

ipac Income Generator

Incorporated information Personal investors



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Important information

This document provides information incorporated by reference in the ipac Income Generator Personal investors Product Disclosure Statement (PDS) dated 30 September 2024, and forms part of the PDS. A copy of the PDS and the incorporated information can be obtained free of charge, on request by contacting us on 133 267 or online at amp.com.au/investments-pds-iwig-h for the PDS and at amp.com.au/investments-ibr-iwig-h for the Incorporated information.

Before making a decision about investing or reinvesting in the ipac Income Generator (the Fund), you should read the PDS and all incorporated information. The information in this document is general information only and does not take into account any investor's personal objectives, financial situation or needs. All investors should obtain financial advice that is tailored to their circumstances.

In addition, you should also review the Target Market Determination (TMD) for the Fund before making an investment decision to consider whether the Fund is appropriate for you. A TMD in respect of the Fund is available at amp.com.au/investments-tmd.

No company in the AMP Group or any investment manager assumes any liability to investors in connection with investment in the Fund or guarantees the performance of the Responsible Entity's obligations to investors, the performance of the Fund or any particular rate of return. The repayment of capital is not guaranteed. Investments in the Fund are not deposits or liabilities of any company in the AMP Group.

NMF has provided consent to the statements made by or about them in this document and has not withdrawn this consent prior to the issue of this document. No company in the AMP Group other than the Responsible Entity is responsible for any statements made in this document.

Issuer and responsible entity	ipac Asset Management Limited (ABN 22 003 257 225, AFSL 234655) – referred to in this document as 'the Responsible Entity'.
Investment manager	National Mutual Funds Management Ltd (ABN 32 006 787 720, AFSL 234652) – referred to in this document as 'NMF', 'the investment manager', 'AMP Investments', 'we', 'our' or 'us'.
Fund	ipac Income Generator - also referred to in this PDS as 'the Fund' (APIR code IPA0173AU)
Unit class	Off-platform Class H

1. Fund features

Overview of the Fund

The Fund has been designed with a particular focus on regular and stable income, capital preservation and medium to long term capital growth.

Our investment approach

The Fund invests in a diversified mix of growth and defensive assets, with a focus on income generation. It invests across a range of specialist investment managers. While open to all investors, the Fund has been designed with low marginal tax rate payers in mind.

In managing the Fund, we:

- target investment strategies where income comprises a high proportion of total return and, preferably, with franking credits attached
- select managers that demonstrate a successful track record in income-oriented strategies and satisfy our due diligence requirements around research capabilities, skill levels, operational excellence and appropriate fees, and
- allocate between strategies in a manner intended to optimise each strategy's contribution to Fund objectives while also accounting for risk.

In seeking to deliver its income objective, the Fund makes income payments, usually on a monthly basis. In addition, any capital gains the Fund makes will be paid in a separate distribution that is automatically reinvested to help grow your capital base (and, therefore, the income it can deliver) over time.

Fund profile

The Fund is actively managed to achieve its objectives.

Underlying strategies are primarily accessed through a range of specialist managers whose strategy objectives strongly align to the Fund's.

Key features of underlying strategies can include:

- a focus on delivery of income. In Australian equities, for example, the primary objective is to 'deliver in excess of 125% of the gross yield of the S&P/ASX200 Accumulation Index'.
- constraints around security and sector allocations, in place to achieve a more broadly diversified portfolio of underlying securities.

Typically, investments include:

- **Australian equities:** Equity securities listed on the Australian Securities Exchange that deliver high franked dividend payments supported by high quality earnings growth.
- **International equities:** Global equity securities paying high dividends supported by high quality earnings growth.
- **Property:** Listed real estate securities providing access to high quality rental income streams and capital growth.
- **Infrastructure:** Listed and unlisted investments that provide cash flows linked to real assets. These assets are typically linked to regulated or contractual cash flows and aligned to movements in inflation.
- **Fixed interest:** Primarily investment grade rated corporate bonds (those rated BBB- or above by Standard and Poor's or equivalent).

- **Hybrids:** Securities that combine two or more different instruments, for example convertible bonds, which have the features of ordinary bonds but are influenced by the price movements of the equity into which they can be converted

- **Inflation-linked bonds:** Primarily government issued bonds where payments are linked to the Australian Consumer Price Index.

Hedging

The Fund has a targeted exposure to foreign currency via its international holdings. We maintain a currency hedging strategy around this exposure.

Borrowing

The Fund may borrow to meet its short-term liquidity needs. Our intention is that borrowing only be undertaken in exceptional circumstances, for example to fund redemptions, and that borrowing will not normally exceed 10% of the gross value of the Fund at the time the borrowings are incurred.

Derivatives

The Fund may use derivatives with the aim of:

- implementing the investment objectives of the Fund
- enhancing returns by taking advantage of favourable mispricings within a market, as a cost-effective alternative to purchasing physical assets, and
- 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.

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

2. 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 its investment objective 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 income and 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
- the stated aims and objectives of the Fund may not be met
- 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, and
- your investment in the Fund may decrease in value, which means you may get back less than you invested.

As the risks noted in this section do not take into account your personal circumstances, you should also consider the information provided under 'Making an investment decision' in this section before making a decision about investing or reinvesting in the Fund.

Risks specific to the Fund

Asset allocation

There is no guarantee that the asset allocation approach will provide positive investment performance at all stages of the investment cycle.

Share market investments

Share markets can be volatile, meaning they have the potential to rise and fall by large amounts over short time periods. Over the long term, share market investments have historically produced higher returns than cash or fixed interest investments, but there is always the risk of capital loss especially over the shorter term. The value of listed share market securities may fall in response to broad dynamics, such as a slowdown in economic growth, or due to factors specific to individual sectors or companies, such as disappointing profits or management changes.

Credit

Credit risk is the risk that the security issuer may default on interest payments, the repayment of capital, or both. Fixed income securities are subject to credit risk. Asset values may be impacted by changes in the credit quality or credit rating of a security issuer as well as changes in the value of other similar securities. Investments in government, corporate or other securities with a non-investment grade credit rating (that is, Standard & Poor's BB+ rating or equivalent, or less) carry increased default risk.

Interest rates

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

Listed infrastructure

Listed infrastructure securities are shares in publicly-traded companies that own, develop, manage and operate physical infrastructure assets. In addition to the risk characteristics of share market investments, these securities may also be affected by risks relating to the underlying direct infrastructure assets to which they are exposed. Such factors may include construction and project costs, interest rates and the ability to meet debt commitments, asset usage and regulatory changes.

Unlisted infrastructure investments

Investment in unlisted infrastructure may carry risks relating to factors such as:

- Interest rates and the ability to meet debt commitments.
- Construction and project management costs.
- The expected usage and subsequent returns on an underlying asset.
- Regulatory changes.

