial \$500,000 Additional \$5,000	<b>Indirect investors</b> Minimum investment amounts, fees and costs are subject to the arrangements between indirect investors and their platform operators.
<b>Management costs</b>	Management fee – 0.8693% pa	
	See the 'Fees and other costs' section of this PDS for other fees and costs that may apply and a worked example of management costs that may be payable in a year. The total amount of fees you will pay will vary depending on the total value of your investment.	
<b>Distribution frequency</b>	The Fund aims to pay distributions quarterly (see 'Distributions' on page 8).	
<b>Withdrawals</b>	Payment of withdrawals is dependent on the Fund's cash position. The Fund expects to pay withdrawal requests within 10 business days. However, the Fund's constitution allows for up to 30 days (or longer in some circumstances) to process withdrawal requests.	

See the 'Fund profile' section of this PDS for more detailed information about the Fund.

## Benefits of investing in the Fund

For investors seeking to enhance the returns on their investments while also seeking to provide capital stability and maintain liquidity, the Fund provides:

- access to high yielding assets that can generate attractive levels of income
- active investment management that aims to maximise returns while maintaining low to medium volatility
- access to private debt investment opportunities that may otherwise be difficult to obtain
- diversification across a wide range of industry, geographic and risk profiles, and
- access to the investment expertise demonstrated in AMP Capital's strong track record of managing high yield securities and private debt investments.

## Investment risks

All investing involves risk, and you should consider investment risks before making an investment decision.

Key risks of investing in the Fund include or are associated with the following:

- default – for debt securities, the credit issuer may default on interest payments, the repayment of capital or both
- liquidity – there may be significant delays in pricing and processing withdrawals, and
- credit – the values of traded securities can change due to perceived or actual changes in the credit quality of the individual issues or to the values of other traded securities with a similar risk level.

Risks of investing specific to the Fund may also include or be associated with:

- interest rates
- gearing
- derivatives
- hedging
- share market investments, and
- listed hybrid securities.

The 'Risks of investing' section of this PDS provides further information about the key risks (default, liquidity and credit) and Fund specific risks noted above, as well as information about other investment risks of which you should be aware.

## Further information about the Fund

If you have questions about investing in the AMP Capital Enhanced Yield Fund or require further information, please contact our Client Services team on 1800 658 404 between 8.30am and 5.30 pm Sydney time, Monday to Friday.

Further information about the Fund is also available online at [www.ampcapital.com.au](http://www.ampcapital.com.au) and includes fund profiles and performance reports. When reading Fund performance information, please note that past performance is not a reliable indicator of future performance and should not be relied on when making a decision about investing in the Fund.

# Our investment approach

The Fund aims to provide investors with high income while seeking to maintain capital stability and liquidity. This objective is supported by the investment strategies and processes we adopt for the Fund's main asset classes – traded high yield securities and private debt investments.

## Traded high yield securities

The Fund's investment in traded high yield securities includes listed hybrid securities, loans and corporate bonds, as well as investment in other high yielding securities such as mortgage-backed securities and asset-backed securities. The Fund may also hold cash from time to time.

The Fund may also use derivatives such as credit default swaps, futures and options to reduce risk or gain exposure to physical investments consistent with the Fund's objectives, where appropriate.

Listed hybrid securities and corporate bonds generally pay higher income than traditional government bonds. This is because they are issued by companies and managed investment schemes, which are considered to be higher risk issuers than governments, and they have both debt and equity risk characteristics (see the 'Risks of investing' section of this PDS).

## Credit analysis

As with private debt, the credit quality of traded high yield securities is vital, and the creditworthiness of the issuer of these securities is investigated before any investment is made.

In many ways, credit analysis is similar to equity stock selection, with credit assessment covering industry, business and financial risks. We evaluate the issuers (companies and managed investment schemes) from several perspectives, including company strategy and outlook, public credit rating and key financial data. We also monitor factors such as competitive positioning, strength of the management team, and company growth strategies, while taking into account the outlook for the domestic and global economies.

## Private debt

Typically private debt assets are where capital is lent directly by a limited number of investors to a business on a private basis subject to a confidentiality

agreement, and the business repays the capital and interest at an agreed rate. Private debt investments generally have the potential to produce high income, as investors receive a generous premium for investing in relatively illiquid assets.

The Fund's private debt investments are accessed through units held in the AMP Capital Structured High Yield Fund, established in 1997. This fund is a registered managed investment scheme, of which we are the responsible entity. The AMP Capital Structured High Yield Fund invests in a diversified portfolio of high yielding debt assets, spread across a range of industry sectors. These investments generally exhibit a low level of business risk in that the assets are well-positioned to service debt, through either a natural monopoly or strong industry position.

By investing in the Fund, investors can access a private debt portfolio that invests in a range of defensive industries including infrastructure assets such as airports and gas distribution networks.

## Credit analysis

As higher income can also mean lower credit quality, we assess each private debt investment with the objective of maximising the income opportunities for our investors, while maintaining credit quality.