An unlisted infrastructure asset's carrying value may not reflect its current realisable value. This may be due to a range of factors including liquidity pressures, market sentiment, availability of willing purchasers and delays between asset valuation and realisation.

Listed property

Listed property securities are shares in publicly-traded companies that own, develop, manage and operate physical property assets. In addition to the risk characteristics of share market investments, these securities may also be affected by risks relating to the underlying direct property assets to which they are exposed. Such factors may include the quality and location of underlying properties, rental profile and income, interest rates and the ability to meet debt commitments, and liquidity.

Unlisted property investments

Investment in unlisted property may carry risks relating to factors such as:

- The quality of underlying properties.
- Geographic location.
- Costs and losses associated with natural disasters or other events outside of a manager's reasonable control.
- Demand and supply for commercial properties.
- The rental profile of the properties owned and the level of rental income.

An unlisted property asset's carrying value may not reflect its current realisable value. This may be due to a range of factors, including liquidity pressures, market sentiment, availability of willing purchasers and delays between asset valuation and realisation.

International investments

Changes in global economic and market conditions may affect the value of offshore investments. International investments may also be subject to:

- **Currency risk** – where investments are located overseas, the relative strength or weakness of the Australian dollar against other currencies may influence the value of, or income from, an investment.
- **Currency hedging** – international investments may be hedged to the Australian dollar to protect against currency risk. Even where currency hedging is in place, the Fund could still incur losses related to exchange rate movements, and the hedging itself may give rise to risks such as illiquidity or default by the other party to the hedging transaction.
- **Offshore jurisdictional risk** – the laws by which offshore assets are governed may not provide equivalent protection to that of Australian laws and it may be more difficult for the Fund to recover the full value of offshore assets.

Emerging markets

Emerging markets investments are those made in developing countries. As securities markets in developing countries are typically smaller, clearance and settlement procedures may be less sophisticated which could lead to delays in settling trades and registering securities transfers. Emerging markets can be more volatile than developed markets due to factors such as lower political stability, less market transparency and exchange rate uncertainty.

Climate

Climate-related risks reflect the potential negative effects of climate change on an entity. These can be categorised as physical or transition risks.

- **Climate-related physical risks** - can be event-driven (acute physical risk) or arise from longer-term shifts in climatic patterns (chronic physical risk). Acute physical risks arise from weather-related events, such as storms, floods, drought or heatwaves, of which there is evidence of increasing severity and frequency. Chronic physical risks can include changes in precipitation and temperature which have been shown to adversely impact sea levels, water availability, biodiversity and soil productivity. Climate-related physical risks may carry financial implications for an entity such as the cost of direct damage to assets or indirect effects of supply-chain disruption.
- **Climate-related transition risks** - are those that arise from efforts to transition to a lower carbon economy. Transition risks include policy, legal, technological, market and reputation risks. These may carry financial implications for an entity such as increased operating costs or asset impairment. An entity's financial performance could also be affected by shifting consumer demands and the development and deployment of new technology.

Convertible securities

As convertible securities are a combination of debt and equity, they have the risk characteristics of both fixed income and share market investments, as well as derivatives if applicable. In addition, there is the risk that convertible securities may not be able to be exchanged readily for cash or for an equivalent asset value.

Counterparty and default

A counterparty is another party in a financial transaction. Counterparties can include the issuers of securities in which the Fund invests and participants in financial transactions into which the Fund enters. Losses can be incurred if a counterparty fails to honour its financial or contractual obligations. Asset values may be impacted by changes in the credit quality or credit rating of a counterparty. Investments in derivatives, fixed income and credit are subject to counterparty and default risk.

Investment management

There is a risk that the investment manager, or underlying managers in which the Fund invests, does not perform to expectations. Changes, such as to the choice of underlying manager or within investment teams, may affect the Fund's performance.

Alternative assets

- The degree of transparency for investment in alternative assets is often lower than for investments in traditional asset classes.
- Investment risks such as credit risk (the risk of default by a counterparty) and liquidity risk (risk that the Fund cannot easily unwind or offset a particular position, especially in a market downturn) may be magnified.
- Positions may be leveraged through the use of derivatives, gearing and short selling.
- Investment returns are often generated by the strategies used by the alternative asset manager rather than exposure to specific markets or assets. Alternative investments may therefore underperform other index-based investments, such as share market investments, particularly in times of strong economic growth.
- The carrying value of an alternative asset may not reflect its current realisable value. This may be due to a range of factors including liquidity pressures, market sentiment, supply and demand dynamics and delays between asset valuation and realisation.

Liquidity

Liquidity refers to the ease with which an asset can be traded (bought and sold). Assets that carry liquidity risk may be more difficult to buy or sell and it may take longer for their full value to be realised. Market conditions may adversely impact asset liquidity and may impact our ability to meet withdrawal requests within the periods specified under the 'Payment times' section of this document.

Listed hybrid securities

As listed hybrid securities are a combination of debt and equity, they have the risk characteristics of both fixed income and share market investments, as well as derivatives if applicable. In addition, there is the risk that they may not be able to be exchanged readily for cash or an equivalent asset value.

Securities lending

The Fund, and underlying funds or entities in which it invests, may engage in securities lending and borrowing, which involves transfer of title of eligible securities and other assets. While this may benefit the Fund in the form of increased returns, there is a risk of capital loss.

Unforeseen extraordinary events

Certain events beyond our reasonable control such as natural disasters or phenomena, changes in government or government policies, political unrest, war and terrorism may affect market and asset prices and give rise to increased or prolonged market volatility. It may not be possible to insure assets against some of these events and their duration and potential impact may not be foreseeable.

Other risks

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

Making an investment decision

As the risks noted in this document do not take into account your personal circumstances, you should consider the following before making a decision about investing or reinvesting in the Fund:

- **Obtain professional advice** to determine if the Fund suits your investment objectives, financial situation and particular needs.
- **Ensure** you have read the most up-to-date ipac Income Generator PDS, available on our website at amp.com.au/investments-pds-iwig-h.
- **Consider** the suggested minimum investment timeframe for the Fund, as set out in the Fund's PDS.
- **Regularly review** your investments in light of your investment objectives, financial situation and particular needs.

3. Fees and costs

Fees and costs summary

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

Taxes are set out in another part of this document. You should read all the information about fees and costs because it is important to understand their impact on your investment. Unless otherwise specified, all dollar amounts are Australian dollars.

Table 1

ipac Income Generator

Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs		
<i>Management fees and costs</i> ¹ The fees and costs for managing your investment.	0.82% pa of the Fund's net assets	Management fees and costs are comprised of: <ul style="list-style-type: none"> – a management fee² - calculated daily and paid monthly out of the Fund's assets and reflected in the unit price. – indirect costs³ - paid out of the Fund's assets or interposed vehicle's⁴ assets once the cost is incurred and reflected in the unit price.
<i>Performance fees</i> ⁵ Amounts deducted from your investment in relation to the performance of the product.	Nil	Not applicable
<i>Transaction costs</i> ⁶ The costs incurred by the scheme when buying and selling assets.	0.04% pa of the Fund's net assets	Paid out of the Fund's assets when the costs are incurred and reflected in the unit price. The amount shown is net of any transaction costs recovered from investors via buy-sell spreads (see below).
Member activity related fees and costs (fees for services or when your money moves in or out of the scheme)		
<i>Establishment fee</i> The fee to open your investment.	Nil	Not applicable
<i>Contribution fee</i> The fee on each amount contributed to your investment.	Nil	Not applicable
<i>Buy-sell spread</i> ⁶ An amount deducted from your investment representing costs incurred in transactions by the scheme.	0.10%/0.12%	When you invest or withdraw from the Fund, you may incur buy and sell spreads applicable at the time and this amount is reflected in the unit prices for the Fund. The buy spread is taken out of application amounts. The sell spread is taken out of withdrawal amounts.
<i>Withdrawal fee</i> The fee on each amount you take out of your investment.	Nil	Not applicable
<i>Exit fee</i> The fee to close your investment.	Nil	Not applicable
<i>Switching fee</i> The fee for changing investment options.	Nil	Not applicable

- 1 Management fees and costs are expressed as a percentage of the Fund's net assets. Management fees and costs are made up of a management fee, recoverable expenses and estimated other indirect costs. The sum of these figures may differ to the total management fees and costs, due to rounding. For more information about management fees and costs, see 'Management fees and costs' under the heading 'Additional explanation of fees and costs'.
- 2 The management fee may be negotiated with investors who are wholesale clients for the purposes of the Corporations Act. See 'Differential fees' under the heading 'Additional explanation of fees and costs'.
- 3 For more information on the meaning and calculation of indirect costs, see 'Indirect costs' under the heading 'Additional explanation of fees and costs'.
- 4 For more information on the meaning of interposed vehicles, see 'Indirect costs' under the heading 'Additional explanation of fees and costs'.
- 5 No performance fees are charged in relation to the Fund or any interposed vehicle.
- 6 For more information about transaction costs and buy/sell spreads that may apply, see 'Transaction costs' under the heading 'Additional explanation of fees and costs'.

Important

Advice fees agreed between you and your financial adviser and other service fees may apply to your investment in the Fund. Advice fees may be in the form of an investment advice fee and/or an ongoing advice fee. Please refer to 'Payments to your financial adviser' in this section for information about the advice fees that may be payable.

Additional explanation of fees and costs

Management fees and costs

Management fees and costs are expressed as a percentage of the Fund's net assets, rounded to two decimal places. Management fees and costs are made up of a management fee and estimated indirect costs. Any management fees or indirect costs charged by interposed vehicles are included in the management fees and costs in Table 1; they are not an additional cost to you.

Management fees and costs components

The management fees and costs shown in Table 1 comprise the following components. The sum of these figures may differ to the total management fees and costs, due to rounding. All figures in the table below are expressed as a percentage of the net assets of the Fund.

Management fee (% pa)	Recoverable expenses ¹	Indirect costs (% pa)	Estimated other indirect costs
0.79%	0.02%		0.01%

1 The recoverable expenses are the expenses reimbursed from the Fund in the previous financial year. Past recoverable expenses reimbursed from the Fund may not be a reliable indicator of future recoverable expenses. See the 'Recoverable expenses' section for further information.

Management fee

The management fee is charged by the Responsible Entity for managing and operating the Fund. The management fee of 0.79% pa is charged on the net value of the assets of the Fund. The fee is calculated and charged in this way even though the constitution allows management fees to be based on the gross value of the assets (that is, without deducting the value of any borrowings, other liabilities or provisions).

Indirect costs

Indirect costs are generally any amount the Responsible Entity knows, or estimates, will reduce the Fund's returns, that are paid from the Fund's assets or the assets of interposed vehicles.

Generally, an interposed vehicle is a body, trust or partnership in which the Fund's assets are invested. It includes, for example, an underlying fund.

The amount of indirect costs include, but are not limited to:

- recoverable expenses of the Fund
- management fees and costs of an interposed vehicle (including recoverable expenses and any other indirect costs of underlying managers or interposed vehicles in which the Fund invests), and
- a reasonable estimate of the costs of investing in over-the-counter (OTC) derivatives (either at the Fund level or in interposed vehicles), which may be used by the Fund to gain economic exposure to assets (if applicable).

The amount of indirect costs shown in the 'Management fees and costs component' table is based on the Responsible Entity's knowledge of, or where required, reasonable estimate of, such costs. Indirect costs are generally calculated on the basis of indirect costs paid by the Fund in the Fund's previous financial year. As such, the actual indirect costs may differ from the amount shown in the 'Management fees and costs components' table. Indirect costs are deducted from the returns on your investment or from the Fund's assets as a whole. They are reflected in the unit price and are not an additional cost to you.

Estimated indirect costs are included in the management fees and costs in Table 1.

Recoverable expenses

The Fund's constitution entitles the Responsible Entity to be reimbursed from the Fund for any expenses incurred in relation to the proper performance of its duties.

The Responsible Entity may also recover other expenses relating to the operation of the Fund. These expenses include but are not limited to audit and legal fees, tax and accounting services, custody, administration and registry services, regulatory compliance, the cost of preparing disclosure documents and costs associated with a securities lending program (if applicable). Internal expenses incurred in connection with these matters may also be recovered from the Fund. Recoverable expenses are included in the management fees and costs in Table 1.

Performance fees

No performance fees are charged in relation to the Fund or any interposed vehicle.

Updated fees and costs information

The fees and costs information is based on the Responsible Entity's actual knowledge, or reasonable estimate, of the particular fee or cost. Estimates may be based on a number of factors, including (where relevant), previous financial year information, information provided by third parties or as a result of making reasonable enquiries, and typical costs of the relevant investment. As such, the actual fees and costs may differ and are subject to change from time to time. Updated information that is not materially adverse to investors will be updated online at amp.com.au/investments-pds, or you may obtain a paper copy or an electronic copy of any updated information from us, free of charge, on request. However, if a change is considered materially adverse to investors, the Responsible Entity will issue a replacement PDS and/or updated incorporated information, both of which will be available online. You can also obtain a copy of these documents free of charge, by contacting us.

Transaction costs

The Fund incurs transaction costs when dealing with the assets of the Fund. Transaction costs may include transactional brokerage, clearing costs, stamp duty, the buy and sell spreads of any underlying fund and the costs of (or transaction costs associated with) derivatives. These costs will differ according to the type of assets in the Fund, or the purpose for which any derivatives are acquired, and will be paid out of the Fund's assets when incurred.