First we consider the industry, business and financial risks of the transactions. A detailed process of analysis determines the credit rating of each of the companies in which we are considering investing.

This involves our Private Debt Team visiting the companies to assess the impact of long term forecasts, and financial and strategic issues on our potential investments in the companies.

An investment paper is then prepared which summarises all significant risks. This investment paper is used by our Credit Investment Committee in determining which assets are to be considered for investment.

Our teams have the resources and expertise to fully evaluate the credit quality of securities in the private debt market. This minimises the risk to the Fund that a company will default on its repayments to the AMP Capital Structured High Yield Fund, while giving investors access to debt investments that have the potential to produce high income.

# Fund profile

## The Fund's investments

The Fund invests mainly in a combination of traded high yield securities and private debt, as well as cash and cash-like securities.

Liquidity is facilitated mainly by the Fund's investment in traded high yield securities. The Fund may also invest in cash from time to time. A liquidity support facility provides an additional source of liquidity.

Fixed and floating rates from traded high yield securities, combined with interest rate derivative hedging, contribute to capital stability. Diversification of income sources across a wide range of industry, geographic and risk profiles also adds to capital stability by helping to manage credit risk.

The Fund may also invest in financial products such as managed funds and securities, including those offered by AMP Capital or its associates.

### Asset allocation

Approximate targets for the Fund's asset allocation to traded high yield securities and private debt investments are as follows:

- traded high yield securities – 50%
- private debt investments (accessed through the Fund's investment in the AMP Capital Structured High Yield Fund) – 50%.

## Derivatives

The Fund may use derivatives such as options, futures, swaps or credit derivatives, with the aims of:

- efficiently gaining exposure to performance of an investment within the Fund's objectives, taking into account cost and liquidity
- protecting against risks such as unfavourable changes in an investment's price brought about by, for example, changes in interest rates, credit risk, equity prices, currencies or other factors
- enhancing returns by taking advantage of favourable mispricings within a market, as a cost-effective alternative to purchasing physical assets, and
- implementing the investment objective of the Fund.

We impose restrictions on the use of derivatives within the Fund and monitor the implementation of these restrictions in accordance with the AMP Capital Derivative Risk Statement, which can be obtained by contacting us.

## Borrowing

Although the Fund may borrow to meet its short term liquidity needs, the terms of the Fund's liquidity support facility restrict the amount the Fund can borrow.

It is not our intention to gear the Fund through the use of borrowing. The Fund may invest in other funds or securities and those investments may be geared through the use of derivatives or borrowing. The Fund will be managed such that the risk characteristics of the Fund are consistent with the investment objectives of the Fund.

## Hedging

In aiming to provide capital stability, the Fund uses an active hedging strategy to minimise the effects of market interest rates and currency fluctuations on capital within the Fund.

To hedge the Fund's exposure to traded high yield securities, the Fund may use short selling. Short selling is where someone sells an asset they do not own at the time they agree to sell. The aim of short selling is to sell at a high price and buy the asset at a later time, at a lower price. In order to hedge an exposure, the seller will typically borrow the asset from another party to short sell, or use derivatives such as swaps, credit derivatives and exchange traded options.

## Liquidity support facility

A liquidity support facility for up to \$100 million is in place to enhance the Fund's liquidity for the purpose of meeting withdrawal requests. Generally we would only expect to draw on the facility to cover short term cash flows. The facility is currently provided by Westpac Banking Corporation, which receives a fee from us for providing the facility. We currently pay this fee directly; it is not paid out of the Fund.

We may change the liquidity support facility provider. Any provider we appoint must have a minimum Standard & Poor's A rating, or equivalent. If we change the provider, updated information will be made available online at [www.ampcapital.com.au](http://www.ampcapital.com.au).

## Asset valuation policy

### Traded high yield securities

Traded high yield securities are generally valued at least each business day using market prices in accordance with the AMP Capital Asset Valuation Policy.

### Private debt assets

Private debt assets are accessed primarily through the AMP Capital Structured High Yield Fund. The AMP Capital Enhanced Yield Fund uses the most recent unit price of the AMP Capital Structured High Yield Fund to determine the market value of its investment in the AMP Capital Structured High Yield Fund.

The assets of the AMP Capital Structured High Yield Fund which are tradeable, are valued as for traded high yield securities. Illiquid debt assets of AMP Capital Structured High Yield Fund are valued at par or acquisition value plus any accrued interest up to the valuation date, if there is no evidence of a 'material risk of loss'. Material risk of loss is defined as an expectation that there is likely to be an event of default under the senior loan obligations of the borrower leading to a

potential loss for senior and junior (subordinated) lenders to the business, based on the projected performance of the business involved.

Where we believe that a material risk of loss will eventuate or does exist, our Private Debt team obtains an independent valuation by an external appropriately qualified valuer. Based on this valuation, the value at which the private debt investment is carried within the AMP Capital Structured High Yield Fund is adjusted accordingly and may be reduced.