We estimate the Fund's total gross transaction costs to be approximately 0.05% of the net assets of the Fund. The transaction costs included in Table 1 are shown net of the buy-sell spread incurred by investors.

Buy and sell spreads

Transaction costs associated with dealing with the Fund's assets may be recovered by the Fund from investors.

Investments and withdrawals in the Fund may incur buy and sell spreads, which are designed to ensure, as far as practicable, that any transaction costs incurred as a result of an investor entering or leaving the Fund are borne by that investor, and not other investors.

Buy and sell spreads are calculated based on the actual or estimated 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 in different market conditions or the costs that the Fund has actually paid, and will be reviewed whenever necessary to ensure they remain appropriate.

When you enter or leave the Fund, any buy or sell spread applicable at that time is a cost to you and is reflected in the unit price. The buy and sell spreads are retained within the Fund, as assets of the Fund; they are not fees paid to the Responsible Entity, NMFM or any investment manager.

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

Based on the buy and sell spreads included in Table 1, an investment of \$50,000 would incur a buy spread of \$50, and a withdrawal of \$50,000 would incur a sell spread of \$60. This is an example only; it is not an estimate or forecast. The actual buy and/or sell spreads may be higher or lower.

Current buy and sell spreads can be obtained online at amp.com.au/investments-spreads or by contacting us.

If investments and withdrawals in the Fund incur buy and sell spreads, we estimate that a buy spread of 0.10% and a sell spread of 0.12% will recover all of the Fund's transaction costs incurred due to investor activity. However, the balance of the Fund's transaction costs will be borne by the Fund from the Fund's assets without any recovery from individual investors and reflected in the Fund's unit prices.

The following table shows a breakdown of the total estimated transaction costs and how these are borne by investors.

Total estimated transaction costs	0.05%
Estimated transaction costs offset by buy/sell spreads	0.01%
Estimated transaction costs borne by the Fund	0.04%

Other costs

Borrowing costs

Borrowing costs (or gearing costs) are the costs associated with borrowing money or securities (such as interest, establishment fees, government charges and stock borrowing fees). Borrowing costs are paid out of the Fund's assets or the underlying fund's assets (as the case may be) and reflected in the unit price.

Borrowing costs are additional to the fees and costs noted in Table 1 above.

Costs related to certain specific assets or activities to produce income

The Fund may also incur costs (related to certain specific assets or activities to produce income) that an investor would incur if they invested directly in a similar portfolio of assets. These costs will be paid out of the Fund's assets and are additional to the fees and costs noted in Table 1 above.

Liabilities properly incurred

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

Maximum fees

The maximum fees that can be charged under the Fund's constitution (exclusive of GST) are:

- **Contribution fee** – 5% of the application amount. Currently, no contribution fee is charged.
- **Withdrawal fee** – 2% of the withdrawal amount. Currently, no withdrawal fee is charged.
- **Management fee** – 5% per annum of the net asset value of the Fund. The current management fee charged is shown in the 'Management fees and costs components' table.
- **Switching fee** – 2% of the switching amount. Currently, no switching fee is charged.

Under the Fund's constitution, the Responsible Entity is entitled to be paid an additional amount on the above fees, on account of GST, calculated in accordance with the Fund's constitution.

Goods and Services Tax (GST)

Unless otherwise stated, the fees and other costs shown in this section are inclusive of GST, less reduced input tax credits or other input tax credits claimable, rounded to two decimal places. For information about the tax implications of investing in the Fund, refer to the 'Taxation' section of this document.

Differential fees

A rebate of part of the management fee or a lower management fee may be negotiated with investors who are wholesale clients for the purposes of the Corporations Act or with AMP Group staff. Further information can be obtained by contacting us.

Alternative forms of remuneration

NMFM and the Responsible Entity may provide alternative forms of remuneration, such as professional development, sponsorship and entertainment for financial advisers, dealer groups and master trust or investor directed portfolio service (IDPS) operators, where the law permits. Where such benefits are provided, they are payable by NMFM or the Responsible Entity and are not an additional cost to you. NMFM and the Responsible Entity maintain a register to record any material forms of alternative remuneration NMFM or the Responsible Entity may pay or receive.

Payments to your financial adviser

Advice fees

You may agree with your financial adviser that advice fees will be paid for financial planning services your financial adviser provides for you. These advice fees are additional to the fees shown in Table 1, and are paid to your financial adviser, not to us or the Responsible Entity.

Advice fees may be in the form of:

- an investment advice fee, and/or
- an ongoing advice fee,

as described below.

You and your financial adviser determine the amount of any advice fees and how they will be charged. This information must be noted on your application form when you make your initial investment and each time you make an additional investment.

Investment advice fee

This fee is charged when you make your initial investment in the Fund and each time you make an additional investment. The fee can be either a fixed percentage of each investment amount or a set dollar amount.

We deduct the fee from each investment amount and forward it to your financial adviser before issuing units in the Fund.

Please note that this fee does not apply to investments made through a regular investment plan.

Ongoing advice fee

This fee can be either a set percentage of your investment account balance at the end of each month or a set dollar amount.

We deduct the fee monthly from your investment account (by selling the appropriate number of units) and forward it to your financial adviser.

You can change the ongoing advice fee at any time by written agreement between you and your financial adviser, and you can cancel the ongoing advice fee at any time. You will need to notify us of any change or cancellation in writing, by mail. Any request for changes or cancellations will need to be provided at least three (3) Business Days prior to the end of the month for the change or cancellation to take effect that month. A Business Day for us is any day other than Saturday, Sunday or a bank or public holiday in Sydney, NSW.

Tax

Selling units to pay an ongoing advice fee may have capital gains tax implications, although some investors may be entitled to a capital gains tax discount if they have held the units for more than 12 months.

Depending on your personal circumstances, you may also be entitled to claim advice fees as deductible expenses on your tax return. You should seek appropriate tax advice about the tax implications, if any, for you.

Other payments and benefits

Your financial adviser may receive payments and/or other benefits from the dealer group or organisation under which they operate. These payments and benefits are not a cost to the Fund.

Other payments

Payments such as online brokerage payments may be made to other parties in relation to your investment in the Fund.

These costs are paid out of the management costs; they are not an additional cost to you.

4. Taxation

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.

These comments are for information purposes and are intended for tax paying investors who hold their investment on capital account for income tax purposes and are based on our interpretation of Australian taxation laws and Australian Taxation Office administrative practices at the date of publication of this document.

The Fund is a Managed Investment Trust (MIT) and will be administered as an Attribution Managed Investment Trust (AMIT).