## Ethical policy

### Sector allocation

We do not take environmental, social and ethical considerations and labour standards into account when allocating to the underlying sectors.

### Buying, holding and selling investments

Environmental, social and ethical considerations and labour standards do not directly or consistently drive the buying, holding and selling of investments. Our decisions about whether to buy, hold or sell investments are based primarily on economic factors, with environmental, social and ethical considerations and labour standards taken into account only where they may be seen to have a material impact on the value of an investment.

# Distributions

The Fund aims to pay distributions quarterly.

Distributions paid are based on the income earned by the Fund and the number of units you hold at the end of the period.

You should be aware that although the Fund's objective is to pay distributions every quarter, the amount of each distribution may vary or no distribution may be payable in a quarter.

Unit prices will normally fall after the end of each distribution period. Consequently, if you invest just before the end of a distribution period, some of your capital may be returned to you as income in the form of a distribution.

## Payment of distributions

### Platform operators

You can choose to have distributions paid into a nominated account or reinvested in the Fund.

### Indirect investors

Payment of distributions is subject to the arrangement between you and the platform operator. Your financial adviser or platform operator can provide you with information about:

- how often distributions are paid, and
- the distribution payment method (eg paid directly into a nominated bank account or reinvested in the Fund).

### Reinvestment

The issue price for reinvested distributions is determined by the net asset value (adjusted by any distribution payable) and the number of units on issue in the unit class as at the last day of the distribution period. No buy spread is applied to reinvested distributions.

# Risks of investing

## All investing involves risk

Generally, the higher the expected return, the higher the risk.

Whilst the Fund is managed with the aim of providing competitive investment returns against the Fund's performance benchmark and protecting against risk, you should be aware that the Fund is subject to investment risks, which could include delays in repayment, the non-payment of distributions and loss of capital invested.

Investment risks can affect your financial circumstances in a number of ways, including:

- Your investment in the Fund may not keep pace with inflation, which would reduce the future purchasing power of your money.
- We may not be able to achieve the stated aims and objectives of the Fund.

- The amount of any distribution you receive from the Fund may vary or be irregular, which could have an adverse impact if you depend on regular and consistent distributions to meet your financial commitments.
- Your investment in the Fund may decrease in value, which means you may get back less than you invested.

The value of your investment in the Fund may be affected by the key risks listed in this section and by other risks or external factors such as the state of the Australian and world economies, consumer confidence and changes in government policy, taxation and other laws.

There are steps you can take to identify and manage your risks associated with investing in the Fund, and these are outlined at the end of this section.

## Risks specific to the Fund

### Default

For debt securities, the credit issuer may default on interest payments, the repayment of capital or both.

### Liquidity

Liquidity refers to the ease with which an asset can be traded (bought and sold) in the marketplace at its current value. An asset subject to liquidity risk may be more difficult to trade and it may take longer for the full value to be realised. A drop in the liquidity level of the Fund increases the risk that the time taken to meet withdrawal requests is extended.

#### Traded high yield assets

Traded high yield assets are generally less liquid than cash. Under some market conditions these assets may become illiquid, and may be difficult to sell except at reduced prices. This could result in a fall in unit prices.

#### Private debt assets

Private debt assets may take longer to realise than more liquid assets such as listed securities, and their value may not be fully recoverable in the event of a sale. Private debt assets of the Fund are accessed through the AMP Capital Structured High Yield Fund. The AMP Capital Structured High Yield Fund will use reasonable endeavours to pay a withdrawal request within 12 months of receiving a request. See 'Asset valuation policy' on page 7 for details about valuation of the assets in the Fund, including the valuation of private debt securities in the AMP Capital Structured High Yield Fund.

### Credit

The value of assets within the Fund can change due to changes in the credit quality of the individual issuer and also from changes in values of other similar securities. This can affect the capital stability of the Fund and its income.

Fixed interest securities, including listed hybrid securities, corporate bonds and private debt, are subject to default risk, which means that the credit issuer may default on interest payments, the repayment of capital or both.

Fixed interest investments with a non-investment grade credit rating (that is, Standard & Poor's BB+ rating or equivalent, or less) are subject to increased risks, compared with investment grade securities, in that the credit issuer may be more likely to default on interest payments, the repayment of capital or both.

### Interest rates

Cash, cash-like securities, floating rate investments and fixed interest investments will be impacted by interest rate movements. While capital gains may be earned from fixed interest investments in a falling interest rate environment, capital losses can occur in a rising interest rate environment. The risk of capital gain or loss tends to increase as the term to maturity of the investment increases.

### Gearing

It is not our intention to gear the Fund through the use of borrowing for investment purposes. However, underlying funds in which the Fund invests may use gearing through the use of derivatives and this will have the effect of magnifying the Fund's returns both positive and negative. Consequently, the risk of loss of capital may be greater than if gearing did not take place.

### Derivatives

There are risks of losses to the Fund through the use of derivatives. These risks include:

- price risk - the risk that a price change in the market underlying a derivative contract, or in the derivative contract itself, is adverse to the derivative position held
- leveraging risk - the risk that any losses will be magnified by creating greater exposure to a market than that of the assets backing the position
- liquidity risk - the risk that a derivative position cannot be reversed, and
- counterparty risk - the risk that the party on the other side of a derivative contract defaults on payments.

### Hedging

- There is the risk that valuations for the hedging instrument (typically derivative securities), may not accurately reflect valuations for the physical securities on which they are based.

- Hedging can be conducted by short selling the underlying asset. Due to the nature of short selling (aiming to sell an asset at a high price and buy it later at a lower price), the potential amount of loss to the Fund may be greater than for more traditional purchase and sale transactions, as the potential increase in price of the asset sold (and hence the potential loss) is unlimited.
- In certain circumstances, the use of hedging may affect the amount of any distribution payable.

#### Share market investments

Share market investments have historically produced higher returns than cash or fixed interest investments over the long term. However, the risk of capital loss exists, especially over the shorter term. Specific risks relating to individual companies include disappointing profits and dividends, and management changes.

#### Listed hybrid securities

As listed hybrid securities are a combination of debt and equity, they have the characteristics of both fixed interest investments and share investments, as well as those associated with derivatives. This means that the specific risks associated with listed hybrid securities are as described above. In addition, there is the risk that they may not be able to be exchanged readily for cash or an equivalent asset value.

## Other risks

Other risks of investing may apply and you should seek appropriate advice before investing.

## Managing your risks

The risks outlined in this section do not take into account your personal circumstances or requirements. The steps listed below can assist in identifying and managing your risks associated with investing in the Fund.

1. **Obtain professional advice** to determine whether the Fund suits your investment objectives, financial situation and particular needs.
2. **Read this PDS** before making an investment decision.
3. **Consider the investment timeframe** for the Fund (3 to 5 years).
4. **Regularly review** your investments in light of your investment objectives, financial situation and particular needs.

# Fees and other costs

## 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 fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website ([www.fido.asic.gov.au](http://www.fido.asic.gov.au)) has a managed investment fee calculator to help you check out different fee options.

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your investment account, from the returns on your investment or from the Fund assets as a whole.

Taxes are set out on page 15 of this document.

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

## Fee amounts in this PDS

Please note that fee amounts shown in this PDS are the fees we charge platform operators investing through this PDS. If you are an indirect investor (that is, you are investing in the Fund through a master trust or wrap platform), please contact your financial adviser or platform operator for details of fee amounts relating to your investment in the Fund.

Table 1

Type of fee or cost	Amount	How and when paid
<b>Fees when your money moves in or out of the Fund</b>		
<b>Establishment fee</b> The fee to open your investment.	Nil	Not applicable
<b>Contribution fee</b> The fee on each amount contributed to your investment.	Nil	Not applicable
<b>Withdrawal fee</b> The fee on each amount you take out of your investment.	Nil	Not applicable
<b>Termination fee</b> The fee to close your investment.	Nil	Not applicable
<b>Management costs</b>		
The fees and costs for managing your investment.	<b>Management fee</b> 0.8693% pa	Calculated daily on the gross assets of the Fund. Paid to us monthly out of the Fund's assets and reflected in the unit price. The amount of this fee may be negotiable (see 'Fee rebate' in this section).
<b>Service fees</b>		
<b>Investment switching fee</b> The fee for changing funds.	Nil	Not applicable

'Additional explanation of fees and costs' in this section provides information about other fees such as buy and sell spreads that may also apply to your investment in the Fund.

## Additional explanation of fees and costs

### Maximum fees

The maximum fees that can be charged under the Fund's constitution are:

- **Contribution fee** – 5% of the application amount. We currently do not charge a contribution fee.
- **Withdrawal fee** – 5% of the withdrawal amount. We currently do not charge a withdrawal fee.
- **Management fee** – 3% per annum of the value of the assets of the Fund. We currently charge a management fee of 0.8693% per annum.

### Expenses

The Fund's constitution entitles us to be indemnified from the Fund for any liability properly incurred.

Currently, however, we only recover expenses associated with dealing with the Fund's assets as set out below.

Transactional and operational costs associated with dealing with the Fund's assets may be recovered from the Fund in addition to the fees and costs noted in Table 1. Transactional and operational costs may include transactional brokerage, stamp duty, international sub-custody fees and the buy and sell spreads of any underlying fund. These costs will differ according to the type of assets in the Fund, and will be paid out of the Fund.

The Fund may also incur costs (related to a specific asset or activity to produce income) that an investor would incur if he or she invested directly in a similar portfolio of assets, for example the costs of gearing, and manager transition costs. These costs will be paid out of the Fund and are additional to the fees and costs noted in Table 1.

### Buy and sell spreads

Investments and withdrawals may incur buy and sell spreads, which are the difference between the issue and withdrawal prices of a unit. They are designed to ensure, as far as practicable, that any transaction costs incurred as a result of an investor entering or leaving a fund are borne by that investor, and not other investors.