Under the AMIT tax regime, you are taxed on the taxable income that is attributed to you by the Responsible Entity on a fair and reasonable basis and in accordance with the Fund's constitution. You may be entitled to tax offsets, which reduce the tax payable by you, and concessional rates of tax may apply to certain forms of taxable income such as capital gains.

Australian resident individuals are liable to pay tax at their marginal rates on the taxable income attributed to them from the Fund. Generally, tax is not paid on behalf of investors. If you are not an Australian resident for income tax purposes, withholding tax may be payable on the taxable income of the Fund attributed to you at prescribed rates (even if not distributed in cash). Any withholding tax payable may be deducted from cash distributions or redemption proceeds, with any unrecovered withholding tax being a debt owing from you to the Fund.

Please note that at the time of your initial or additional investment there may be unrealised capital gains or accrued income in the Fund. If later realised, these capital gains and income may form part of the taxable income attributed to you. In addition, there may be realised but undistributed capital gains or income in the Fund, which may form part of the taxable income attributed to you.

Any losses generated by the Fund cannot be passed onto investors. However, where specific requirements are satisfied, the Fund should be eligible to offset losses to reduce later year income or capital gains.

You may also be liable to pay capital gains tax on any capital gains in respect of your investment, such as from disposing of your investment. You may instead realise a capital loss in respect of your investment, which may be used to reduce capital gains in the same or later years. The cost base of your investment, which is relevant when calculating any such capital gains or losses, may change over the duration of holding your investment. The cost base of your interest in the Fund may increase or decrease if the taxable income attributed to you differs to the amounts that you have received as a cash distribution.

Each year we will send you an AMIT Member Annual Statement (AMMA Statement), which will contain details of the taxable income attributed to you for the year, together with any net cost base adjustment amount by which the cost base of your interest in the Fund should be increased or decreased.

Taxation laws and administrative practices change from time to time. Such changes may impact the taxation of the Fund and you as an investor. It is your responsibility to consider and monitor the impact of any taxation reforms impacting your investment.

Providing a Tax File Number (TFN)

You do not have to provide a TFN, exemption code or Australian Business Number (ABN) when you complete an application to invest or reinvest in the Fund. However, if you do not provide any of these, the Responsible Entity is required to withhold an amount equal to the highest marginal tax rate (plus any applicable levies) multiplied by the amount of taxable income attributed to you (even if not distributed in cash). Any such amount may be deducted from cash distributions or redemption proceeds, with any unrecovered amount being a debt owing from you to the Fund.

5. Distributions

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.

Any distributions you receive may affect the social security benefits to which you are or may be entitled, and you should consider discussing this with your financial adviser and Services Australia (Centrelink or the Department of Veterans' Affairs) (if applicable) before investing.

Distributions will normally be paid within 30 days of the end of the period and must be paid within three months of the end of the period (if a distribution is to be paid for that period). The June income distribution will be paid to investors in the fund as at the Distribution Date. The Distribution Date will be a date up to five Business Days prior to the 30 June distribution, as determined each year by NMF. (see 'Distributions in June summary').

Calculation of distributions

The Fund can earn income from its investments. It may also earn net realised capital gains.

The amount to be distributed by the Fund is calculated by deducting all expenses and fees incurred in respect of that Fund from the income and realised gains. The Responsible Entity may include a return of capital in the distribution.

The distribution amount is divided by the number of units on issue on the last day of the distribution period to provide a cents per unit distribution amount.

The amount each unitholder receives is calculated by multiplying the cents per unit distribution amount by the number of units held at the end of the last day of the distribution period. Each unit receives the same distribution amount, regardless of how long it has been held.

For example, if you held 50,000 units in the Fund, and the Fund paid a distribution of \$0.02 per unit for the distribution period, you would receive \$1,000 (that is, 50,000 units x \$0.02 per unit).

The distribution amount will vary at each distribution. The total distributions for a financial year will be no less than the net income of the Fund for tax purposes.

Distributions are not guaranteed. Unit prices normally fall immediately after a distribution has been declared, because the net assets of the Fund have been reduced by the amount of the distribution.

Payment of distributions

The Fund will normally distribute income monthly in cash, but can make additional distributions at any time. The monthly distributions will be based on an estimate of the fund's annual income in the current financial year.

A key consideration if an investor is to maintain the purchasing power of their capital, and therefore the income their capital can potentially generate, is the need to maintain capital in the fund. To facilitate this outcome, Income Generator will pay, when necessary, any realised capital gains and any other distributable income as a separate distribution as at 30 June each year. This distribution will be automatically reinvested in the fund on your behalf. You will therefore see the number of units you have in the fund increase following the reinvestment of this distribution. You will not be charged a buy spread for the reinvestment of this distribution.

Investors can draw down on capital at any time. It should be noted that any reduction in capital and therefore the number of units, potentially reduces the level of income provided to you by Income Generator. In a similar way, any new investments to the fund increase the number of units you own and potentially increase the income that can be delivered.

Distributions in June summary

There may be two distributions made in June:

- a distribution representing a portion of the forecastable income earned by the Fund for the financial year. This distribution will be paid on the Distribution Date.
- a distribution representing realised capital gains and any other distributable income for the financial year. This distribution will be paid with an effective date of 30 June.

Please note that investors who invest after the Distribution Date but on or prior to 30 June will not receive the income distribution paid as at the Distribution Date. Investors will receive the 30 June distribution which will be reinvested on their behalf.

Reinvestment

Under the Fund's constitution, the issue price for reinvested distributions is determined by the net asset value (adjusted by any distribution payable), any transaction costs and the number of units on issue in the unit class as at the last day of the distribution period. However, no buy spread is applied to reinvested distributions (see 'Buy and sell spreads' in the 'Fees and other costs' section of this document).

6. Investing in the Fund

How to invest

Applying for an initial investment

Complete the application form accompanying a current PDS and submit it to us with your initial investment amount of at least \$10,000, payable by direct deposit or direct debit. Refer to the payment instructions on the application form. You can download a paper copy of the application form at amp.com.au/investments-application-form-iwig.

The Responsible Entity reserves the right to accept lower investment amounts.

A current PDS and Incorporated information can be obtained, free of charge, online at amp.com.au/investments-pds-iwig-h and amp.com.au/investments-ibr-iwig-h or by contacting us on 133 267.

Making an additional investment

You can make additional investments of at least \$5,000 at any time, payable by direct deposit or direct debit. 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.

Setting up a regular investment plan

The regular investment plan enables you to invest regular monthly amounts by direct debit (see below). A minimum investment amount of \$500 per month applies. You will need to complete an application form when you set up or change your regular investment plan. Regular investments are made on the basis of the PDS current at the time of the regular investment.