Buy and sell spreads are calculated as a pre-determined estimate of the average of the costs the Fund may incur

when buying or selling assets. They will be influenced by our experience of the costs involved in trading these assets or the costs that the Fund has actually paid, and will be reviewed whenever necessary to ensure they remain appropriate.

The buy and sell spreads are retained within the Fund; they are not fees paid to us.

The buy spread is taken out of application amounts. The sell spread is taken out of withdrawal amounts.

Currently, buy and sell spreads do not apply to investments in the Fund.

### Changes to fees and costs

Any of the existing fees can be changed without the consent of platform operators or indirect investors in the Fund. However, we will give platform operators 30 days written notice of any intention to:

- increase the existing fees, expenses or recovery of expenses, or buy and sell spreads, or
- introduce contribution or withdrawal fees.

We may also introduce or increase other fees at our discretion. This may occur where increased charges are incurred due to government changes to legislation, increased costs, significant changes to economic conditions, or where third parties impose or increase processing charges. However, we currently do not foresee any reason why the fees specified in Table 1 would be increased.

### Tax

The fees shown in Table 1 are inclusive of Goods and Services Tax (GST), less reduced input tax credits and stamp duty. The benefits of any tax deductions, including additional input tax credits for GST, are passed on to investors in the form of reduced fees or costs. For information about the tax implications of investing in the Fund, see the 'Tax and social security' section of this PDS.

### Fee rebate

We may negotiate a rebate of part of the management fee with investors who are wholesale clients for the purposes of section 761G of the Corporations Act.

### Payments to your financial adviser

Although we do not make any payments to financial advisers whose clients invest in the Fund through this PDS, your financial adviser may receive commissions and/or other benefits from the dealer group or organisation under which they operate. These payments and benefits, any fees you agree to pay your financial adviser, and any other benefits your financial adviser may receive, are separate to the fees shown in Table 1.

We comply with the Investment and Financial Services Association and Financial Planning Association Joint Code of Practice on Alternative Forms of Remuneration, which requires us to maintain a register to record any material forms of alternative remuneration we may pay or receive.

We will provide you with a copy of the register free of charge, on request.

### Payments to platform operators

We may make payments to entities such as platform operators, master trusts and other investment administration services in relation to the Fund. These payments are paid by us and are not a cost to you. We may make two types of payments to platform operators:

- product access payments (as a flat dollar per annum) for administration and related services, which may be an amount of up to \$15,000 per annum (GST inclusive) per platform; and/or
- fund manager payments (based on volumes of business generated) which may be an amount of up to 0.2% of amounts invested.

The amount of these payments may change during the life of this PDS.

## Example of annual fees and costs for the AMP Capital Enhanced Yield Fund

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

The fees shown in this table are an example only and are not additional to the fees described in Table 1.

**Table 2**

Example		Balance of \$550,000 with a contribution of \$5,000 during the year
AMP Capital Enhanced Yield Fund		
<b>Contribution fees</b>	Nil	For every additional \$5,000 you put in, you will be charged \$0.
<b>Plus</b> Management costs	0.8693% pa	<b>And</b> , for every \$550,000 you have in the Fund you will be charged \$4,781.15 each year.
<b>Equals</b> Cost of the Fund		<b>\$4,781.15</b>
If you had an investment of \$550,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged a fee of:		
<b>What it costs you will depend on the fund you choose and the fees you negotiate with your fund or financial adviser.</b>		

The \$4,781.15 shown in the table above does include the management costs charged on the additional \$5,000 investment. The additional management costs would be \$43.47 if you had invested the \$5,000 for a full 12 months.

# Tax and social security

## Taxation treatment of your investment

It is important that you seek professional taxation advice before you invest or deal with your investment, as the taxation system is complex, and the taxation treatment of your investment will be specific to your circumstances and to the nature of your investment.

Generally, however, you are liable to pay tax at marginal rates each year on any distributions from the Fund (with the exception of a return of capital), even if the distributions are reinvested.

Please note that at the time of your investment there may be unrealised capital gains in the Fund. If these capital gains are subsequently realised, they may be returned to you as part of a distribution from the Fund.

You may also be liable to pay capital gains tax on any capital gains received from disposing of your investment.

As some of the Fund's investments are located outside of Australia, the Fund's income may include non-Australian sourced income. You may be entitled to foreign tax credits for foreign tax already paid.

Other tax information is provided in the 'Fees and other costs' section of this PDS.

## Social security

Investing may also affect any social security benefits to which you are or may be entitled, and you should consider discussing this with your adviser, Centrelink or the Department of Veterans' Affairs, before investing.

# Investment in the Fund

## Who can invest?

Applications to invest in the Fund through this PDS can only be made by:

- platform operators, who can invest directly in the Fund, and
- indirect investors, who can invest in the Fund through a master trust or wrap platform.

If you are an indirect investor, the platform operator is investing on your behalf (see 'Our legal relationship with you' on page 19 for more details).

Please note that we can only accept applications signed and delivered from within Australia.

## How to invest

### Initial investment

Complete an application form and forward it along with your investment amount as instructed on the application form (see the 'Applying for an investment in the Fund' section of this PDS).

### Additional investments

You will need to complete an application form each time you make an additional investment.

Additional investments are made on the basis of the PDS current at the time of the additional investment.

More detailed information about how to invest is provided in 'Applying for an investment in the Fund' section of this PDS.

## Processing applications

We generally process applications each business day, using the close of business issue price for that day. If we receive an application after 2.00pm or on a non-business day for us, we treat it as having been received before 2.00pm the next business day.

We normally determine the market value and net asset value of the Fund at least each business day, using the market prices of the assets in which the Fund is invested.

The issue price is determined under the Fund's constitution by reference to the net asset value and transaction costs pertaining to the relevant class of units, and the number of units on issue in that unit class.

### Business day

A business day for us is any day other than Saturday, Sunday or a bank or public holiday in NSW.

## Cooling off rights

### Platform operators

Platform operators do not have cooling off rights in relation to an investment in the Fund.

### Indirect investors

Your financial adviser or platform operator can provide you with the conditions, if any, that apply to returning your investment within the cooling off period set by the platform operator.

## The value of your investment

The Fund has a number of classes of units, each with its own unit price. Investments made through this PDS relate to Platform (Class A) units.

### Platform operators

Unit prices are updated regularly online at [www.ampcapital.com.au](http://www.ampcapital.com.au) and can also be obtained by contacting us.

### Indirect investors

When you invest through this PDS, the platform operator holds units on your behalf. The value of your investment at any point in time is calculated by multiplying the number of units held for you, by the unit price set by the platform operator. As unit prices can rise and fall on a daily basis, the value of your investment will vary from time to time. Your financial adviser or platform operator can provide you with the current unit price relevant to your investment in the Fund.

## Risk

The Fund is not capital guaranteed and the value of an investment in the Fund can rise and fall. You should consider the risks of investing before making a decision about investing in the Fund (see 'The risks of investing' section of this PDS).

## Retaining this PDS

You should keep this PDS and any supplementary or updated PDS, as you may need to refer to information about the Fund for ongoing investing.

We will send you a current PDS and any supplementary or updated PDS free of charge, on request.

## Changes to the information in this PDS

Before making a decision to invest or reinvest in the Fund, it is important to obtain a current PDS, as information provided in a PDS may change from time to time.

If changes to the information in this PDS are not materially adverse to investors, we will update the relevant information online at [www.ampcapital.com.au](http://www.ampcapital.com.au).

However, if the change is considered materially adverse to investors, we will issue either a replacement PDS or a supplementary PDS, which will be available online.

You can also obtain a copy of the updated information, and any replacement or supplementary PDS free of charge, by contacting us.

If we intend to change the Fund's investment objective or investment approach, we will advise platform operators who are existing investors, in writing, before making the change. See 'Changes to fees and costs' on page 13 for details about other times when we will write to platform operators before changing information in this PDS.

## Questions about your investment

### Platform operators

Please contact our Client Services team on 1800 658 404 if you have questions relating to your investment.

### Indirect investors

You will need to contact your financial adviser or platform operator for information about your investment.

# Accessing your money

## Requesting a withdrawal

### Platform operators

Please contact us for all withdrawal requests.

A minimum withdrawal amount of \$5,000 applies, and we generally require a balance of \$500,000 to keep the investment open. If the investment falls below this level, we may redeem the investment. We do reserve the right, however, to accept lower balances.

### Indirect investors

Contact your financial adviser or platform operator for details about:

- how to withdraw money from your investment account
- how your withdrawal will be paid, and
- the minimum withdrawal amount and account balance set by the platform operator.

## Processing withdrawal requests

Withdrawal requests received after 2.00pm or on a non-business day for us are treated as having been received before 2.00pm the next business day. We aim to process withdrawal requests on the business day after receipt.

## Withdrawal prices and payment times

We normally determine the market value and net asset value of the Fund at least each business day, using the market prices and unit prices of the assets in which the Fund is invested.

The withdrawal price is determined under the Fund's constitution by reference to the net asset value and transaction costs pertaining to the relevant class of units, and the number of units on issue in that unit class.

The unit price used to calculate your withdrawal value will be the price prevailing on the business day prior to the day we process your withdrawal (or part withdrawal) request, not the day you notify us of your intention to withdraw.

Payment and processing of withdrawal requests is dependent on the Fund's cash position. Generally we take up to 10 business days to pay a withdrawal request. You should be aware, however, that the Fund's constitution allows up to 30 days, or longer in some circumstances, to process withdrawal requests.

### Extension of withdrawal period

The withdrawal period may be extended in certain circumstances. These circumstances are specified in the Fund's constitution and may include:

- if it is not considered to be in the best interests of unitholders to realise the required assets, and
- where we are unable to realise assets due to circumstances beyond our control, such as restricted or suspended trading in the relevant markets.

Where the Fund ceases to be 'liquid' as defined in the Corporations Act, withdrawals are suspended.