Direct debit

You will need to complete the direct debit request in the application form, providing the details of the bank account from which you would like us to deduct your investment amount and acknowledging that you have read and understood the direct debit request terms and conditions set out in the application form.

Initial and additional investments

Direct debiting on your nominated account should occur within five (5) Business Days of the date we receive your application form.

Regular investment plans

Direct debiting on your nominated account should occur around the 20th of each month. Please note that if we receive your regular investment plan application after the 13th of the month, your first direct debit may not occur until around the 20th of the following month.

Terms and conditions of investing

The offer to invest in the Fund is subject to the terms and conditions described in the Fund's current PDS and incorporated information, and as set out in the Fund's constitution (see the 'Other important information' section of this document). The Responsible Entity reserves the right to change the terms and conditions (see below) and to refuse or reject an application.

We can only accept applications signed and submitted from within Australia. We cannot accept cash.

Changes to the information in the PDS

Before making an investment decision, it is important to read a current PDS, as information provided in a PDS and in information incorporated by reference in the PDS, may change from time to time. If changes are not materially adverse to investors, the relevant information will be updated online at amp.com.au/investments-pds. However, if a change is considered materially adverse to investors, the Responsible Entity will issue a replacement PDS and/or updated incorporated information, both of which will be available online. You can also obtain a copy of these documents free of charge, by contacting us.

Processing applications

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 Sydney, NSW.

Currently, if we receive an application after 1.00pm or on a non-Business Day for us, we treat it as having been received before 1.00pm the next Business Day.

Issue price

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.

The market value and net asset value of the Fund are normally determined at least each Business Day, using the market prices and unit prices of the assets in which the Fund is invested.

The Responsible Entity may suspend unit pricing and exercise certain discretions in determining the unit price (see 'Unit Pricing Discretions Policy' in the 'Other important information' section of this document).

Interest earned on your application amounts

Your application amounts will be held in an applications account until units in the Fund are issued to you. Any interest earned on those amounts whilst they are held in the account will be credited to the Fund.

Nominated representative

You may nominate a representative to operate your investment in the Fund on your behalf. Your nominated representative will be able to exercise the same powers as you under the Fund's constitution, including transacting on your investment account.

Conditions

By nominating a representative, you agree to certain conditions, including indemnifying the Responsible Entity against any liabilities arising out of the nomination of your representative. You will be provided with the full terms and conditions when you nominate your representative.

Please contact us if you require further information.

Completing an application form

It is important that you fill out the application form correctly and provide all information and documentation as indicated in the form and applicable to your investment. Submitting an incomplete form or providing incomplete or incorrect information or documentation can delay the processing of your application, and the issuing of units to you.

We will only ask for information and documentation that we need:

- to set up and administer your investment account, such as bank account details for the payment of distributions, and
- to comply with legislation relevant to your investment.

Signing the 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.

Submitting your application

Initial investments

Mail your completed application form and identification documentation (**new investors only**) to:

National Mutual Funds Management Ltd
Reply Paid 125
Parramatta NSW 2124
(no stamp required)

Additional investments

Email your completed application form to trustinfo@amp.com.au or mail to the address above.

7. Accessing your money

Requesting a withdrawal

Nominated account

When you complete your application form, you nominate the account into which you would like withdrawals to be paid. Withdrawal amounts will only be paid into your current nominated account.

You can change your nominated account at any time by providing the new nominated account details to us in writing, by mail.

Withdrawal requests

You can request a withdrawal by completing a withdrawal form or sending us a letter, by email to trustinfo@amp.com.au or sending by mail.

Withdrawal forms can be obtained online at amp.com.au/investments-forms or by contacting us.

If requesting a withdrawal by letter, please include your client number, the name of the Fund and the withdrawal amount. Withdrawal request letters can only be accepted if they are signed by the authorised signatories.

Minimum withdrawal amount and account balance

A minimum withdrawal amount of \$5,000 applies, and a balance of \$10,000 is generally required to keep your investment open. If your account balance falls below this level, the Responsible Entity may redeem your investment and pay the proceeds to you. The Responsible Entity reserves the right, however, to accept lower account balances.

Processing withdrawal requests

Generally, if our office receives a withdrawal request before 1.00pm on a Business Day, your withdrawal will be processed using the withdrawal price for that day. If received and accepted after 1.00pm, it will be processed using the withdrawal price for the next day. If it is a non-Business Day in Sydney, your withdrawal will be processed using the next available withdrawal price.

The proceeds of your withdrawal request will usually be available within five (5) Business Days (see 'Payment times' in this section).

In circumstances where the Fund's portfolio consists of less than 80% in value of liquid assets, for example because of an unexpected fall in the value of those liquid assets against the value of the illiquid assets in the Fund's portfolio, we may not be able to meet withdrawal requests until the Fund's exposure to illiquid assets falls to 20% or less of its portfolio. We may, at our discretion, offer investors the opportunity to make withdrawals during this period. At such times, we will notify investors of the offer, providing details about:

- the period during which the offer will remain open, and
- which assets will be used to satisfy withdrawal requests.

We may also delay the payment and processing of your withdrawals in other circumstances (see 'Payment times').

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.

The market value and net asset value of the Fund are normally determined at least each Business Day, using the market prices and unit prices of the assets in which the Fund is invested.

The Responsible Entity may suspend unit pricing and exercise certain discretions in determining the unit price (see 'Unit Pricing Discretions Policy' in the 'Other important information' section of this document).

Payment times

Although the proceeds of your withdrawal request will usually be available within five (5) Business Days of receipt, you should be aware that:

- payment and processing of withdrawal requests is dependent on the Fund's cash position, and
- the Fund's constitution allows up to 365 days, or longer in some circumstances, to process withdrawal requests.

These circumstances include, but are not limited to:

- where the Responsible Entity is unable to realise sufficient assets due to circumstances beyond its control, such as restricted or suspended trading in the market for an asset, or
- if the Responsible Entity does not consider it is in the best interests of investors to realise sufficient assets to satisfy a withdrawal request.

Transfer of units

Please contact us for all transfer requests.

8. Other important information

The Fund's constitution

The Fund's constitution provides the framework for the operation of the Fund and with the Fund's PDS, the Corporations Act and other relevant laws, sets out the relationship between the Responsible Entity and unitholders. We will send you a copy of the Fund's constitution free of charge, on request.