## Total withdrawals

Where the total withdrawals exceed 5% of the net assets of the Fund on any one day, we may determine that part of the withdrawal amount payable consists of income.

## Transfer of units

Stamp duty will generally need to be paid on the transfer of units.

### Platform operators

Please contact us for all transfer requests.

### Indirect investors

To transfer your units, you will need to contact your financial adviser or platform operator.

# Keeping you informed

We will provide platform operators with the information listed below.

Platform operators are responsible for forwarding this information to indirect investors (investors who have invested in the Fund through a master trust or wrap platform).

## Investment information

- Confirmation of each transaction
- A tax statement at the end of each tax year

## Fund information

- The Fund's annual financial reports

- A paper copy of any updated information free of charge, on request
- Any supplementary or replacement PDS free of charge, on request

## Online access

Online access allows platform operators to view account details at any time. To register for online access, please contact us.

# Additional information

## Rights attaching to each class of units

The Fund has a number of classes of units. This PDS relates to Platform (Class A) units. Under the Fund's constitution, the different unit classes have different management fees, expenses, taxes and distributions, but otherwise all classes of units have similar rights.

## Our legal relationship with you

The Fund is a managed investment scheme, structured as a unit trust and registered under the Corporations Act. The Fund's constitution provides the framework for the operation of the Fund and with this PDS, the Corporations Act and other relevant laws, sets out the relationship between us and unitholders. We will send you a copy of the Fund's constitution free of charge, on request.

## Indirect investors

If you access the Fund through a master trust or wrap platform, you become an 'indirect investor', as the operator of your master trust or wrap platform (the platform operator) is investing on your behalf. Consequently the platform operator (or the custodian of the platform), and not you as an indirect investor, holds

the units in the Fund and has the rights of an investor (unitholder) in the Fund. For example, indirect investors do not have rights to attend and vote at unitholder meetings, to redeem units or receive distributions. Instead, the platform operator exercises those rights in accordance with the arrangements they have with their customers, the indirect investors.

For information about your investment, you will need to contact the operator of the platform through which you have invested.

## The Fund's constitution

The following overview of the Fund's constitution is mainly relevant to platform operators, as they are unitholders under the constitution. Indirect investors are not unitholders.

Some of the provisions of the Fund's constitution, such as maximum fees, are discussed in this PDS. Further provisions relate to:

- the rights and liabilities of unitholders
- the times when processing of withdrawal requests can be delayed, such as if the Fund is illiquid, realising assets is not possible, or it is not in the best interests of unitholders
- where taxes or other amounts can be deducted from

- payments to unitholders
- where transfers and applications may be refused
- our liability to unitholders in relation to the Fund, which is limited to any liability imposed by the Corporations Act, so long as we act in good faith and without gross negligence
- our powers, rights and liabilities as responsible entity of the Fund, including our power to invest the assets of the Fund, to deal with ourselves and our associates, to be paid fees and to be reimbursed or indemnified out of the assets of the Fund
- our right to be reimbursed by a unitholder or former unitholder for tax or expenses we incur as a result of their request, action or inaction, or to redeem units to satisfy amounts due to us from a unitholder
- changing the Fund's constitution including in some cases without unitholder approval, such as to meet regulatory changes
- when we can terminate the Fund or retire, and what happens if this occurs, and
- voting rights.

Although the Fund's constitution limits a unitholder's liability to the value of their units, the courts have yet to determine the effectiveness of provisions like this.

## Complaints procedure

### Platform operators

We have an established procedure to deal with any complaints. When we receive a complaint from you by telephone on 1800 658 404 or in writing to AMP Capital Investors Limited, GPO Box 5445, Sydney NSW 2001, we ensure an appropriate person properly considers the complaint, and we give you information about any further action available to you.

If we are unable to resolve your complaint within 24 hours, we will keep you informed, giving the time frame in which we expect to resolve the matter and the name of the representative managing the resolution of your complaint. We may also require additional information from you.

If the matter is not resolved to your satisfaction or is not resolved within 45 days, you can contact the Financial Ombudsman Service by telephone on 1300 780 808 or in writing to GPO Box 3, Melbourne, Victoria 3001. The Financial Ombudsman Service is independent from us.

### Indirect investors

You should contact your financial adviser or platform operator if you have a complaint related to your investment in the Fund. If your issue remains unresolved, you can contact the external dispute resolution scheme of which the platform operator is a member.

## Your privacy

### Platform operators

Our main purpose in collecting your personal information is so that we can establish investment account and appropriately carry out administration associated with your account. If you choose not to provide the information requested in the application form, we may not be able to process your application.

The information collected may also be used for providing you with ongoing information about a range of financial services. Please let us know if you prefer not to receive this ongoing information.

We usually disclose personal information to other members of the AMP Group, financial advisers where applicable, and to external service suppliers who supply administrative, financial or other services that assist us in providing services to you.

The AMP Privacy Policy Statement sets out the AMP Group's policies on management of personal information.