Overview of the Fund's constitution

The Fund may have a number of classes of units. Under the Fund's constitution, the different unit classes may have different management costs, expenses and distributions, but otherwise all classes of units have similar rights. Some of the provisions of the Fund's constitution are set out in the Fund's PDS and in this document. Further provisions relate to:

- the rights and liabilities of unitholders
- the times when processing of withdrawal requests can be extended, such as if the Fund is illiquid 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
- the liability of the Responsible Entity to unitholders in relation to the Fund, which is limited to any liability imposed by the Corporations Act, so long as the Responsible Entity acts in good faith and without gross negligence
- the powers, rights and liabilities of the Responsible Entity, including its power to invest the assets of the Fund, to deal with itself and its associates, to be paid fees and to be reimbursed or indemnified out of the assets of the Fund
- the right of the Responsible Entity to be reimbursed by a unitholder or former unitholder for tax or expenses it incurs as a result of the unitholder's request, action or inaction, or to redeem units to satisfy amounts due to the Responsible Entity from a unitholder
- changing the Fund's constitution, including in some cases without unitholder approval, such as to meet regulatory changes
- the ability of the Responsible Entity to terminate the Fund at any time
- when the Responsible Entity 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.

Compliance plan

The Responsible Entity has a compliance plan for each Fund that it manages, which sets out the measures that will apply in operating the Fund to ensure compliance with the Corporations Act and each Fund's constitution. The compliance plan is lodged with the Australian Securities and Investments Commission (ASIC) and is audited by independent auditors annually to determine compliance with it. The Responsible Entity has the obligation to monitor compliance with the compliance plan and oversight of the effectiveness of the risk and compliance framework.

Related party transactions

Any transaction between NMFM or the Responsible Entity and any of their respective related parties must comply with related party protocols and NMFM policies and procedures. For these purposes, a related party includes certain entities and individuals that have a close relationship with NMFM or the Responsible Entity. Related parties of the Responsible Entity include the Responsible Entity itself, entities that the Responsible Entity controls, funds operated or managed by the Responsible Entity and agents of the Responsible Entity.

As at the date of this document, the relevant policies and procedures that apply to related party transactions of NMFM or the Responsible Entity are contained in the AMP Conflicts Management Policy. Under this Policy, the parties must transact on terms that would be reasonable if they were dealing at arm's length, relevant legislative requirements must be satisfied and the interests of investors must be protected. The Policy will be reviewed on a regular basis and may change from time to time. Further information on how we manage conflicts can be obtained by contacting us.

Under the Fund's constitution, the Responsible Entity may:

- deal with itself, an associate, investor or any other person
- be interested in and receive a benefit under any contract or transaction with itself, an associate, investor or any other person, or
- act in the same or similar capacity in relation to any other fund.

The Fund's constitution also provides that amounts may be paid to related parties for services provided to NMFM or the Responsible Entity in connection with the Fund and for expenses. These payments are on arm's length terms.

Continuous disclosure obligations

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 ASIC in relation to the Fund may be obtained from, or inspected at, an ASIC office or can be obtained free of charge by contacting us. These documents may include:

- the Fund’s annual financial report most recently lodged with ASIC, or
- the Fund’s half year financial report lodged with ASIC (after the lodgement of the annual financial report and before the date of the current PDS).

Where the Fund has continuous disclosure obligations, the Responsible Entity will meet those obligations by publishing material information online at amp.com.au/investments.

Your privacy

The main purpose in collecting personal information is so that we can set up and administer your investment account. If you do not provide the required information, we may not be able to process your application. If you would like us to not use your personal information for direct marketing purposes, please contact us.

Our Privacy Policy, which can be obtained online at amp.com.au/privacy or by contacting us, sets out our policies on management of personal information. This information may be disclosed to other members of the AMP Group, financial advisers where applicable, to external service suppliers (including suppliers that may be located outside of Australia) who supply administrative, financial or other services that assist us in providing services to you, and to anyone you have authorised or if required by law.

You may access personal information held about you, although there are some exemptions to this. If you believe information held about you is inaccurate, incomplete or out of date, please contact us.

Communicating electronically

When you communicate with us electronically (for example, by email), it is your responsibility to obtain confirmation from us that we have received your communication. Neither we nor the Responsible Entity are responsible for any loss or processing delay that occurs as a result of us not receiving your communication. Please note that we do not accept a sender’s record as evidence that a communication has been received by us. You also indemnify us and the Responsible Entity against any loss or liability arising from us or the Responsible Entity acting on any fraudulent communication received by electronic means.

Unit Pricing Discretions Policy

The Responsible Entity may exercise certain discretions in determining the unit price of units on application and withdrawal in the Fund. The Unit Pricing Discretions Policy, which can be obtained online at amp.com.au/investments or a copy can be obtained, free of charge, by contacting us, sets out the types of discretions that the Responsible Entity may exercise and in what circumstances the Responsible Entity exercises the discretions and the reasons why it considers the policies are reasonable. The Responsible Entity is required to keep a record of any instance where a discretion is exercised in a way that departs from these policies.

Asset Valuation Policy

The Fund invests by either holding assets directly or by investing into underlying funds. Generally, these assets or underlying funds will be valued each Business Day using latest available market prices or most recent unit prices supplied by the manager of the relevant underlying fund. For particular asset or fund types, including property and infrastructure, these may be valued less frequently eg quarterly. The NMFM Asset Valuation Policy sets out the processes for valuing these particular asset types.

Further information on the NMFM Asset Valuation Policy can be obtained online at amp.com.au/investments, or free of charge, by contacting us.

Labour standards and Environmental, Social and Governance (ESG) considerations

Factors informing our investment decisions are primarily financial and economic, including investment style and approach. AMP Investments acknowledges there are links between a company's environmental and social impacts, the quality of its corporate governance and its long-term financial success.

AMP Investments incorporates some consideration of ESG factors into the Fund's investment process, as more fully explained in the sections below.

Selecting underlying managers

AMP Investments appoints underlying investment managers to invest the Fund's assets. This is structured in either of two ways, as follows:

- *Direct holdings*: The Fund's assets are held directly under an investment mandate agreement with an underlying manager. In this instance, as Responsible Entity, we are able to influence the manager's ESG considerations.
- *Indirect holdings*: The Fund's assets are held indirectly via investment in an underlying manager's pooled fund. In this instance, the ESG policies of that manager's pooled fund may apply, and AMP Investments may or may not have influence over ESG considerations.

The majority of the assets of the the Fund are direct holdings. The amount of direct and indirect holdings may vary over time, depending on asset and manager allocation decisions, and market movements.

Selecting, retaining and realising investments

The Fund's underlying managers are responsible for selecting, retaining and realising investments in the Fund. ESG considerations can be incorporated into this process in two ways: restricted investments and active ownership and proxy voting.

1. Restricted investments

Restricted investments are represented in a Restricted investments list, which precludes an underlying manager from investing in certain companies and issuers based on AMP Investments' social and governance considerations.

For direct holdings, which is the majority of this Fund's assets, the investment mandate agreement with the underlying manager includes a Restricted investments list. Investment in companies and issuers on this Restricted investments list are restricted. Investment is restricted because AMP Investments' process has identified companies or issuers based on the following business activities:

- Verified involvement in cluster munitions, anti-personnel landmines, biological and chemical weapons (developing, marketing, sales, brokering, operating, stockpiling, testing, training, the upgrade of these types of weapons, and including key components that are specifically designed for these weapons).
- Production of tobacco and nicotine based electronic cigarettes products¹.
- A company earning more than 50% of its revenue from the sale or distribution of tobacco or nicotine based e-cigarettes to retailers and other distributors (as reported in audited financial statements or, if this information is unavailable, as estimated on a best-efforts basis by our external ESG data and research provider)¹.

When a new company or issuer is added to the Restricted investments list and an underlying manager already holds that security, AMP Investments will instruct the underlying manager to sell down this security as soon as practicable from when the contravention was identified. While we make every endeavour to exclude those companies and issuers on the Restricted investments list, there may from time to time be unintended exposure due to lack of data, corporate activity, or indirect exposure. The Restricted investments list, together with more detailed information on the screening process, can be found on our website at amp.com.au/ampi-restrictions-list.

For the portion of the Fund invested through indirect holdings, the Restricted investment list **does not apply**. The Restricted investments list also does not apply to cash, sovereign bonds, exchange traded funds and derivatives, whether held directly or indirectly.

2. Active ownership and proxy voting

Active ownership is the use of the rights and position of asset ownership to influence the activities and/or behaviour of investee companies. Where assets are directly held and invested via an investment mandate agreement, as part of its stewardship role the Responsible Entity exercises its rights as a shareholder of companies in which it invests on behalf of the Fund. The Responsible Entity generally delegates these actions to AMP Investments and the Fund's underlying investment managers.

As part of investment research and the proxy voting process, AMP Investments and the Fund's underlying investment managers may engage with the boards and management teams of companies in which the Fund invests.

The Fund's underlying managers are authorised to exercise any right to vote (or abstain) on ownership rights attached to a share or unit forming part of the Fund where there is the voting authority to do so. AMP Investments, on behalf of the Responsible Entity, retains the right to direct voting decisions where the assets are held directly through an investment mandate agreement.

Underlying managers may receive views provided by third parties as part of this process. The degree of reliance placed on such information is at the investment manager's discretion. AMP Investments' Proxy Voting Policy can be found on our website at amp.com.au/proxy-voting-policy.

Where assets are indirectly held, through investment manager's pooled funds, the underlying investment manager will exercise its right to vote, based upon its own research, views and policies.

1 These restrictions do not apply to companies supplying key products necessary and intended for the production of tobacco products, such as tobacco flavouring, cigarette filters, tobacco roll paper, cigarette manufacturing machines, tobacco packaging (includes printing and labelling), speciality cigarette cartons, films, aluminium foil and marketing services or companies that manufacture and operate cigarette vending machines.

Anti-Money Laundering and Counter-Terrorism Financing Law (AML/CTF), Sanctions Law (Sanctions), United States Foreign Account Tax Compliance (FATCA) and Common Reporting Standards (CRS) obligations

When you apply to invest, we rely on you to comply at all times with Australian, and all other applicable AML/CTF, Sanctions, FATCA and CRS obligations. You need to notify us immediately if you are aware of, or suspect that, any monies used to fund your investment have been or will be derived from, or are 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 activities'). We may ask you, your agent or your nominated representative to provide us with additional information and assistance to ensure we are also able to comply with all applicable AML/CTF, Sanctions, FATCA and CRS obligations.

Importantly, you must notify us immediately if you are, or become:

- a 'politically exposed' person or organisation as defined in either the *Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007* or as defined by the Financial Action Task Force
- subject of sanctions under the *Charter of the United Nations Act 1945* (Cth), *Autonomous Sanctions Act 2011* (Cth), Office of Foreign Assets Control (OFAC) sanctions programmes, or other applicable sanctions-related regulator, including
 - ownership or control by persons or entities referred to above, or
 - acting on behalf of or at direction of any persons or entities referred to above, or
 - being located, organised or resident in a country or territory that is the subject of sanctions that broadly prohibit dealings with that country or territory (including Cuba, Iran, North Korea, Syria, Russia and non-government-controlled regions of Ukraine).
- a tax resident in any foreign jurisdiction, or
- commonly known by a name other than the name provided in the form you completed at the time of applying for an investment.

You must notify us as soon as possible of any changes to your name or business name, address (residential or business), occupation or core business activity, or ownership including any beneficial owner changes or controlling person changes.

To ensure we are also able to comply with all applicable AML/CTF, Sanctions, FATCA and CRS obligations, we may:

- decide to delay or refuse any request or transaction, including by suspending the issue or redemption of units, 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, Sanctions, FATCA and CRS obligations, and we will incur no liability to you if we do so
- request further information from you, your agent or your nominated representative which we reasonably believe is necessary for us to comply with AML/CTF, Sanctions, FATCA and CRS obligations. Failing to provide us with this information in a reasonable time may result in restrictions on your account (including closure) in regard to any investment you have with us
- take other action we reasonably believe is necessary to comply with AML/CTF, Sanctions, FATCA and CRS obligations, including disclosing any information held 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 regulator, and
- collect additional information about you from time to time, from you, your agent or your nominated representative or from other third parties, for the purposes of satisfying AML/CTF, Sanctions, FATCA and CRS obligations, and that any such information may be used and disclosed as described in our Privacy Policy which can be obtained online at amp.com.au/privacy or by contacting us.

Contacting the Responsible Entity and NMFM

Further information

If you have questions about investing in the Fund or require further information, please contact our Client Services team on 133 267 between 8.30am and 5.30pm Sydney time, Monday to Friday.

Further information about the Fund is also available online at amp.com.au/investments. This information may include 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.

Communicating with you

Investment information

We will send you the following investment information:

- confirmation of each transaction (other than transactions made through a regular investment plan)
- quarterly statements which show the balance of your investment and any transactions made and fees charged since your last statement, and
- an AMMA statement at the end of each tax year.

Online access

You can view your investment information and statements online at any time. To register for online access, please apply at MyAMP **secure**. amp.com.au/registration or contact us.

Fund information

We will provide you with the following information free of charge, on request:

- the Fund's annual financial reports
- a paper copy of any updated information, and
- any replacement PDS or updated incorporated information.

Registered offices

ipac Asset Management Limited
50 Bridge Street
SYDNEY NSW 2000

National Mutual Funds Management Ltd
50 Bridge Street
SYDNEY NSW 2000

Mailing address of the Fund

National Mutual Funds Management Ltd
Reply Paid 125
PARRAMATTA NSW 2124
(no stamp required)

Client services

T: 133 267
8.30am – 5.30pm Sydney time,
Monday to Friday
E: ampinvestments@amp.com.au
W: amp.com.au/investments