The policy can be obtained online at [www.ampcapital.com.au](http://www.ampcapital.com.au) or by contacting us.

Under the Privacy Act 1988 (Cwlth) you may access personal information we hold about you, although the Act does set out some exemptions to this. If you believe information we hold about you is inaccurate, incomplete or out of date, please contact us.

### Indirect investors

Your financial adviser or platform operator will collect personal information from you so that they can establish your investment account and appropriately carry out administration associated with your investments. Your financial adviser or platform operator can provide you with information about how they use and disclose this information.

## Unit Pricing Discretions Policy

We may exercise certain discretions in determining the unit price of units on application and withdrawal in the Fund. Our Unit Pricing Discretions Policy, which can be obtained online at [www.ampcapital.com.au](http://www.ampcapital.com.au) or by contacting us, sets out the types of discretions that we may exercise, in what circumstances, our policies on how we exercise the discretions and the reasons why we consider our policies are reasonable. We are required to keep a record of any instance where we exercise a discretion in a way that departs from these policies.

## Anti-money laundering and counter-terrorism financing

### Indirect investors

The following information is mainly relevant to platform operators. For indirect investors, your financial adviser or platform operator will be able to provide you with information about how anti-money laundering and counter-terrorism financing legislation may affect you in relation to an investment in the Fund.

### Platform operators

By applying to invest in the Fund you warrant that:

- you comply and will continue to comply with all applicable anti-money laundering (AML) and counterterrorism financing (CTF) laws and regulations, including but not limited to the laws and regulations of Australia in force from time to time (AML/CTF Law)
- you are not aware and have no reason to suspect that:
  - the moneys used to fund your investment in the Fund have been or will be derived from or related to any money laundering, terrorism financing or similar activities that would be illegal under applicable laws or regulations or otherwise prohibited under any international convention or agreement ('illegal activity'), or

- the proceeds of your investment in the Fund will be used to finance any illegal activities
- you, your agent or your nominated representative will provide us with all additional information and assistance that we may request in order for us to comply with any AML/CTF Law, and
- you will notify us if you are or become:
  - a 'politically exposed' person or organisation for the purposes of any AML/CTF Law, or
  - commonly known by a name other than the name provided in the form you complete at the time of applying for an investment in the Fund.

By applying to invest in the Fund, you also acknowledge that we may:

- decide to delay or refuse any request or transaction, including by suspending the issue or redemption of units in the Fund, if we are concerned that the request or transaction may breach any obligation of, or cause us to commit or participate in an offence under any AML/CTF Law, and we will incur no liability to you if we do so
- take other action we reasonably believe is necessary to comply with AML/CTF Law, including disclosing any information that we hold about you to any of our related bodies corporate or service providers whether in Australia or outside Australia, or to any relevant Australian or foreign AML or CTF regulator, and
- collect additional information about you from time to time, from you or from third parties, for the purposes of satisfying our AML/CTF Law obligations, and that we may use and disclose any such information as described in the privacy statement in this section.

### Identification information and documents

To comply with our obligations under anti-money laundering and counter-terrorism financing legislation, we must collect certain information about each investor, supported by relevant identification documents. Examples of identification documents include passports and driver's licences for individuals, and evidence of registration for entities such as companies. The documents you will need to provide are listed in the form you complete at the time of applying for an investment in the Fund.

# Applying for an investment in the Fund

## How to apply

### Platform operators

Please contact our Client Services team on 1800 658 404 to obtain an application form.

### Indirect investors

Your financial adviser or platform operator will provide you with information about how to apply for an investment in the Fund, including the form you will need to complete and the method of paying your investment amount.

## Minimum investment amounts

### Platform operators

- Initial investment – \$500,000
- Additional investment – \$5,000

We reserve the right to accept lower investment amounts.

### Indirect investors

Your financial adviser or platform operator will provide you with details of the minimum initial and additional amounts set by the platform operator.

## Application information for platform operators

### Providing a Tax File Number (TFN)

You do not have to provide a TFN, exemption code or Australian Business Number (ABN). However, if you do not provide any of these, we are required to deduct tax from most income distributions including where those distributions are reinvested, at the highest marginal tax rate (including the Medicare levy).

### Signing the application form

The application form should only be completed and signed by:

- the person who is, or will become, the unitholder
- an authorised signatory if the application is on behalf of a company, trust or superannuation fund, or
- an agent for the investor, acting under power of attorney or as a legal or nominated representative.

### Power of attorney

If you are signing under power of attorney, you are verifying that, at the time of signing, you had not received notice of revocation of that power of attorney. A certified copy of the power of attorney must be given to us with the completed application form.

### Trustees

If you are a trustee, you warrant that, at the time of signing, you are authorised under the relevant trust deed, to apply and to do all things necessary as a result of becoming a unitholder.

# Contacting AMP Capital Investors

For information about investing with AMP Capital Investors, please contact us.

## **Sydney office**

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50 Bridge Street  
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## **Mailing address**

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## **Fax**

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**Investing. It's what we do.**